HIND RECTIFIERS LIMITED

REGD. & H.O. LAKE ROAD, BHANDUP (W), MUMBAI - 400 078. • TEL.: +91 22 2569 6789 • FAX: +91 22 2596 4114
• www.hirect.com • corporate@hirect.com / marketing@hirect.com • CIN: L28900MH1958PLC011077

Ref. No. HIRECT/SEC/157

18th July, 2018

The General Manager
Corporate Relations Department
BSE Ltd.
1st Floor, New Trading Ring
Phiroz Jeejeebhoy Towers
Dalal Street Mumbai 400 001

The General Manager
Listing Department
The National Stock Exchange of India Ltd. "Exchange Plaza", C-1, Block 'G'
Bandra Kurla Complex
Bandra (East) Mumbai 400 051

Security Code No.: **504036/HIRECT**
Type of Security: **Equity**

Sub: **Intimation of the 60th Annual General Meeting**

Dear Sir(s),

This is to inform you that the **60th Annual General Meeting** of the Members of the Company will be held on **Monday the 13th day of August, 2018** at **12:00 noon** at **Odyssey, Mayfair Banquet, 254-C, Dr. Annie Besant Road, Worli, Mumbai 400 030 Maharashtra.**

The dates of closure of Register of Members and Share Transfer Books will be from Friday the 3rd day of August, 2018 to Monday the 13th day of August, 2018 (both days inclusive) for the purpose of Annual General Meeting.

Copy of the Notice and Annual Report are attached for your information and record.

Thanking you,

Yours faithfully,
For Hind Rectifiers Limited

Meenakshi Anchlia
(Compliance Officer)

Encl: As above

HIND RECTIFIERS LIMITED

Lake Road, Bhandup (W), Mumbai - 400078
Tel.: +91 22 25696789 Fax: +91 22 25964114 Website: www.hirect.com
E-mail: investors@hirect.com CIN: L28900MH1958PLC011077

NOTICE TO THE MEMBERS

NOTICE is hereby given that the 60th Annual General Meeting of the members of **HIND RECTIFIERS LIMITED** will be held on **Monday the 13th August, 2018** at **12:00 noon** at **Odyssey, Mayfair Banquet, 254-C, Dr. Annie Besant Road, Worli, Mumbai 400 030 Maharashtra** to transact the following business:-

ORDINARY BUSINESS

1. To consider and adopt the Audited Financial Statement of the Company for the financial year ended 31st March, 2018, along with the Reports of the Board of Directors' and Auditors' thereon

2. To appoint a Director in place of Shri Vandan Sitaram Shah (DIN: 00759570), who retires from office by rotation and being eligible, offer himself for reappointment.

SPECIAL BUSINESS

3. **APPOINTMENT OF BRANCH AUDITOR FOR DEHRADUN PLANTS TO FILL CASUAL VACANCY**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**

"RESOLVED THAT pursuant to Section 139(8), 143(8) and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder, as amended, appointment of M/s. Gada Chheda & Co. LLP, Chartered Accountants (ICAI Firm Registration No. W100059), as Branch Auditor for the Company's Dehradun Plants by the Board of Directors of the Company from 13th February, 2018 till the conclusion of this Annual General Meeting, for filling the casual vacancy due to dissolution of the firm M/s. Ronak Gada & Associates, Chartered Accountants (ICAI Firm Registration No. 133987W) be and is hereby approved."

"RESOLVED FURTHER THAT pursuant to Section 139, 143(8) and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder, as amended, M/s. Gada Chheda & Co. LLP, Chartered Accountants (ICAI Firm Registration No. W100059), be and are hereby appointed as Branch Auditors for the Company's Dehradun Plants for a term of up to 5 (five) years and to hold office from the conclusion of this Annual General Meeting till the conclusion of the 65th Annual General Meeting and on such remuneration plus applicable taxes and reimbursement of out of pocket expenses incurred during the course of audit, as may be decided by the Board/Audit Committee."

4. **RATIFICATION OF REMUNERATION TO COST AUDITORS**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**

"RESOLVED THAT pursuant to the provision of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and 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 payable to M/s. N. Ritesh & Associates, Cost Accountants, having Firm Registration Number 100675, appointed by the Board of Directors of the Company as Cost Auditors to conduct the audit of the cost records of the Company for the financial year 2018-19, being ₹ 50,000/- (Rupees Fifty Thousands only) plus applicable tax be and is hereby ratified and confirmed."

5. **APPROVAL TO CONTINUATION OF OFFICE BY VIJAY KUMAR BHARTIA AS AN INDEPENDENT DIRECTOR OF THE COMPANY**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**

"RESOLVED THAT, in supersession of the earlier ordinary resolution passed by the members at their 56th Annual General Meeting held on 14th August, 2014, and pursuant to the provisions of Regulation 17(1A) and other applicable provisions, if any, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the applicable provisions of the Companies Act, 2013, including any statutory

modification(s) or re-enactment thereof for the time being in force, the appointment of Shri Vijay Kumar Bhartia (DIN: 00019810) as Non-Executive Independent Director of the Company for a period of five years (w.e.f. 14th August, 2014 as approved by the members of the Company in the 56th Annual General Meeting of the Company held on 14th August, 2014) be and is hereby approved by way of special resolution."

6. **RE-APPOINTMENT OF SHRI PARIMAL RAMESHCHANDRA MERCHANT AS AN INDEPENDENT DIRECTOR**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, Shri Parimal Rameshchandra Merchant (DIN:00201962), who was appointed as an Independent Director and who holds office as an Independent Director up to 11th August, 2018 and being eligible, be and is hereby re-appointed as an Independent Director of the Company w.e.f. 12th August, 2018, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company."

7. **RE-APPOINTMENT OF SHRI PRADEEP VEDPRAKASH GOYAL AS AN INDEPENDENT DIRECTOR**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, Shri Pradeep Vedprakash Goyal (DIN:00008370), who was appointed as an Independent Director and who holds office as an Independent Director up to 13th August, 2019 and being eligible, be and is hereby re-appointed as an Independent Director of the Company w.e.f. 14th August, 2019, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company."

8. **RE-APPOINTMENT OF SHRI VIJAY KUMAR BHARTIA AS AN INDEPENDENT DIRECTOR**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17(1A) and other applicable provisions, if any, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, Shri Vijay Kumar Bhartia (DIN:00019810), who was appointed as an Independent Director and who holds office as an Independent Director up to 13th August, 2019 and being eligible, be and is hereby re-appointed as an Independent Director of the Company w.e.f. 14th August, 2019, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company."

9. **RE-APPOINTMENT OF SHRI BINOD KUMAR PATODIA AS AN INDEPENDENT DIRECTOR**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17(1A) and other applicable provisions, if any, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, Shri Binod Kumar Patodia (DIN: 00003516), who was appointed as an Independent Director and who holds office as an Independent Director up to 13th August, 2019 and being eligible, be and is hereby re-appointed as an Independent Director of the Company w.e.f. 14th August, 2019, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company."

10. **RE-APPOINTMENT OF SHRI SUSHIL KUMAR RAMESHWARPRASAD NEVATIA AS CHAIRMAN AND MANAGING DIRECTOR AND APPROVAL OF REMUNERATION**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 17(6)(e) and other applicable provisions, if any, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment thereof for the time being in force, consent of the members be and is hereby accorded to the re-appointment of Shri Sushil Kumar Rameshwarprasad Nevatia (DIN:00341349) as Chairman and Managing Director of the Company, for a period of three years, on expiry of his present term of office, i.e. with effect from 1st April, 2019, on the terms and conditions including remuneration as set out in the explanatory statement, with liberty to the Board of Directors to alter and vary the terms and conditions of the said re-appointment and/or remuneration as it may deem fit and as may be acceptable to Shri Sushil Kumar Rameshwarprasad Nevatia, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification or re-enactment thereof."

"RESOLVED FURTHER THAT the Board of Directors of the Company or any Committee thereof be and is hereby authorized to do all such acts, deeds and things as in its absolute discretion it may think necessary, expedient or desirable; to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing".

11. **APPROVAL TO PAYABLE REMUNERATION TO SMT. AKSHADA SURAMYA NEVATIA, EXECUTIVE DIRECTOR**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**

"RESOLVED THAT pursuant to the Regulation 17(6)(e) and other applicable provisions, if any, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 197 and 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, including any statutory modification(s) or re-enactment thereof for the time being in force, consent of the members of the Company be and is hereby accorded, for payment of remuneration, as stated in explanatory statement and subject to the overall ceiling, to Smt. Akshada Suramya Nevatia (DIN: 05357438), Executive Director, up to the expiry of her present term of office i.e. 14th January, 2020."

"RESOLVED FURTHER THAT the Board of Directors and the Nomination and Remuneration Committee be and are hereby authorised to revise, amend, alter and vary such terms of appointment and remuneration so as to not exceed the limits specified in Section 197 read with Schedule V to the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof for the time being in force, as may be agreed to by the Board of Directors and Smt. Akshada Suramya Nevatia, without any further reference to the shareholders in general meeting."

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

12. **APPROVAL OF RELATED PARTY TRANSACTION**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**

"RESOLVED THAT pursuant to the provisions of Section 188(1)(f) of the Companies Act, 2013 read with Companies (Meeting of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including statutory modification(s) or re- enactment thereof for the time being in force and as may be enacted from time to time, the consent of the members be and is hereby accorded to the revision in the remuneration of Shri Saurabh Nevatia, Chief Executive Officer, Nasik Plant (related party), w.e.f 1st April, 2018 as detailed in the Explanatory Statement."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things, as may be necessary, proper, expedient or incidental for giving effect to this resolution."

13. **APPROVAL OF HIRECT EMPLOYEES STOCK OPTION PLAN-2018**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**

"RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013, and Rules made there under, the Memorandum and Articles of Association of the Company, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI (Share Based Employee Benefits) Regulations, 2014, issued by the SEBI and subject to such other approvals, permissions and sanctions as may be necessary from time to time and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, approval and consent of the Company be and is hereby accorded respectively to the 'HIRECT Employees Stock Option Plan-2018' (hereinafter referred to as the "ESOP 2018") and to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee which the Board has constituted to exercise its powers, including the powers, conferred by this resolution) to create, offer and grant from time to time such number of options, to the permanent employees including Directors (other than Promoters of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding Equity Shares of the Company), whether whole-time or otherwise, whether working in India or out of India, as may be decided solely by the Board under the Plan, exercisable into not more than 2,50,000 (Two Lacs Fifty Thousands) Options, each Option giving the right but not the obligation to the holder to subscribe for cash to one fully paid-up Equity Share in the Company, of face value of ₹ 2/- each, directly by the Company and at such price or prices, in one or more tranches and on such terms and conditions, as may be determined by the Board in accordance with the provisions of the ESOP 2018 and in due compliance with the applicable laws and regulations in force."

"RESOLVED FURTHER THAT the new Equity Shares to be issued and allotted by the Company under ESOP 2018 shall rank pari–passu inter-se in all respects with the then existing Equity Shares of the Company for all purposes."

"RESOLVED FURTHER THAT the number of options that may be granted to any employee including any Director of the Company (other than Promoters of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding Equity Shares of the Company), in any financial year and in aggregate under the ESOP 2018 shall be lesser than 1% of the issued Equity Share Capital (excluding outstanding warrants and conversions, if any) of the Company."

"RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, change in capital structure, merger and sale of division/undertaking or other re-organisation, change in capital and others, if any additional Equity Shares are required to be issued by the Company to the Shareholders, the ceiling as aforesaid 2,50,000 (Two Lacs Fifty Thousands) of Equity Shares shall be deemed to be increased in proportion of such additional Equity Shares issued to facilitate making a fair and reasonable adjustment."

"RESOLVED FURTHER THAT in case the Equity Shares of the Company are either sub-divided or consolidated, then the number of shares to be allotted and the price of acquisition payable by the options grantees under the schemes shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of ₹ 2/- per Equity Share bears to the revised face value of the Equity Shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the said allottees."

"RESOLVED FURTHER THAT the Board be and is hereby authorized at any time to modify, change, vary, alter, amend, suspend or terminate the ESOP 2018 subject to the compliance with the applicable laws and regulations and to do all such acts, deeds, matters and things as may at its absolute discretion deems fit, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the members and further to execute all such documents, writings and to give such directions and or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the ESOP 2018 and do all other things incidental and ancillary thereof."

"RESOLVED FURTHER THAT the Company shall conform to the applicable Accounting Policies, Guidelines

or Accounting Standards as may be applicable from time to time, including the disclosure requirements prescribed therein."

"RESOLVED FURTHER THAT any of the Directors of the Company or Company Secretary of the Company be and is hereby authorized to take necessary steps for listing of the securities allotted under the ESOP 2018 on the Stock Exchanges, where the securities of the Company are listed as per the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable Guidelines, Rules and Regulations."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, and things, as it may, in its absolute discretion deem necessary for the effective implementation and administration of the ESOP 2018 and to make applications to the appropriate Authorities, for their requisite approvals and take all necessary actions and to settle all such questions, difficulties or doubts whatsoever that may arise while implementing this resolution."

NOTES

1. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Annual General Meeting is annexed hereto.

2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company.

   The instrument appointing the proxy, duly completed, stamped and signed, should be deposited at the registered office of the Company not less than forty eight hours before the time of the Annual General Meeting.

   Members are requested to note that a person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than ten percent of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other member.

3. Attendance slip, proxy form and the route map of the venue of the Meeting are annexed hereto.

4. Corporate members intending to send their authorised representative(s) to attend the Meeting are requested to send to the Company a certified true copy of the relevant Board Resolution together with the specimen signature(s) of the representative(s) authorised under the said Board Resolution to attend and vote on their behalf at the Meeting.

5. In case of joint holders attending the meeting, only such joint holder who is higher in order of names will be entitled to vote.

6. Members who are holding shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification at the meeting.

7. Members/Proxies are requested to bring their copies of the Annual Report to the meeting.

8. Electronic copy of the Annual Report for the year 2017-18 is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s), unless any member has requested for a physical copy of the same. For members other than above, a physical copy of the Annual Report is being sent in the permitted mode. Members are requested to support Green initiative by registering/updating their e-mail addresses with the Depository participant (in case of shares in dematerialized form) or with RTA (in case of shares held in physical form).

9. Brief resume of all Directors proposed to be appointed/re-appointed, nature of their expertise in specific functional areas, names of the Companies in which they hold Directorships, Memberships/Chairmanships for Board/Committees, shareholding and relationship between Directors inter-se as stipulated in Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other requisite information as per Clause 1.2.5 of Secretarial Standards-2 on General Meetings are annexed as Annexure A hereto.

10. All documents referred to in the notice are open for inspection at the Registered Office of the Company during office hours on all working days (except Sunday and public holidays) between 11.00 A.M. and 1.00 P.M. up to the date of the Annual General Meeting and also at the meeting.

11. The cut-off date for the purpose of determining the members eligible for participation in remote e-voting (e-voting from a place other than venue of the Annual General Meeting) and voting at the Annual General Meeting is 6th August, 2018. Please note that members can opt for only one mode of voting i.e., either by voting at the meeting or remote e-voting. If members opt for remote e-voting, then they should not vote at the Meeting and vice versa. However, once an e-vote on a resolution is cast by a member, such member is not permitted to change it subsequently or cast the vote again. Members who have cast their vote by remote e-voting prior to the date of the Meeting can attend the Meeting and participate in the Meeting, but shall not be entitled to cast their vote again.

12. The requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is done away with vide notification dated May 7, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment of Auditors, who were appointed in the Annual General Meeting, held on 8th September, 2017.

13. SEBI has decided that securities of listed companies can be transferred only in dematerialised form from a cut-off date, to be notified. In view of the above and to avail various benefits of dematerialisation, members are advised to dematerialise shares held by them in physical form.

14. The Company has transferred the unpaid or unclaimed dividends declared up to financial years 2009-10, from time to time, to the Investor Education and Protection Fund (IEPF) established by the Central Government. The Company has uploaded the details of unpaid and unclaimed dividends lying with the Company as on 8th September, 2017 (date of the previous Annual General Meeting) on the website of the Company viz. www.hirect.com. The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link: www.iepf.gov.in.

15. (a) Adhering to the various requirements set out in the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has, during financial year 2017-18, transferred to the IEPF Authority all shares in respect of which dividend had remained unpaid or unclaimed for seven consecutive years or more as on the due date of transfer, i.e. October 31, 2017. Details of shares transferred to the IEPF Authority are available on the website of the Company viz. www.hirect.com. The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link: www.iepf.gov.in.

(b) Members may note that shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back from them. Concerned members/investors are advised to visit the website iepf.gov.in for lodging claim for refund of shares from the IEPF Authority.

16. Due dates for transfer of unclaimed/unpaid dividends for the financial year 2010-11 and thereafter to the Investor Education and Protection Fund (IEPF):

Dividend for the year	Date of Declaration of Dividend	Due Date of transfer to the Investor Education and Protection Fund
2010 – 2011	05.08.2011	04.08.2018
2011 – 2012	07.08.2012	06.08.2019
2012 – 2013	12.08.2013	11.08.2020
2013 – 2014	14.08.2014	13.08.2021

17. Members holding shares in physical form are requested to notify immediately any change in their address and bank mandates to the Registrar and Transfer Agent (RTA) of the Company at the address given below and in case their shares are held in demat, this information should be passed on directly to their respective Depository Participants.

18. Members holding shares in physical mode:

    (a) are required to submit their Permanent Account Number (PAN) and bank account details to the Company/RTA, if not registered with the Company as mandated by SEBI.

    (b) are advised to register the nomination (Form SH-13) in respect of their shareholding in the Company.

    (c) are requested to register/update their e-mail address with the Company/RTA for receiving all communications from the Company electronically.

19. Members holding shares in electronic mode:

    (a) are requested to submit their PAN and bank account details to their respective DPs with whom they are maintaining their demat accounts.

    (b) are advised to contact their respective DPs for registering the nomination.

    (c) are requested to register / update their e-mail address with their respective DPs for receiving all communications from the Company electronically.

20. Voting through electronic means Instructions for shareholders voting electronically are as under:-

    I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 60th Annual General Meeting by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the Annual General Meeting ("remote e-voting") will be provided by Central Depository Services (India) Limited (CDSL).

    II. The facility for voting through ballot paper shall be made available at the Annual General Meeting and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

    III. The members who have cast their vote by remote e-voting prior to the Annual General Meeting may also attend the Annual General Meeting but shall not be entitled to cast their vote again.

    The instructions to members for voting electronically are as under:-

    (i) The voting period begins on Friday, 10th August, 2018 at 9:00 am and ends on Sunday 12th August, 2018 at 5:00 pm. During this period member's of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Monday, 6th August, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

    (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

    (iii) The shareholders should log on to the e-voting website www.evotingindia.com.

    (iv) Click on Shareholders.

    (v) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(vi) Next enter the Image Verification as displayed and Click on Login.

(vii) 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.

(viii) 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). • Members who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number which is sent with this notice.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. If both the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

(ix) After entering these details appropriately, click on "SUBMIT" tab.

(x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password 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.

(xi) For members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xii) Click on the EVSN of Hind Rectifiers Limited.

(xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xviii) 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 and enter the details as prompted by the system.

(xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xx) 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.

(xxi) 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 or call 1800225533.

All grievances connected with the facility for voting by electronic means may be addressed to Shri Rakesh Dalvi, Manager, Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call 1800225533.

(xxii) Shri Mahesh Soni, Partner, M/s. GMJ & Associates, Company Secretaries, Mumbai (Certificate of Practice No. 2324) has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

(xxiii) At the Annual General Meeting, the Chairman shall, at the end of the discussion on the resolutions on which voting is to be held, may allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the Annual General Meeting but have not cast their votes by availing the remote e-voting facility.

(xxiv) The Scrutinizer shall after the conclusion of voting at the Annual General Meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two days of the conclusion of the Annual General Meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

(xxv) The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company viz. www.hirect.com and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to BSE Limited and National Stock Exchange of India Limited.

By order of the Board of Directors
For **Hind Rectifiers Limited**

Place: Mumbai
Date: 30th May, 2018

Meenakshi Anchlia
Company Secretary

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

Item No. 3

Company's Branch Auditors of Dehradun plants, M/s. Ronak Gada & Associates, Chartered Accountants (ICAI Firm Registration No. 133987W) were appointed at the last Annual General Meeting to hold office until the conclusion of the 64th Annual General Meeting. However, vide their letter dated 25th January, 2018 informed the dissolution of the said firm. The Board thus appointed M/s. Gada Chheda & Co. LLP, Chartered Accountants (ICAI Firm Registration No. W100059) as Branch Auditors of Dehradun plants of Company in the casual vacancy, caused by dissolution of the firm till the conclusion of the forthcoming Annual General Meeting. The Board has recommended appointment of M/s. Gada Chheda & Co. LLP, Chartered Accountants as Branch Auditors of the Dehradun Plants of Company and to hold office for a period of up to 5 consecutive years from the conclusion of the 60th Annual General Meeting till the conclusion of the 65th Annual General Meeting. Company has obtained consent of M/s. Gada Chheda & Co. LLP and a certificate in accordance with Section 139, 141 and other applicable provisions of the Companies Act, 2013 to the effect that their appointment, if made, shall be in accordance with the conditions prescribed and that they are eligible to hold office as Branch Auditors of Dehradun plants of the Company.

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.

The Board accordingly commends the Ordinary Resolution set out at Item No. 3 of the Notice for the approval by the members of the Company.

Item No. 4

The Company is required to have its cost records audited by a Cost Accountant in practice. Accordingly, the Board of Directors, at its meeting held on 30th May 2018, on recommendation of the Audit Committee, approved the appointment and remuneration of M/s. N. Ritesh & Associates, Cost Accountants (Firm Registration No. 100675), to conduct the audit of the cost records of the Company for Financial Year 2018-19 at a remuneration of ₹ 50,000/- (Rupees Fifty Thousands only) plus applicable tax.

In accordance with the provisions of Section 148 of the Companies Act, 2013 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, has to be ratified by the members of the Company.

Accordingly, ratification by the members is sought to the remuneration payable to the Cost Auditors for the financial year ending March 31, 2019.

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.

The Board accordingly commends the Ordinary Resolution set out at Item No. 4 of the Notice for the approval by the members of the Company.

Item No. 5

As per the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, no listed entity shall appoint a person or continue the directorship of any person as Non-Executive Director who has attained the age of seventy five years unless a special resolution is passed to that effect.

Shri Vijay Kumar Bhartia (DIN: 00019810), 76 years, was appointed, by way of passing ordinary resolution, as Non-Executive Independent Director of the Company for a period of 5 years (first term) with effect from August 14, 2014, in the 56th Annual General Meeting of the Company held on August 14, 2014.

Shri Vijay Kumar Bhartia has rich and varied experience in the industry. He is the Chairman of Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee of Hind Rectifiers Limited and very actively participates in Board of Directors meeting. The Board believes that his experience and vision will contribute to the growth of the Company and also in steering the Company with best Corporate Governance practices. The Board based on the performance evaluation, considers that, given his background and experience and contributions made by him during his

tenure, the continued association of Shri Vijay Kumar Bhartia would be beneficial to the Company and it is desirable to continue to avail his services as an Independent Director.

Shri Vijay Kumar Bhartia may be deemed to be interested in the said resolutions.

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

The Board accordingly commends the special resolution for his present term, set out at Item No. 5 of the Notice for the approval by the members of the Company.

Item No. 6, 7, 8 and 9

Shri Parimal Rameshchandra Merchant (DIN: 00201962), Shri Pradeep Vedprakash Goyal (DIN:00008370), Shri Vijay Kumar Bhartia (DIN: 00019810) and Shri Binod Kumar Patodia (DIN: 00003516) were appointed as Independent Directors on the Board of the Company pursuant to the provisions of Section 149 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the erstwhile Clause 49 of the Listing Agreement with the Stock Exchanges. Shri Parimal Rameshchandra Merchant holds office as Independent Director of the Company up to 11th August, 2018 (first term) and Shri Pradeep Vedprakash Goyal, Shri Vijay Kumar Bhartia and Shri Binod Kumar Patodia hold office as Independent Directors of the Company up to 13th August, 2019 (first term) in line with the explanation to Sections 149(10) and 149(11) of the Companies Act, 2013.

Based on the Performance Evaluation of the Independent Directors, conducted by the entire Board (excluding Director being evaluated) on various parameters such as performance, leadership, ethics and integrity, Board engagement and time commitment, ability to take balanced decisions regarding stakeholders, background and experience and contributions made by them during their tenure, etc., the Nomination and Remuneration Committee has recommended re-appointment of Shri Parimal Rameshchandra Merchant, Shri Pradeep Vedprakash Goyal, Shri Vijay Kumar Bhartia and Shri Binod Kumar Patodia as Independent Directors for a second term of 5 (five) consecutive years on the Board of the Company.

It is desirable to continue avail their services as Independent Directors and continue association of Shri Parimal Rameshchandra Merchant, Shri Pradeep Vedprakash Goyal, Shri Vijay Kumar Bhartia and Shri Binod Kumar Patodia would be beneficial to the Company. Accordingly, Board has proposed to re-appoint Shri Parimal Rameshchandra Merchant, Shri Pradeep Vedprakash Goyal, Shri Vijay Kumar Bhartia and Shri Binod Kumar Patodia as Independent Directors of the Company, not liable to retire by rotation for a second term of 5 (five) consecutive years on the Board of the Company.

Section 149 of the Companies Act, 2013 and provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 inter alia prescribe that an Independent Director of a Company shall meet the criteria of independence.

Section 149(10) of the Companies Act, 2013 provides that an Independent Director shall hold office for a term of up to five consecutive years on the Board and shall be eligible for re-appointment on passing a special resolution by the Company and disclosure of such appointment in its Board's report. Further, Section 149(11) of the Companies Act, 2013 provides that an Independent Director may hold office for up to two consecutive terms.

Shri Parimal Rameshchandra Merchant, Shri Pradeep Vedprakash Goyal, Shri Vijay Kumar Bhartia and Shri Binod Kumar Patodia are not disqualified from being appointed as Directors in terms of Section 164 of the Companies Act, 2013 and have given their consent to act as Directors.

The Company has received notices in writing from a member under Section 160 of the Companies Act, 2013 proposing the candidature of Shri Parimal Rameshchandra Merchant, Shri Pradeep Vedprakash Goyal, Shri Vijay Kumar Bhartia and Shri Binod Kumar Patodia for the office of Independent Directors of the Company.

The Company has also received declarations from Shri Parimal Rameshchandra Merchant, Shri Pradeep Vedprakash Goyal, Shri Vijay Kumar Bhartia and Shri Binod Kumar Patodia that they meet with the criteria of independence as prescribed both under Section 149(6) of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In the opinion of the Board, Shri Parimal Rameshchandra Merchant, Shri Pradeep Vedprakash Goyal, Shri Vijay Kumar Bhartia and Shri Binod Kumar Patodia fulfil the conditions for appointment as Independent Directors as specified

in the Companies Act, 2013 and the Listing Regulations. Shri Parimal Rameshchandra Merchant, Shri Pradeep Vedprakash Goyal, Shri Vijay Kumar Bhartia and Shri Binod Kumar Patodia are independent of the management.

Details of Directors whose re-appointment as Independent Directors are proposed at Item Nos. 6, 7, 8 and 9 are provided in the Annexure A to the Notice pursuant to the provisions of (i) the Listing Regulations and (ii) Secretarial Standard on General Meetings, issued by the Institute of Company Secretaries of India.

Copy of draft letters of appointment of Shri Parimal Rameshchandra Merchant, Shri Pradeep Vedprakash Goyal, Shri Vijay Kumar Bhartia and Shri Binod Kumar Patodia setting out the terms and conditions of appointment are available for inspection by the members at the registered office of the Company during office hours on all working days (except Sunday and public holidays) between 11.00 a.m. and 1.00 p.m. up to the date of the Annual General Meeting and also at the Meeting.

This statement may also be regarded as an appropriate disclosure under the Companies Act, 2013 and the Listing Regulations.

Shri Parimal Rameshchandra Merchant, Shri Pradeep Vedprakash Goyal, Shri Vijay Kumar Bhartia and Shri Binod Kumar Patodia and their relatives may be deemed to be interested in the said resolutions.

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

The Board accordingly commends the Special Resolutions set out at Item Nos. 6, 7, 8 and 9 of the Notice for the approval by the Members of the Company.

Item No. 10

The present term of Shri Sushil Kumar Rameshwarprasad Nevatia as Chairman and Managing Director will expire on 31st March, 2019. The Board of Directors of the Company at its meeting held on 30th May, 2018 has, subject to the approval of members, re-appointed Shri Sushil Kumar Rameshwarprasad Nevatia as Chairman and Managing Director of the Company for a period of 3 (three) years from the expiry of his present term, i.e. with effect from 1st April, 2019, on the terms and conditions including remuneration as recommended by Nomination and Remuneration Committee of the Board and approved by the Board.

It is proposed to seek member's approval for the re-appointment of and remuneration payable to Shri Sushil Kumar Rameshwarprasad Nevatia as Chairman and Managing Director of the Company, in terms of the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any statutory modification(s) or re-enactment(s) thereof for the time being in force.

Broad particulars of the terms of re-appointment of, and remuneration payable to, Shri Sushil Kumar Rameshwarprasad Nevatia are as under:

1) Salary: ₹ 200,000/- p.m. (Rupees two lacs only)

2) Benefits, Perquisites, Allowances:

   a) Rent Free Accommodation/House Rent Allowance ₹ 200,000/- p.m. along with furniture.

   b) Special Allowance ₹ 7,50,000/- p.m.

   c) Company's contribution to Provident Fund.

   d) Mediclaim policy and/or reimbursement of medical expenses including hospitalization, nursing home and surgical charges for self and family whether incurred in India or abroad.

   e) Reimbursement of actual travelling expenses for proceeding on leave from Mumbai to any place subject to ceiling of one month's basic.

   f) Gratuity payable at a rate of half month's salary for each completed year of service.

   g) Chauffeur driven Company's Car.

3) Commission: Such remuneration by way of commission, in addition to the above salary and perquisites, calculated with reference to the net profits of the Company in a particular financial year, subject to the overall ceiling stipulated in Section 198 read with Schedule V of Companies Act, 2013.

As the profits of the Company were inadequate, the remuneration of the Chairman and Managing Director was made as per the provisions of Section II Part II of Schedule V of the Companies Act, 2013.

1. The above revision and change in terms have been approved by a resolution passed by the Nomination and Remuneration Committee.
2. The Company has not defaulted on any debts or debentures or interest payable thereon.
3. The resolution proposed above is a Special Resolution and payment of proposed remuneration is for a period of three years.

The information pursuant to Section II of Part II of Schedule V of Companies Act, 2013 is annexed as Annexure B and forms an integral part of this explanatory statement.

The agreement entered into between the Company and Chairman and Managing Director is open for inspection at the Registered Office of the Company during office hours on all working days (except Sunday and public holidays) between 11.00 a.m. and 1.00 p.m. up to the date of the Annual General Meeting and also at the Meeting.

Shri Sushil Kumar Rameshwarprasad Nevatia satisfies all the conditions set out in Schedule V of Companies Act, 2013. He is not disqualified from being appointed as Director in terms of Section 164 of Companies Act, 2013.

The above explanatory statement together with Annexure B thereto shall be construed to be memorandum setting out the terms of the appointment as specified under Section 190 of the Companies Act, 2013.

Further, in accordance with the provisions of Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, annual remuneration payable to Executive Directors, who are promoter or member of promoter group, exceeds five percent of net profit calculated as per Section 198 of Companies Act, 2013, if special resolution is passed by members in general meeting.

Shri Sushil Kumar Nevatia and his relatives are interested in the resolution. Smt. Akshada Suramya Nevatia, Executive Director, Shri Pawan Kumar Golyan, Director and Shri Suramya Nevatia, Chief Executive Officer (appointed as Key Managerial Personnel w.e.f. 1st June, 2018) and their relatives may be deemed to be interested in the said resolution.

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

The Board accordingly commends the Special Resolution set out at Item No. 10 of the Notice for the approval by the members of the Company.

Item No. 11

The Securities and Exchange Board of India notified SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 on May 9, 2018. In accordance with the provisions of Regulation 17(6)(e), special resolution is required to pass for the fees or compensation payable to Executive Directors who are promoters or members of promoter group in case of 5 (five) percent excess of the net profits of the Company. The said provision will be applicable with effect from 1st April, 2019.

Smt. Akshada Suramya Nevatia has appointed as an Executive Director for three years w.e.f 15th January, 2017, by way of passing ordinary resolution in the 59th Annual General Meeting of the Company held on September 8, 2017 and holds office as an Executive Director of the Company up to 14th, January, 2020. She is the member of Promoter Group.

The Board of Directors of the Company recommended remuneration w.e.f. 1st April, 2018, subject to necessary approval of shareholders, by way of special resolution, as mentioned in the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, on the terms of remuneration mentioned herein below, with powers to the Board to make such variation or increase therein as may be thought fit from time to time, but within the ceiling/s laid down in the Section 197 read with Schedule V of the Companies Act, 2013 or any statutory amendment or relaxation thereof:-

1) Salary: ₹ 1,00,000/- p.m. (Rupees One Lac only)
2) Benefits, Perquisites, Allowances:

a) House Rent Allowance ₹ 50,000/- p.m.

b) Special Allowance ₹ 65,000/- p.m.

c) Company's contribution to Provident Fund.

d) Mediclaim Policy and/or reimbursement of medical expenses including hospitalization, nursing home and surgical charges for self and family whether incurred in India or abroad as per Company's policy

e) Reimbursement of actual travelling expenses for proceeding on leave from Mumbai to any place subject to ceiling of one month's basic.

f) Gratuity payable at a rate of half month's salary for each completed year of service.

The above explanatory statement together with Annexure B thereto shall be construed to be memorandum setting out the terms of the appointment as specified under Section 190 of the Companies Act, 2013.

As the profits of the Company were inadequate the appointment of the Executive Director was made as per the provisions of Section II Part II of Schedule V of the Companies Act, 2013.

1. The above revision and change in terms have been approved by a resolution passed by the Nomination and Remuneration Committee.

2. The Company has not defaulted on any debts or debentures or interest payable thereon.

3. The resolution proposed above is a Special Resolution and payment of proposed remuneration is for the existing term.

The information pursuant to Section II of Part II of Schedule V of Companies Act, 2013 is annexed as Annexure B and forms an integral part of this explanatory statement.

Smt. Akshada Suramya Nevatia is interested in the resolution. Shri Sushil Kumar Rameshwarprasad Nevatia, Chairman and Managing Director and Shri Suramya Nevatia, Chief Executive Officer (appointed as Key Managerial Personnel w.e.f. 1st June, 2018) and their relatives may be deemed to be interested in the said resolution.

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

The Board accordingly commends the special resolution set out at Item No. 11 of the Notice for the approval by the members of the Company.

Item No. 12

The provisions of Section 188 of the Companies Act, 2013 that govern the Related Party Transactions require a Company to obtain prior approval of the Board of Directors and in certain cases approval of the members is also required.

Shri Saurabh Nevatia is working in the Company since 1988 and his present designation is Chief Executive Officer (Nashik). He looks after all the activities of Nashik Plant. Under his guidance, expansion of the Nashik Plant for manufacture of Railways as well as Non-Railways products has been completed during the year. The Company is targeting a major growth in the turnover and profit of Nashik Plant.

The Board of Directors of the Company, on the recommendation of the Nomination and Remuneration Committee, at their meeting held on 30th May 2018 has consented for increase in remuneration payable to Shri Saurabh Nevatia, Chief Executive Officer, Nasik Plant w.e.f 1st April, 2018.

Since the above proposed remuneration exceeds the limit prescribed under Section 188 of the Companies Act, 2013, the appointment will require prior approval of the member's vide an Ordinary Resolution.

Shri Saurabh Nevatia is son of Shri Sushil Kumar Rameshwarprasad Nevatia, Chairman and Managing Director, father in law of Smt. Akshada Suramya Nevatia, Executive Director and father of Shri Suramya Nevatia, Chief Executive Officer (appointed as Key Managerial Personnel w.e.f. 1st June, 2018).

The details of the remuneration are given below.

1. Salary: ₹ 2,00,000/- p.m. (Rupees Two Lacs only)

2. Benefits, Perquisites and Allowances :

   a) House Rent Allowance ₹ 100,000/- p.m.

   b) Special Allowance ₹ 125,000/- p.m.

   c) Company's contribution to Provident Fund

   d) Mediclaim policy and/or reimbursement of medical expenses including hospitalization, nursing home and surgical charges for self and family whether incurred in India or abroad as per Company's policy

   e) Reimbursement of actual travelling expenses for proceeding on leave from Mumbai to any place subject to ceiling of one month's basic.

   f) Gratuity payable at a rate of 15 days salary for each completed year of service

   g) Bonus, Superannuation, etc.

Shri Sushil Kumar Rameshwarprasad Nevatia, Chairman and Managing Director, Smt. Akshada Suramya Nevatia, Executive Director and Shri Suramya Nevatia, Chief Executive Officer (appointed as Key Managerial Personnel w.e.f. 1st June, 2018) and their relatives may be deemed to be interested in the said resolution.

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

The Board accordingly commends the Ordinary Resolution set out at Item No. 12 of the Notice for the approval by the members of the Company.

Item No. 13

Equity based compensation is considered to be an integral part of employee compensation across sectors which enables alignment of personal goals of the employees with organizational objectives by participating in the ownership of the Company through share based compensation scheme/plan. Company believes in rewarding its employees including Directors of the Company for their continuous hard work, dedication and support, which has led the Company on the growth path. The Company intends to implement the HIRECT Employees Stock Option Plan-2018 (ESOP 2018), with a view to attract and retain key talents working with the Company by way of rewarding their performance and motivate them to contribute to the overall corporate growth and profitability. Pursuant to provisions of the SEBI (Share Based Employee Benefits) Regulations, ("SEBI (SBEB) Regulations"), the Company seeks members, approval in respect of ESOP 2018 and grant of options to the eligible employees/ Directors of the Company as decided by the Nomination and Remuneration Committee from time to time in due compliance of the SEBI (SBEB) Regulations.

The main features of the ESOP 2018 are as under:

1. Brief Description of the Scheme(s):

The Scheme shall be called as the HIRECT Employee Stock Option Plan – 2018 (ESOP 2018) and shall extend its benefits to the present and/or future permanent employees of the Company in accordance with the applicable laws.

The scheme will be implemented via Direct Route wherein the Company will allot fresh Equity Shares of the Company to the Employees upon successful exercise of their vested options.

2. Total number of options to be granted:

Such number of options would be available for grant to the eligible employees of the Company under ESOP 2018, in one or more tranches exercisable into not exceeding more than 2,50,000 (Two Lacs Fifty Thousands) Equity Shares in the Company of face value of ₹ 2/- each fully paid-up. Vested options lapsed due to non-exercise and/or unvested options that get cancelled due to resignation/termination of the employees or otherwise, would be available for being re-granted at a future date. The Board is authorized to re-grant such lapsed/cancelled options as per the provisions of ESOP 2018, within overall ceiling.

The SEBI (SBEB) Regulations require that in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division, and others, a fair and reasonable adjustment needs to be made to the options granted. Accordingly, if any additional Equity Shares are required to be issued pursuant to any corporate action, the above ceiling of Equity Shares shall be deemed to increase in proportion of such additional Equity Shares issued subject to compliance of the SEBI (SBEB) Regulations.

3. Identification of classes of employees entitled to participate and be beneficiaries in Scheme:

i. a permanent employee of the company who has been working in India or outside India, if any; or

ii. a director of the company, whether a whole time director or not but excluding an independent director; or

but does not include:

i. an employee who is a promoter or a person belonging to the promoter group; or

ii. a director who either himself or through his relative or through any body corporate, directly or indirectly, holds more than ten per cent of the outstanding equity shares of the company or to subscribe to such number of equity shares and / or equity linked instruments which would give rise to issue of equity shares

4. Requirements of vesting and period of vesting:

The options granted shall vest based upon the performance of the Employee, as may be determined by the Nomination and Remuneration Committee from time to time but shall not be less than 1 (one) year and not more than 4 (four) years from the date of grant of options. Vesting may happen in one or more tranches.

The specific Vesting schedule and Vesting conditions subject to which Vesting would take place would be outlined in the document given to the Option Grantee at the time of Grant of Options.

5. Maximum period within which the options shall be vested:

Options granted under ESOP 2018 would vest subject to maximum period of 4 (four) years from the date of grant of such options.

6. Exercise price or pricing formula:

The Exercise Price shall be based on the Market Price of the Company which shall mean the latest closing price on a recognised stock exchange on which the shares of the Company are listed on the date immediately prior to the date of meeting of committee on which grant is to be made.

If the Company is listed on more than one Stock Exchange, then the price of the Stock Exchange where there is highest trading volume during the aforesaid period shall be considered.

The Nomination and Remuneration Committee has a power to provide suitable discount or charge premium on such price as arrived above. However, in any case the Exercise Price shall not go below the par face value of Equity Share of the Company

7. Exercise period and the process of Exercise:

The Employee Stock Options granted may be exercised by the Option Grantee within a maximum period of one year from the date of last vesting of the Options.

The mode and manner of the Exercise of the Options shall be communicated to the employees individually. On exercise of the Options, the employee shall forthwith pay to the Company the price which includes the grant price and applicable taxes. The options shall lapse if not exercised within the specified exercise period.

8. Appraisal process for determining the eligibility of employees under ESOP 2018:

The process for determining the eligibility of the employees will be specified by the Nomination and Remuneration Committee and will be based on designation, period of service, performance linked parameters such as work performance and such other criteria as may be determined by the Committee at its sole discretion, from time to time.

In case of performance linked stock options, the number of vested stock options may vary from the original number of stock options granted.

9. Maximum number of options to be issued per employee and in aggregate:

The number of options that may be granted to any specific employee of the Company under ESOP 2018, in any financial year and in aggregate under the ESOP 2018 shall be less than 1% of the issued Equity Share Capital (excluding outstanding warrants and conversions) of the Company.

10. Maximum Quantum of benefits to be provided per employee under the ESOP 2018:

The maximum quantum of benefit that will be provided to every eligible Employee under ESOP 2018 will be the difference between the Market value of Company's Share on the Stock Exchange as on the date of exercise of options and the Exercise Price paid by the employee to the Company.

11. Route of Scheme implementation:

The Scheme shall be implemented and administered directly by the Company.

12. Source of Shares:

The Scheme contemplates new Issue of Shares by the Company ("Primary Shares").

13. The amount of loan provided for implementation of the Scheme by the Company to the Trust, its tenure, utilisation, repayment terms etc.:

Company is not providing any loan for ESOP 2018 purpose, as Company is directly implementing the plan.

14. Maximum percentage of Secondary Acquisition (subject to limits specified under the Regulations) that can be made by the Trust for the purchase under the scheme:

This is not relevant under the present scheme.

15. Accounting and Disclosure Policies:

The Company shall comply with the disclosures requirements and the accounting policies prescribed under Regulation 15 of the SEBI (SBEB) Regulations or as may be prescribed by regulatory authorities from time to time.

16. Method of Valuation:

To calculate the employee compensation cost, the Company shall use the Fair Value method for valuation of the options granted.

Consent of the members is being sought by way of Special Resolution pursuant to Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 and as per Regulation 6 of the SEBI (SBEB) Regulations.

A draft copy of the ESOP 2018 is available for inspection at the Registered Office of the Company during office hours on all working days (except Sunday and public holidays) between 11:00 A.M. and 1:00 P.M. up to the date of the Annual General Meeting and also at the meeting.

The Directors and Key Managerial Personnel of the Company may be deemed to be concerned or interested in this resolution only to the extent of any Stock Options that may be granted to them and the resultant equity shares issued, as applicable.

The Board accordingly commends the Special Resolution set out at Item No. 13 of the Notice for the approval by the members of the Company.

Annexure A

INFORMATION REQUIRED TO BE FURNISHED UNDER THE LISTING REGULATIONS

As required under the Listing Regulations, the particulars of Directors who are proposed to be appointed / re-appointed are given below:

Name	:	**Vandan Sitaram Shah***	**Sushil Kumar Rameshwarprasad Nevatia***
Date of first appointment on the Board	:	15th January, 2017	1st April, 1973
Age, Qualifications, Experience and Expertise / Brief Resume	:	Vandan Sitaram Shah, aged 55 years is a Bachelor of Industrial Engineering (B.E.) from R. V. College of Engineering, Bangalore in 1984. He has over 30 years of work experience in companies such as LML Piaggio, Sipra Engineers Pvt. Ltd.(Sipra) etc. He is presently the Managing Director in Sipra. He is a member of Western Regional Council of Confederation of Indian Industries (CII), since last ten years and was the Chairman: Nasik Zonal Council of CII. He is also member of 'Make in India' Committee of CII Western Regional Council.	Sushil Kumar Rameshwarprasad Nevatia, aged 86 years, is qualified as Inter Commerce from Podar College, Mumbai and has an experience of over 65 years. He started his career with Mukand Limited and was associated with them for 5 years. Later in 1958, he promoted Hind Rectifiers Ltd. He set up manufacturing units in Nashik in 1983-84 and in Dehradun in 2006-07. He continues to be overall in charge of all the 3 units. His entire 65 years of work experience is in the line of Semi Conductor Devices, Power Electronic Products and Loco Transformers.
List of Directorship / Membership / Chairmanship of Committees of other Board		**Directorship :** 1. Hercules Hoists Limited 2. Sipra Engineers Private Limited 3. Sipra Services and Investments Private Limited 4. Kansai Sipra Diecasting Private Limited **Membership of Committees of other Board:** Nil **Chairmanship of Committees of other Board :** Nil	**Directorship :** Nil **Membership of Committees of other Board :** Nil **Chairmanship of Committees of other Board :** Nil

Name	:	**Parimal Rameshchandra Merchant***	**Pradeep Vedprakash Goyal***
Date of first appointment on the Board	:	7th February, 2013	28th March, 2008
Age, Qualifications, Experience and Expertise / Brief Resume	:	Parimal Rameshchandra Merchant, aged 57 years graduated from Mumbai with Bachelors in Commerce and Law and has completed ICWA. His professional career includes over 35 years of work experience in Capital Markets, Consultancy and Teaching. He has been associated with Management program for Family Businesses for last 20 years. At present, he is the Director of the Global Family Managed Business program at S. P. Jain School of Global Management.	Pradeep Vedprakash Goyal, aged 62 years is a qualified engineer having completed his B. Tech (Metallurgy) from Indian Institute of Technology, Kanpur (1978) and obtained his S.M. (Materials Science and Engineering) from Massachusetts Institute of Technology, Cambridge, MA, USA, (1980). He was trained at Mukand Limited, India and Degussa International, Hanau, West Germany. He also worked at Air Products and Chemicals Inc., Allentown, PA, USA for 3 years at various positions. He is the Chairman and Managing Director of Pradeep Metals Limited and on the Board of various companies. He has been a Trustee of ASM International, USA (2005-2008), a Fellow of the ASM International. He is also a Member of Indo-German Chamber of Commerce, Indian Merchants Chamber and Thane Belapur Industries Association. He is also the Chairman of Ekal Vidyalaya Foundation of India, an NGO which operates over 50000 tribal schools in India.

List of Directorship / Membership / Chairmanship of Committees of other Board	:	**Directorship:** 1. Shrikant Consultants Private Limited 2. Sunjewels Private Limited 3. Dalal and Broacha Stock Broking Private Limited 4. Sahyam Foundation **Membership of Committees of other Board:** Nil **Chairmanship of Committees of other Board:** Nil	**Directorship:** 1. UPL Limited 2. Uniphos Enterprises Limited 3. Pradeep Metals Limited 4. Munak Engineers Private Limited 5. S. V. Shah Construction Services Private Limited 6. IITB Research Park Foundation **Membership of Committees of other Board:** 1. UPL Limited (i) Audit Committee (ii) Stakeholder Relationship Committee (iii) Nomination and Remuneration Committee 2. Uniphos Enterprises Limited (i) Audit Committee (ii) Stakeholder Relationship Committee (iii) Nomination and Remuneration Committee **Chairmanship of Committees of other Board:** 1. Uniphos Enterprises Limited (i) Audit Committee (ii) Stakeholder Relationship Committee (iii) Nomination and Remuneration Committee
Name	**:**	**Vijay Kumar Bhartia***	**Binod Kumar Patodia***
Date of first appointment on the Board	:	18th April, 2007	18th April, 2007
Age, Qualifications, Experience and Expertise / Brief Resume	:	Vijay Kumar Bhartia, aged 76 years is a Commerce graduate from Bombay University. He has diversified experience in Engineering, Metallurgical, and Textile industries over a period of 47 years in various capacities. The experience gained over initial years in varied functions in large corporate bodies particularly in Accounts - Finance, Purchase, setting up of new manufacturing units & Marketing enabled him to independently administer complete operations as CEO of Raymond Ltd. To his credit, few sick units were also turned around as healthy companies under his direct supervision.	Binod Kumar Patodia, aged 73 years is a Bachelor of Engineering from Birla Institute of Science and Technology, Pilani. He is at the helm of GTN Group of Companies. He is an ex Chairman of the Joint Cotton Committee of International Textile Manufacturers Federation (ITMF), Zurich. He is a member of the Advisory Board on the Committee of Management of ITMF. He is also a member of the Spinners Committee of ITMF. He is currently the Co-Chairman of Advisory Committee for Strategic Planning of SIMA Cotton Development and Research Association. He continues to serve on various Committees including Cotton Advisory Board and Cotton Yarn Advisory Board constituted by the Ministry of Textiles, Government of India.

List of Directorship / Membership / Chairmanship of Committees of other Board	:	**Directorship:** 1. Uniconnect Sim Private Limited 2. Rainbow Weavers and Processors Limited 3. Roam-Connect Technologies Private Limited **Membership of Committees of other Board:** Nil **Chairmanship of Committees of other Board:** Nil	**Directorship:** 1. GTN Textiles Limited 2. Patspin India Limited 3. GTN Enterprises Limited 4. The India Thermit Corporation Limited 5. Patspin Apparels Private Limited 6. Patodia Exports & Investments Private Limited 7. Umang Finance Private Limited 8. Beekaypee Credit Private Limited **Membership of Committees of other Board:** 1. GTN Textiles Limited (i) Audit Committee (ii) Stakeholder Relationship Committee 2. GTN Enterprises Limited (i) Audit Committee 3. The India Thermit Corporation Limited (i) Audit Committee (ii) Nomination and Remuneration Committee (iii) Corporate Social Responsibility Committee **Chairmanship of Committees of other Board:** Nil

Name	**:**	**Akshada Suramya Nevatia***
Date of first appointment on the Board	:	15th January, 2017
Age, Qualifications, Experience and Expertise / Brief Resume	:	Akshada Suramya Nevatia, aged 30 years, has done Graduation in Psychology from S.P. College, Pune and Masters in Clinical Psychology from Fergusson College, Pune. She has also done her Diploma in Family Managed Business from S. P. Jain Institute, Mumbai. She is having more than five years of experience in Darode Jog Properties in Real Estate Industry. She is associated with our Company for the last two years as Management (Corporate).
List of Directorship / Membership / Chairmanship of Committees of other Board	:	**Directorship:** Nil **Membership of Committees of other Board:** Nil **Chairmanship of Committees of other Board:** Nil

*The following information has been given in Corporate Governance Report part of the Annual Report:-

- Number of Meetings of the Board attended during the year
- No. of shares held in the Company as on 31st March, 2018
- Relationship with other Directors, Manager and other Key Managerial Personnel of the Company
- Terms and Conditions of appointment/re-appointment along with details of remuneration sought to be paid and remuneration last drawn by such person
- Directorship held in other Public Companies as on March 31, 2018

Annexure B

Disclosure as required under Section II of Part II of Schedule V to the Companies Act, 2013 is given hereunder

1. General Information:

i. **Nature of Industry:** The Company is engaged in manufacturing and marketing of Semi Conductor Devices, Power Electronic Products and Loco Transformers.

ii. **Date or expected date of Commercial Production:** N.A., since the Company has already commenced its business activities.

iii. **In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:** N.A.

iv. **Financial Performance:**

(₹ in lacs)

Particular	For the financial year		
	2015-16	2016-17*	2017-18*
Net Operational Income	9393.59	11148.49	12569.20
Depreciation	157.53	199.75	230.73
Total Expenses	9611.96	11347.04	12367.44
Net Profit / (Loss) before Exceptional Items and Tax	(218.37)	(198.55)	201.76
Exceptional Items	-	779.33	-
Net Profit/(Loss) for the year	150.58	(712.20)	131.45
Paid up Capital	301.16	301.16	331.27
Reserves and Surplus	5882.63	5019.52	6297.58
Earnings Per Share	(1.00)	(4.63)	(0.84)

*As per Ind-AS

Export Performance:

(₹ in lacs)

2015-16	2016-17	2017-18
651.75	186.32	166.68

v. **Foreign Investments or collaborations, if any:** Company does not have any investment outside India. Company has Technical Collaboration for manufacturing of Inverters, Converters, stacks etc.

2. Information about the Appointees:

Shri Sushil Kumar Rameshwarprasad Nevatia is qualified as Inter Commerce from Podar College, Mumbai and has an experience of over 65 years. He started his career with Mukand Limited and was associated with them for 5 years. Later in 1958, he promoted Hind Rectifiers Limited. He set up manufacturing units in Nashik in 1983-84 and in Dehradun in 2006-07. He continues to be overall in charge of all the 3 units. His entire 65 years of work experience is in the line of Semi Conductor Devices, Power Electronic Products and Loco Transformers.	Smt. Akshada Suramya Nevatia has done graduation in Psychology from S.P. College, Pune and Masters in Clinical Psychology from Fergusson College, Pune. She has also done her Diploma in Family Managed Business from S. P. Jain Institute, Mumbai. She is having approximately five year experience in Darode Jog Properties in Real Estate Industry and two years in Hind Rectifiers Limited as Management (corporate).

Past Remuneration :

Shri Sushil Kumar Rameshwarprasad Nevatia is Chairman and Managing Director of the Company and his past remuneration for the last three years are as under:-

(₹ in lacs)

Particular	2015-16	2016-17	2017-18
Remuneration	43.42	43.36	69.94

Smt. Akshada Suramya Nevatia* past remuneration for the last three years are as under:-

(₹ in lacs)

Particular	2015-16	2016-17	2017-18
Remuneration	3.55	4.53	15.49

*Smt. Akshada Suramya Nevatia appointed as Director w.e.f. 15th January, 2017.

Proposed Remuneration is mentioned in the Explanatory Statement. Apart from receiving Managerial Remuneration, Shri Sushil Kumar Rameshwarprasad Nevatia and Smt. Akshada Suramya Nevatia do not have any other pecuniary relationship with the Company except their relationship with the Directors as described in Corporate Governance Report and holding 2151138 and 5850 equity shares of the Company respectively.

Comparative remuneration profile with respect to industry, size of Company, profile of the position and person: Comparative Remuneration with respect to industry, size of the Company, etc. is not possible to be complied as it is difficult to call and compile information from such industries. In this regard, the Board is of the opinion that the proposed remuneration is not detrimental to the interest of either the Company or its other stakeholders.

3. Other information:

Company is focusing on development of new products for railways and also for other applications. In view of various steps taken by the Company profit (PBITDA) for the year 2017-18 is ₹ 10.27 cr compared to the ₹ 5.17 cr in the year 2016-17.

Profit before tax for the year 2017-18 was ₹ 2.02 crore as compared to loss of ₹ 9.77 crore in the year 2016-17.

Nashik plant expansion for manufacture of Railway as well non Railway products has been completed during the financial year 2018-19; this will help for further improving the performance. Company has healthy order bookings for the year 2018-19.

Disclosure:

Necessary disclosures shall be made in the Directors' Report annually and shareholders will be provided all the necessary information. The required information about the remuneration package, service contract, etc. is given in Corporate Governance Report part of the Annual Report.

HIND RECTIFIERS LIMITED

Registered Office: Lake Road, Bhandup (W), Mumbai 400078
CIN: L28900MH1958PLC011077

ATTENDANCE SLIP

D.P. ID*	Client ID*
L. F. No.	No. of Shares held

I/We hereby record my/our presence at the **SIXTIETH ANNUAL GENERAL MEETING** held on **Monday, 13th August, 2018** at **12:00 noon** at **Odyssey, Mayfair Banquet, 254-C, Dr. Annie Besant Road, Worli, Mumbai 400 030 Maharashtra.**

Signature of Shareholder(s) 1. _____ 2. _____ 3. _____

Name of the Proxy holder _____

Signature of the Proxy holder _____

* Applicable for investors holding shares in electronic form.

Note: Shareholders attending the meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting venue.

HIND RECTIFIERS LIMITED

Registered Office: Lake Road, Bhandup (W), Mumbai - 400078
CIN: L28900MH1958PLC011077

PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Member's Name	
Folio No. / Client ID	
DP ID	
Registered Address	
E-Mail ID	

I / We, being member(s) of Hind Rectifiers Limited having ..... shares, hereby appoint:

a) Name ..... Address .....

E-Mail ID ..... Signature ..... or failing him;

b) Name ..... Address .....

E-Mail ID ..... Signature ..... or failing him;

c) Name ..... Address .....

E-Mail ID ..... Signature .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **SIXTIETH ANNUAL GENERAL MEETING** of the Company to be held on **Monday, 13th August, 2018** at **12:00 noon** at **Odyssey, Mayfair Banquet, 254-C, Dr. Annie Besant Road, Worli, Mumbai 400 030 Maharashtra** and at any adjournment thereof in respect of such resolutions as are mentioned below:-

Route Map for

60th Annual General Meeting of Hind Rectifiers Limited

Odyssey Mayfair Banquet, 254-C, Dr. Annie Besant Road, Worli, Mumbai 400030. Landmark: Near Old Passport Office/Opp. Sasmira College.



Sr. No.	Resolutions	Optional*	
		For	Against
1	Consider and adopt the Audited Financial Statement, Report of the Board of Directors and Auditors		
2	Re-appointment of Shri Vandan Sitaram Shah, who retires by rotation		
3	Appointment of Branch Auditor for Dehradun Plants to fill Casual Vacancy		
4	Ratification of remuneration to Cost Auditors		
5	Approval to continuation of office by Shri Vijay Kumar Bhartia as an Independent Director of the Company		
6	Re-appointment of Shri Parimal Rameshchandra Merchant as an Independent Director		
7	Re-appointment of Shri Pradeep Vedprakash Goyal as an Independent Director		
8	Re-appointment of Shri Vijay Kumar Bhartia as an Independent Director		
9	Re-appointment of Shri Binod Kumar Patodia as an Independent Director		
10	Re-appointment of Shri Sushil Kumar Rameshwarprasad Nevatia as Chairman and Managing Director and approval of remuneration		
11	Approval to payable remuneration to Smt. Akshada Suramya Nevatia, Executive Director		
12	Approval of Related Party Transaction		
13	Approval of HIRECT Employees Stock Option Plan-2018		

Signed this ..... day of 2018

Affix Revenue Stamp

Signature of the shareholder(s) ....

Signature of Proxy holder(s) ....

Note: 1) This form must be deposited at the registered office of the Company not later than 48 hours before the time of the meeting.

* 2) It is optional to put a 'X' in the appropriate column against the Resolution indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he / she thinks appropriate.

3) A proxy need not be a member.

4) Please fill all details including details of members in above box before submission.

Hind Rectifiers Limited



PERFECTLY ENGINEERED POWER CONVERSION SYSTEMS

Annual Report 2017 - 2018

hirect.com

REGISTERED OFFICE : Lake Road,
Bhandup (West),
Mumbai - 400078
CIN : L289000MH1958PLC011077
Email : corporate@hirect.com
Website : hirect.com

WORKS :

i) Lake Road, Bhandup (West),
Mumbai - 400078 Maharashtra (India)

ii) Plot No. 110/111, M.I.D.C. Satpur,
Nashik - 422007 Maharashtra (India)

iii) New Khasra. No. 64-67 & 74,
Village Charba, Vikas Nagar,
Dehradun - 248197 Uttarakhand (India)

iv) New Khasra. No. 295, 296 & 301,
Village Charba, Vikas Nagar,
Dehradun - 248197 Uttarakhand (India)

REGIONAL OFFICES

Western Region : Marketing Division
Lake Road, Bhandup (West),
Mumbai - 400078.

Eastern Region : Chatterjee International Centre
6th Floor, Flat No. 4,
33-A, J. N. Road, Kolkata - 700071.

Northern Region : 7B/5024, 2nd Floor,
N. S. Marg, New Delhi - 110002.

Southern Region : 403, 4th Floor, C Block,
Shivalaya Building, Ethiraj Salai,
Egmore, Chennai - 600008.

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BOARD OF DIRECTORS

S. K. Nevatia, Chairman & Managing Director
Akshada Nevatia, Executive Director
Bharat Swaroop (upto 24th April, 2017)
Pawan Kumar Golyan
V. K. Bhartia
Binod Kumar Patodia
Pradeep V. Goyal
Parimal Merchant
Vandan Shah

KEY MANAGERIAL PERSONNEL

S. K. Nevatia, Chairman & Managing Director
Suramya Nevatia, Chief Executive Officer (Appointed as KMP w.e.f. 1st June, 2018)
A. K. Nemani, Chief Financial Officer
Meenakshi Anchlia, Company Secretary & Compliance Officer

BANKERS

ICICI Bank Ltd.
Union Bank of India
TJSB Sahakari Bank Ltd.
Apna Sahakari Bank Ltd.

STATUTORY AUDITORS

M/s Ravi A. Shah & Associates
Chartered Accountants

SECRETARIAL AUDITORS

M/s GMJ & Associates
Comapny Secretaries

LEGAL ADVISORS

M/s Kanga & Co.

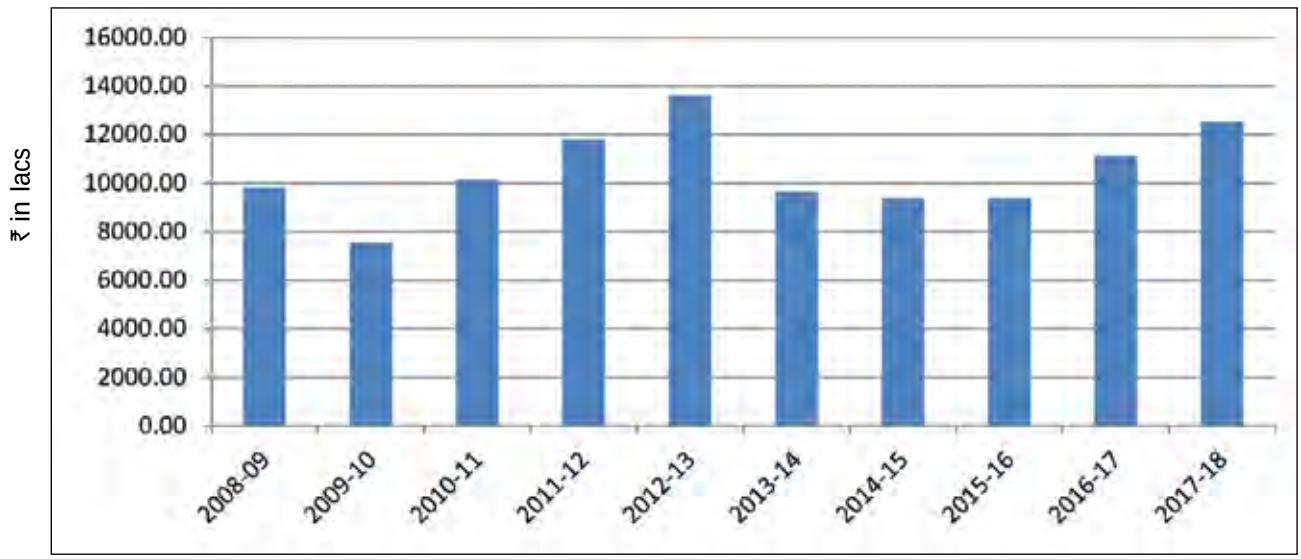
REGISTRAR AND TRANSFER AGENT

M/s Adroit Corporate Services Private Limited
17-20, Jafferbhoy Industrial Estate,
1st Floor, Makwana Road, Marol Naka,
Andheri (East), Mumbai 400059.

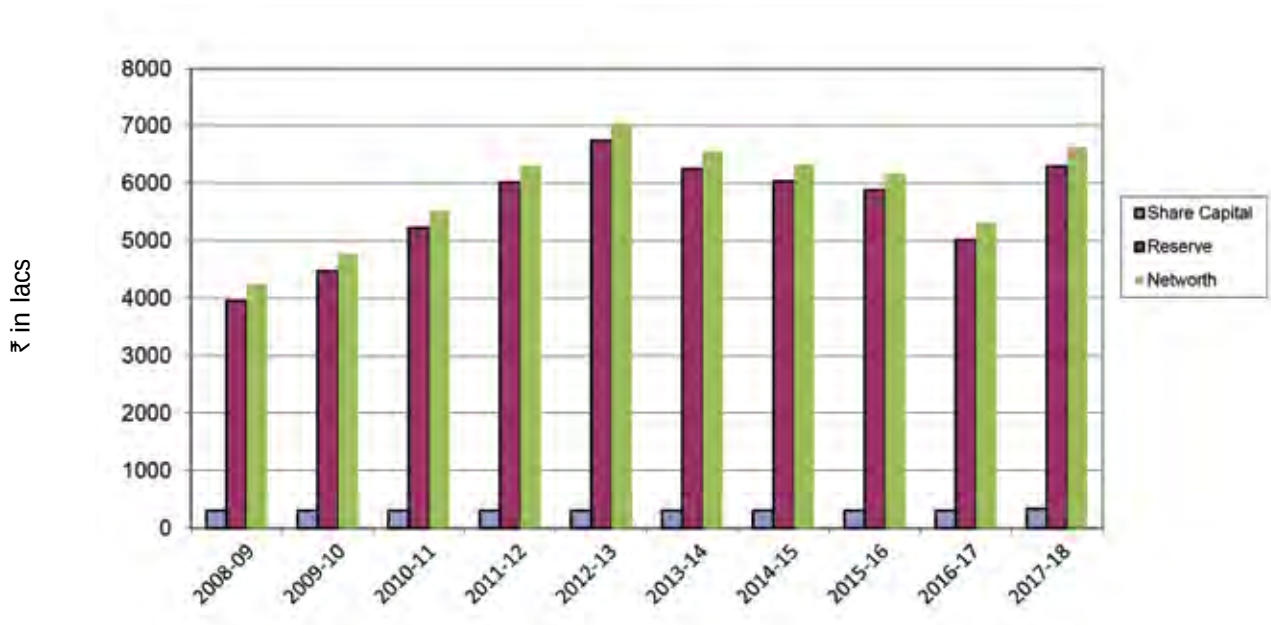
60th ANNUAL GENERAL MEETING

Date	:	13th August, 2018
Time	:	12.00 noon
Venue	:	Odyssey Mayfair Banquet, 254-C, Near Old Passport Office, Opp. Sasmira College, Dr. Annie Besant Road, Worli, Mumbai 400030.

SALES



NET WORTH



HIGHLIGHTS

			2017-18	2016-17	2015-16	2014-15	2013-14
INCOME :							
1	Gross Operational Income	(₹ in lacs)	12,661.71	12,048.28	9,947.53	9,895.73	10,187.09
2	Net Operational Income	(₹ in lacs)	12,569.2	11,148.49	9,393.59	9,396.82	9,671.66
3	Profit before Finance Cost, Depreciation & Tax	(₹ in lacs)	1,027.82	517.34	266.63	(209.97)	(306.72)
4	Finance Cost	(₹ in lacs)	595.33	516.14	327.47	234.91	170.78
5	Depreciation	(₹ in lacs)	230.73	199.75	157.53	146.98	228.67
6	Gross Profit after Finance Cost & Depreciation but before Tax	(₹ in lacs)	201.76	(198.55)	(218.37)	(591.86)	(706.17)
7	Exceptional Items	(₹ in lacs)	-	779.33	-	-	-
8	Profit after Tax	(₹ in lacs)	131.45	(681.81)	(150.98)	(357.26)	(492.54)
9	Dividends	(₹ in lacs)	-	-	-	-	30.11
EQUITY SHARE DATA :							
10	Sales & other Income per equity Share	(₹)	76	74	63	63	65
11	Earnings per equity share	(₹)	0.84	(4.63)	(1.00)	(2.37)	(3.27)
12	Book value of equity share	(₹)	40.02	35.33	41.07	42.07	43.54
13	Networth	(₹ in lacs)	6628.85	5,320.68	6,183.79	6,334.77	6,555.95
14	Market Price :						
	a) High	(₹)	164.00	114.30	100.00	104.80	61.95
	b) Low	(₹)	75.19	61.00	52.55	33.65	28.30
15	Dividend	(%)	-	-	-	-	10
RATIO :							
16	PBT / Net Operational Income	(%)	1.61	(1.78)	(2.32)	(6.30)	(7.30)
17	Profit after Tax / Networth	(%)	1.98	(12.81)	(2.44)	(5.64)	(7.51)
18	Total Liabilities / Total Assets	Times	0.57	0.53	0.50	0.45	0.42
19	Total Debt / Equity	Times	0.77	0.77	0.51	0.41	0.35
20	Total Outside Liability / Total networth	Times	1.26	1.08	0.97	0.81	0.71
21	Current Ratio	Times	1.39	1.40	1.69	1.69	1.95
22	PBDIT / Finance Costs	Times	1.38	1.00	0.81	(0.89)	(1.80)

CHAIRMAN'S STATEMENT



Dear Shareholders,

I'm pleased to inform you all that after struggling for last few years, your company has finally turned profitable in the last financial year. We will continue to capitalise and build further on this momentum in the existing financial year with a strong order book position and a variety of new products added to our expansive product offering.

This coupled with our 2 recently upgraded plants at Nasik and Dehradun will ensure world class quality products delivered to our customers on time.

I want to thank you all for your patience, your faith and your belief in Hind Rectifiers Ltd. I assure you, the future is very promising and you will not be disappointed.

It's been 60 years since we have been in business, but the best is yet to come!

With Best Wishes

S. K. Nevatia

Chairman & Managing Director

DIRECTORS' REPORT

Dear Members,

Your Directors present the 60th Annual Report together with the Audited Financial Statements for the year ended 31st March, 2018.

(₹ in lacs)

FINANCIAL RESULTS:		Year ended 31.03.2018	Year ended 31.03.2017
Gross Revenue from Operation		**12,705.51**	12,062.81
Less: Excise Duty / Service Tax		**136.31**	914.32
Net Operational Income		**12,569.20**	11,148.49
Profit Before Interest, Tax, Depreciation and Amortization (PBITDA)		**1,027.82**	517.34
Less: Finance Cost		**595.33**	516.14
Profit / (Loss) before Depreciation & Tax		**432.49**	1.20
Less : Depreciation		**230.73**	199.75
Profit / (Loss) before Exceptional item		**201.76**	(198.55)
Exceptional item		**-**	779.33
Profit / (Loss) before Tax		**201.76**	977.88
Less : Provision for Taxation - Deferred	**70.31**		(265.53)
- For Earlier Years	**-**		(0.15)
		70.31	(265.68)
Profit / (Loss) after taxes		**131.45**	(712.20)
Other Comprehensive Income/(Loss)			
Actuarial Gain/(Loss) on post employment defined benefit plan		**8.47**	15.36
Total Comprehensive Income		**139.92**	(696.84)
Add: Balance brought forward		**(1,314.13)**	(617.29)
Add: Director's Loan Reconverted		**(13.87)**	-
Surplus Carried to Balance Sheet		**(1,188.08)**	(1,314.13)

OPERATIONS

Turnover of the Company during the year 2017-18 was ₹ 12,569.20 lacs as compared to ₹ 11,148.49 lacs in the year 2016-17. Profit before interest, depreciation and tax was ₹ 1,027.82 lacs compared to ₹ 517.34 lacs.

Company continues to focus on development of new products for Railways and also for other applications. Expansion plan undertaken at Nashik for manufacture of Railway as well non Railway products has been completed during the year. Company is planning further expansion of its product range, this will help for further improving the performance.

Demand from Railways is improving and Company has healthy order bookings for the year 2018-19.

DIVIDEND AND RESERVES

In view of accumulated losses, your Directors do not recommend any dividend for the year under review and no amount is proposed to be transferred to Reserves.

INDIAN ACCOUNTING STANDARDS

The Ministry of Corporate Affairs (MCA), vide its notification in the Official Gazette dated February 16, 2015, notified the Indian Accounting Standards (Ind AS) applicable to certain classes of companies. Ind AS has replaced the existing Indian GAAP prescribed under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. For the Company, Ind AS is applicable from April 1, 2017. Accordingly these accounts have been prepared as per Ind AS. The areas which had an impact on account of transition to Ind AS have been reported in the notes to the financial statements.

SHARE CAPITAL

The paid up Equity Share Capital as on March 31, 2018 was ₹ 3,31,27,446. During the year under review, the Company has issued 1505793 equity shares on right basis. Company had come up with Rights Issue of 1505793 equity shares of ₹ 2/- each at a price of ₹ 80/- per share (including premium of ₹ 78/- per share) for an amount aggregating to ₹ 1,204.63 lacs on a right basis to the existing equity shareholders of Hind Rectifiers Limited in the ratio of one equity share for every ten fully paid up equity share held on the record date i.e. 18th October, 2017.

Company received overwhelming response from shareholders. Issue was subscribed 143.73%. The Board of Directors wishes to thank all its members and investors for their response to the Company's Rights Issue of equity shares.

Company has utilized issue proceeds for the objects mentioned in the Letter of offer. Same has been certified by Statutory Auditors and noted by the Audit Committee.

During the year under review, the Company has not issued shares with differential voting rights nor has granted any stock options or sweat equity. As on March 31, 2018, none of the Directors of the Company hold instruments convertible into equity shares of the Company.

DEPOSITS

During the year under consideration, the Company has not accepted any deposits. Although Company had passed relevant resolution in 59th Annual General Meeting to invite deposit from shareholders but it has not started yet. There were no unpaid or unclaimed deposits as on 31st March, 2018.

Company has borrowed by way of interest free loan from Chairman and Managing Director which is exempt under Deposit Rules. Outstanding loan as on 31st March, 2017 of ₹ 120 lacs was converted into Rights shares during the year.

BOARD OF DIRECTORS

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Shri Vandan Shah, Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, have offered himself for re-appointment. The Board recommends his re-appointment for the consideration of the Members of the Company at the Annual General Meeting. Brief profile of Shri Vandan Shah has been given in the Notice convening the Annual General Meeting.

The term of Shri S. K. Nevatia as Chairman and Managing Director is upto 31st March, 2019. The Board of Directors on the recommendation of the Nomination and Remuneration Committee has re-appointed Shri S. K. Nevatia as Chairman and Managing Director of the Company for a period of three years with effect from 1st April, 2019 to 31st March, 2022, subject to approval of members.

None of the Directors are disqualified under Section 164(2) of the Companies Act, 2013.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As per SEBI (LODR) Amendment Regulations, 2018, no listed entity shall appoint a person or continue the directorship of any person as Non-Executive Director who has attained the age of seventy five years unless a special resolution is passed to that effect. Shri Vijay Kumar Bhartia, 77 years, was appointed as Non-Executive Independent

Director of the Company, for a period of five years with effect from 14th August, 2014 by way of passing ordinary resolution. The Board has recommended to the members to pass the resolution as Special Resolution for his existing term.

The first term of office for Shri Parimal Merchant as Independent Director expires on 11th August, 2018 and for Shri Pradeep Goyal, Shri Vijay Kumar Bhartia and Shri B. K. Patodia, as Independent Directors, expires on 13th August, 2019.

The Board has recommended re-appointment of Shri Parimal Merchant, Shri Pradeep Goyal, Shri Vijay Kumar Bhartia and Shri B. K. Patodia, as Independent Directors of the Company for a second term of 5 (five) consecutive years.

KEY MANAGERIAL PERSONNEL

In terms of provisions of Section 203 of the Companies Act, 2013 Shri S. K. Nevatia, Chairman and Managing Director, Shri A.K. Nemani, Chief Financial Officer and Ms. Meenakshi Anchlia, Whole Time Company Secretary are the Key Managerial Personnel of your Company.

Shri Suramya Nevatia CEO, has been appointed as Key Managerial Personnel w.e.f. 1st June, 2018.

BOARD MEETINGS

The details of the number of meetings of the Board held during the financial year 2017-18 forms part of the Corporate Governance Report. The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

Details of the Committees of the Board and other related information are given in the Corporate Governance Report.

SIGNIFICANT AND MATERIAL ORDERS

There were no significant and material orders passed by the Regulators/Courts that would impact the going concern status of the Company and its future operations.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) of the Companies Act, 2013, the Directors confirm that:

a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b) we have 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) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the annual accounts have been prepared on a going concern basis;

e) proper systems had devised to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively; and

f) proper internal financial controls were laid down and that such internal financial controls are adequate and were operating effectively.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SECTION 143(12)

During the year under review, there were no frauds reported by the auditors to the Audit Committee or the Board under Section 143(12) of the Companies Act, 2013.

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Listing Regulations, the Board has carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of Committees of the Board. The Board of Directors expressed their satisfaction with the evaluation process. The Independent Directors met separately on September 8, 2017 and February 13, 2018 to discuss the following:

(i) review the performance of Non-Independent Directors and the Board as a whole;

(ii) review the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;

(iii) 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.

All Independent Directors were present at the Meeting and discussed the above and expressed their satisfaction.

SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint venture or Associate Companies.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the financial year 2017-18, the Company has not given any loans, guarantees or made any investments as per the provisions of Section 186 of the Companies Act, 2013.

RELATED PARTY TRANSACTIONS

All transactions entered with Related Parties for the year under review were on arm's length basis and in the ordinary course of business and that the provisions of Section 188 of the Companies Act, 2013 and the Rules made there under are not attracted. Thus, disclosure in Form AOC-2 in terms of Section 134 of the Companies Act, 2013 is not required.

Further, there are no material related party transactions during the year under review. All related party transactions are mentioned in the Notes to the Financial Statements.

All Related Party Transactions are placed before the Audit Committee. Omnibus approval was obtained for transactions which are of repetitive nature. A statement giving details of all Related Party Transactions are placed before the Audit Committee for review and approval on a quarterly basis.

The policy on Related Party Transactions as approved by the Board of Directors has been uploaded on the website of the Company viz. www.hirect.com.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. In line with these objectives the Company has adopted a Vigil Mechanism/Whistle Blower Policy to deal with instances of fraud and mismanagement.

During the year under review, no complaint was received by Company.. The 'Vigil Mechanism/Whistle Blower Policy' is uploaded on the website of the Company viz. www.hirect.com.

NOMINATION AND REMUNERATION POLICY

The Board of Directors had framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. This policy also lays down criteria for selection and appointment of Board Members. The policy is disclosed on the website of the Company viz. www.hirect.com.

CORPORATE SOCIAL RESPONSIBILITY

As per the Companies Act, 2013, all Companies having net worth of ₹ 500 crore or more, or turnover of ₹ 1,000 crore or more or a net profit of ₹ 5 crore or more during any three preceding financial year are required to constitute a Corporate Social Responsibility (CSR) Committee of the Board of Directors comprising three or more Directors, at least one of whom should be an Independent Director and such Company shall spend at least 2% of the average net profits of the Company's three immediately preceding financial year.

Accordingly Company had constituted CSR Committee comprises Shri V.K. Bhartia (Chairman), Shri S. K. Nevatia and Smt. Akshada Nevatia (Members).

Due to losses in three preceding financial years, CSR is not applicable on the Company in reporting financial year 2017-18. Thus, report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 is not required.

AUDIT COMMITTEE

An Audit Committee of the Board has been constituted in terms of the relevant provision of the Listing Regulations and Section 177 of the Companies Act, 2013. Constitution and other details of the Audit Committee are given in the Corporate Governance Report.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report on the operations of the Company, as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided in a separate section and forms an integral part of this Report.

CORPORATE GOVERNANCE

As per Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate section on corporate governance practices followed by the Company, together with a certificate from the Company's Auditors confirming compliance forms an integral part of this Annual Report.

STATUTORY AUDITOR AND BRANCH AUDITOR

M/s. Ravi A. Shah & Associates, Chartered Accountants, Firm Registration No. 125079W (Statutory Auditor), M/s Ronak Gada & Associates, Chartered Accountants, Firm Registration No. 133987W (Branch Auditor of Dehradun Plants) and M/s Ratan Chandak & Co., Chartered Accountants, Firm Registration No. 108696W (Branch Auditor of Nasik Plant) were appointed for a term of 5 (five) consecutive years, at the Annual General Meeting held on September 8, 2017.

M/s. Ravi A. Shah & Associates, Chartered Accountants and M/s Ratan Chandak & Co., Chartered Accountants have confirmed that they are not disqualified from continuing as Auditors of the Company.

During the year M/s Ronak Gada & Associates, Chartered Accountants, firm merged and consequently there was a casual vacancy caused in the office of Branch Auditor. Since then Board has appointed M/s Gada Chheda & Co. LLP, Chartered Accountants, Firm Registration No. W100059, for a period of five consecutive years subject to approval of members in general meeting. Company has received a certificate from M/s Gada Chheda & Co. LLP, Chartered Accountants confirming their eligibility to be appointed as Branch Auditors of Dehradun Plants of the Company in terms of the provisions of the Companies Act, 2013 and Rules framed there under. The Board has recommended to the members to pass the resolution.

The observations of the auditors contained in their Report are self explanatory and therefore, do not call for any further comments. The Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimer.

COST AUDITOR

As per the requirement of Central Government and pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, your Company has been carrying out audit of cost records.

The Board of Directors, on the recommendation of Audit Committee, has re-appointed M/s N. Ritesh & Associates, Cost Accountants, (Firm Registration Number 100675) as Cost Auditor to audit the cost accounts of the Company for the financial year 2018-19. As required under the Companies Act, 2013, a resolution seeking member's approval for the remuneration payable to the Cost Auditor forms part of the Notice convening the Annual General Meeting for their ratification.

SECRETARIAL AUDITIOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has re-appointed M/s GMJ & Associates, a firm of

Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed as Annexure B and forms an integral part of this report.

The Secretarial Audit Report does not contain any qualifications, reservation or adverse remark.

SECRETARIAL STANDARDS

The Board of Directors states that applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

INTERNAL FINANCIAL CONTROLS SYSTEMS AND ITS ADEQUACY

Adequate systems for internal controls provide assurances on the efficiency of operations, security of assets, statutory compliance, appropriate authorization, reporting and recording transactions. The scope of the audit activity is broadly guided by the annual audit plan approved by the top management and Audit Committee. The Internal Auditor prepares regular reports on the review of the systems and procedures and monitors the actions to be taken.

The Audit Committee of the Board of Directors reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same.

RISK MANAGEMENT

The Company has in place a Risk Management Policy which was reviewed by the Audit Committee and approved by the Board of Directors of the Company. The policy provides for a robust risk management framework to identify and assess risks such as operational, strategic, financial, regulatory, human resource and other risks and put in place an adequate risk management infrastructure capable of addressing these risks.

CODE OF CONDUCT

Your Company is committed to conducting its business in accordance with the applicable laws, rules and regulations and highest standards of business ethics. In recognition thereof, the Board of Directors has implemented a Code of Conduct for adherence by the Directors and Senior Management Personnel of the Company. This will help in dealing with ethical issues and also foster a culture of accountability and integrity.

LISTING

The Company has listed it shares on BSE Limited and National Stock Exchange of India Limited. The Company is regular in payment of Listing Fees.

DEPOSITORY SERVICES

The Company's Equity Shares have been admitted to the depository mechanism of the National Securities Depository Limited (NSDL) and also the Central Depository Services (India) Limited (CDSL). The Company has been allotted ISIN No. INE835D01023.

Shareholders therefore are requested to take full benefit of the same and lodge their holdings with Depository Participants [DPs] with whom they have their Demat Accounts for getting their holdings in electronic form.

PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197(12) of Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as Annexure C and forms an integral part of this Annual Report.

The information required pursuant to Section 197(12) read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable because Company has not employed any employee drawing salary of ₹ 8.5 lacs per month or ₹ 1.02 Cr. per annum during the year under review.

DISCLOSURE AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace, in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. The policy aims to provide protection to woman at the workplace and prevent and redress complaints

of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where woman feel secure. The Company has also constituted Internal Committees at all its locations to inquire into complaints of sexual harassment and recommend appropriate action.

The Company has not received any complaint of sexual harassment during the financial year 2017-18.

INFORMATION ON MATERIAL CHANGES AND COMMITMENTS

There are no material changes and commitments affecting the financial position of the Company which have occurred between 31st March, 2018 and 30th May, 2018 being the date of this report.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT-9, as required under Section 92 of the Companies Act, 2013, is annexed as Annexure A and forms an integral part of this report.

INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the applicable provisions of the Companies Act, 2013, read with IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules'), all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF established by the Central Government, after the completion of seven years. Further, according to the Rules, the shares in respect of which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the demate account created by the IEPF Authority. Accordingly, the Company has transferred the unclaimed and unpaid dividends. Further, the corresponding shares will be transferred as per the requirements of the IEPF rules, details of which are provided on company's website viz. www.hirect.com.

PARTICULARS REGARDING CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

The information pursuant to Section 134 (3)(m)of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is annexed as Annexure D and forms an integral part of this Report.

SAFETY, ENVIRONMENTAL CONTROL AND PROTECTION

The Company is conscious of the importance of environmentally clean and safe operations. The Company's policy requires conduct of operations in such a manner so as to ensure safety of all concerned and compliances of environmental regulations.

The Company has taken all the necessary steps for safety, environmental control and protection at all plants.

ACKNOWLEDGMENT

The Directors wish to convey their appreciation to the Company's shareholders, customers, suppliers, bankers and all the technology partners for the support they have given to the Company and the confidence, which they have reposed in its management and the employees at all levels for the commitment and dedication shown by them.

For and on behalf of the Board of Directors
For **Hind Rectifiers Limited**

Place: Mumbai.
Date: 30th May, 2018

S. K. Nevatia
Chairman and Managing Director

ANNEXURE "A" TO THE DIRECTORS' REPORT

FORM MGT-9
EXTRACT OF ANNUAL RETURN
As on the financial year ended on 31st March, 2018
[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

i)	CIN	:	L28900MH1958PLC011077
ii)	Registration Date	:	25.04.1958
iii)	Name of the Company	:	HIND RECTIFIERS LIMITED
iv)	Category / Sub-Category of the Company	:	Company Limited by Shares
v)	Address of the Registered office and contact details	:	Lake Road, Bhandup (West), Mumbai-400078 Maharashtra Tel:- +91 22 25696789 Fax: +91 22 25964114
vi)	Whether Listed Company	:	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	:	Adroit Corporate Services Private Limited 17-20, Jafferbhoy Industrial Estate, 1st Floor, Makwana Road, Marol Naka, Andheri (East), Mumbai - 400059 Maharashtra Tel.: +91 22 42270400 / Fax: +91 22 28503748

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)

Sr. No.	Name and Description of main products / services	NIC Code of the product / service	% to total turnover of the Company
1	Manufacture of other electrical equipment	2790	70.34 %
2	Repair of other equipments	3319	12.66 %

III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
N.A.					

IV. SHARE HOLDING PATTERN (Equity Share capital breakup as % of Total Equity)

(i) Category-wise Share Holding

Sr. No.	Category of Shareholders	No. of Shares held at the beginning of the year (As on 1st April, 2017)				No. of Shares held at the end of the year (As on 31st March, 2018)				% Change during the year
		Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
(A)	**Promoter and Promoter Group***									
A 1	**Indian**									
(a)	Individuals / HUF	6701757	0	6701757	44.51	6962124	0	6962124	42.03	-2.48
(b)	Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
(c)	State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Banks / Financial Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Any Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	Sub Total (A)(1)	**6701757**	**0**	**6701757**	**44.51**	**6962124**	**0**	**6962124**	**42.03**	**-2.48**
A 2	**Foreign**									
(a)	Individuals (NRI / Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Banks / Financial Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	Sub Total (A)(2)	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
	Total shareholding of Promoter & Promoter group (A)=(A)(1)+(A)(2)	**6701757**	**0**	**6701757**	**44.51**	**6962124**	**0**	**6962124**	**42.03**	**-2.48**
(B)	**Public Shareholding**									
B 1	**Institutions**									
(a)	Mutual Funds / UTI	0	750	750	0.00	0	750	750	0.00	0.00
(b)	Banks / Financial Institutions	750	8250	9000	0.06	750	1500	2250	0.01	-0.05
(c)	Central Government / State Government(s)	0	0	0	0.00	0	0	0	0	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0	0	0	0	0.00
(e)	Insurance Companies	0	0	0	0.00	0	0	0	0	0.00
(f)	Foreign Institutional Investors	0	0	0	0.00	0	0	0	0	0.00
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0	0.00
(h)	Qualified Foreign Investors	0	0	0	0.00	0	0	0	0	0.00
(i)	Any Other (specify)									
	Directors Relatives	-	-	-	-	75678	0	75678	0.46	0.46
	Sub-Total (B)(1)	**750**	**9000**	**9750**	**0.06**	**76428**	**2250**	**78678**	**0.48**	**0.42**

Sr. No.	Category of Shareholders	No. of Shares held at the beginning of the year (As on 1st April, 2017)				No. of Shares held at the end of the year (As on 31st March, 2018)				% Change during the year
		Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
B 2	**Non-institutions**									
(a)	Bodies Corporate									
i	Indian	314356	14000	328356	2.18	596837	500	597337	3.61	1.43
ii	Overseas	0	2400000	2400000	15.94	0	2400000	2400000	14.49	-1.45
(b)	Individuals									
i	Individuals-Hold nominal share capital upto ₹ 1L	3387421	564295	3951716	26.24	3505133	420343	3925476	23.70	-2.54
ii	Individuals-Hold nominal share capital in excess of ₹ 1L	1072744	450000	1522744	10.11	1812983	450000	2262983	13.66	3.55
(c)	Any Other (specify)									
i	Foreign Individual (Including FDI)	300	0	300	0.00	0	0	0	0.00	0.00
ii	Non Resident Indian (Individual)	129325	2250	131575	0.87	139076	1500	140576	0.85	-0.02
iii	Clearing member	6732	0	6732	0.04	48458	0	48458	0.29	0.25
iv	Investor Education and Protection Fund	0	0	0	0	146111	0	146111	0.88	0.88
v	Director	3000	0	3000	0.02	1980	0	1980	0.01	-0.01
vi	Trusts	2000	0	2000	0.01	0	0	0	0.00	-0.01
	Sub Total (B) (2)	**4915878**	**3430545**	**8346423**	**55.43**	**6250578**	**3272343**	**9522921**	**57.49**	**2.06**
(B)	**Total Public Shareholding (B)= (B)(1) + (B) (2)**	**4916628**	**3439545**	**8356173**	**55.49**	**6327006**	**3274593**	**9601599**	**57.97**	**2.48**
	TOTAL (A)+(B)	**11618385**	**3439545**	**15057930**	**100.00**	**13289130**	**3274593**	**16563723**	**100.00**	**0.00**
(C)	**Shares held by Custodians and against which Depository Receipts have been issued**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
	GRAND TOTAL (A)+(B)+(C)	**11618385**	**3439545**	**15057930**	**100.00**	**13289130**	**3274593**	**16563723**	**100.00**	**0.00**

* Change during the year in shareholding of Promoter and Promoter Group is due to Rights Issue and re-classification of certain persons from Promoter Group Category to Public Category vide receipt of approval from the National Stock Exchange of India Limited on 3rd October, 2017 and BSE Limited on 9th October, 2017 under Regulation 31(A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Shareholding of Promoter and Promoter Group is reduced by 4.46% due to reclassification.

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of shares	% of total shares of the Company	% of shares Pledged / encumbered to total shares	No. of shares	% of total to total shares	% of shares Pledged / encumbered to total shares	
1	*Nimai Swaroop	0	0	0.00	-	-	-	0.00
2	*Shekhar Bajaj	102000	0.68	0.00	-	-	-	-0.68
3	*Priyanka Chhabria	0	0.00	0.00	-	-	-	-0.00
4	*Veena Sitaram Shah	44250	0.29	0.00	-	-	-	-0.29
5	Sushil Kumar Nevatia HUF	35000	0.23	0.00	40000	0.24	0.00	0.01
6	Bharti Nevatia	240900	1.60	0.00	271100	1.64	0.00	0.04
7	*Bharat Swaroop	22500	0.15	0.00	-	-	-	-0.15
8	Suramya Saurabh Nevatia	1716209	11.40	0.00	2006536	12.11	0.00	0.71
9	Surabhi Golyan	223000	1.48	0.00	250000	1.51	0.00	0.03
10	*Mridula Bawari	8500	0.06	0.00	-	-	-	-0.06
11	Saurabh Nevatia HUF	10200	0.07	0.00	11500	0.07	0.00	0.00
12	*Madhur Bajaj	163230	1.08	0.00	-	-	-	-1.08
13	*Shri Niraj Bajaj	163230	1.08	0.00	-	-	-	-1.08
14	*Kiran Bajaj	153000	1.02	0.00	-	-	-	-1.02
15	Suryansh Saurabh Nevatia	419500	2.79	0.00	472000	2.85	0.00	0.06
16	Shriya Nevatia	315700	2.10	0.00	355200	2.14	0.00	0.04
17	Saurabh Nevatia	1243300	8.26	0.00	1398800	8.44	0.00	0.18
18	Sushil Kumar Nevatia	1821138	12.09	0.00	2151138	12.99	0.00	0.90
19	*Jaya Darpan Sanghvi	15000	0.10	0.00	-	-	-	-0.10
20	Akshada Anand Jog (Nevatia)	5100	0.03	0.00	5850	0.04	0.00	0.01
	Total	**6701757**	**44.51**	**0.00**	**6962124**	**42.03**	**0.00**	**-2.48**

* Promoter Group entities have been re-classified as 'Public Category'.

(iii) Change in promoters' shareholding (please specify, if there is no change)

Sr. No.	Particulars	Name of Promoter	As on Date	No. of Shares held at the beginning 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
1	**At the beginning of the year**	**Sushil Kumar Nevatia**	01/04/2017	1821138	12.09	1821138	12.09
	Date wise increase / decrease in Promoter Shareholding during the year		*06/12/2018	330000	1.99	2151138	12.99
	At the end of the year		31/03/2018	2151138	12.99	2151138	12.99
2	**At the beginning of the year**	**Saurabh Nevatia**	01/04/2017	1243300	8.26	1243300	8.26
	Date wise increase / decrease in Promoters Shareholding during the year		*06/12/2017	155500	0.94	1398800	8.44
	At the End of the year		31/03/2018	1398800	8.44	1398800	8.44
3	**At the beginning of the year**	**Madhur Bajaj**	01/04/2017	163230	1.08	163230	1.08
	Date wise increase / decrease in Promoters Shareholding during the year		Nil movement till 10th October, 2017				
	At the end of the year		Reclassified as 'Public Category' w.e.f. 10th October, 2017				
4	**At the beginning of the year**	**Shekhar Bajaj**	01/04/2017	102000	0.68	102000	0.68
	Date wise increase / decrease in Promoters Shareholding during the year		Nil movement till 10th October, 2017				
	At the end of the year		Reclassified as 'Public Category' w.e.f. 10th October, 2017				
5	**At the beginning of the year**	**Saurabh Nevatia HUF**	01/04/2017	10200	0.07	10200	0.07
	Date wise increase / decrease in promoters Shareholding during the year		*06/12/2017	1300	0.01	11500	0.07
	At the End of the year		31/03/2018	11500	0.07	11500	0.07
6	**At the beginning of the year**	**Sushil Kumar Nevatia HUF**	01/04/2017	35000	0.23	35000	0.23
	Date wise increase / decrease in promoters Shareholding during the year		*06/12/2017	5000	0.03	40000	0.24
	At the End of the year		31/03/2018	40000	0.24	40000	0.24
7	**At the beginning of the year**	**Veena Sitaram Shah**	01/04/2017	44250	0.29	44250	0.29
	Date wise increase / decrease in Promoters Shareholding during the year		Nil movement till 10th October, 2017				
	At the end of the year		Reclassified as 'Public Category' w.e.f. 10th October, 2017				
8	**At the beginning of the year**	**Shri Niraj Bajaj**	01/04/2017	163230	1.08	163230	1.08
	Date wise increase / decrease in Promoters Shareholding during the year		Nil movement till 10th October, 2017				
	At the end of the year		Reclassified as 'Public Category' w.e.f. 10th October, 2017				

Sr. No.	Particulars	Name of Promoter	As on Date	No. of Shares held at the beginning 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
9	**At the beginning of the year**	**Kiran Bajaj**	01/04/2017	153000	1.02	153000	1.02
	Date wise increase / decrease in Promoters Shareholding during the year		Nil movement till 10th October, 2017				
	At the end of the year		Reclassified as 'Public Category' w.e.f. 10th October, 2017				
10	**At the beginning of the year**	**Priyanka Chhabria**	01/04/2017	0	0.00	0	0.00
	Date wise increase / decrease in Promoters Shareholding during the year		Nil movement till 10th October, 2017				
	At the end of the year		Reclassified as 'Public Category' w.e.f. 10th October, 2017				
11	**At the beginning of the year**	**Bharti Nevatia**	01/04/2017	240900	1.60	240900	1.60
	Date wise increase / decrease in Promoters Shareholding during the year		*06/12/2017	30200	0.18	271100	1.64
	At the end of the year		31/03/2018	271100	1.64	271100	1.64
12	**At the beginning of the year**	**Mridula Bawari**	01/04/2017	8500	0.06	8500	0.06
	Date wise increase / decrease in Promoters Shareholding during the year		Nil movement till 10th October, 2017				
	At the end of the year		Reclassified as 'Public Category' w.e.f. 10th October, 2017				
13	**At the beginning of the year**	**Suryansh Saurabh Nevatia**	01/04/2017	419500	2.79	419500	2.79
	Date wise increase / decrease in Promoters Shareholding during the year		*06/12/2017	52500	0.32	472000	2.85
	At the end of the year		31/03/2018	472000	2.85	472000	2.85
14	**At the beginning of the year**	**Shriya Nevatia**	01/04/2016	315700	2.10	315700	2.10
	Date wise increase / decrease in Promoters Shareholding during the year		*06/12/2017	39500	0.24	355200	2.14
	At the end of the year		31/03/2018	355200	2.14	355200	2.14
15	**At the beginning of the year**	**Suramya Saurabh Nevatia**	01/04/2017	1716209	11.40	1716209	11.40
	Date wise increase / decrease in Promoters Shareholding during the year		*06/12/2017	290327	1.75	2006536	12.11
	At the end of the year		31/03/2018	2006536	12.11	2006536	12.11
16	**At the beginning of the year**	**Bharat Swaroop**	01/04/2017	22500	0.15	22500	0.15
	Date wise increase / decrease in Promoters Shareholding during the year		Nil movement till 10th October, 2017				
	At the end of the year		Reclassified as 'Public Category' w.e.f. 10th October, 2017				

Sr. No.	Particulars	Name of Promoter	As on Date	No. of Shares held at the beginning 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
17	**At the beginning of the year**	**Nimai Swaroop**	01/04/2017	0	0	0	0
	Date wise increase / decrease in Promoters Shareholding during the year		Nil movement till 10th October, 2017				
	At the end of the year		Reclassified as 'Public Category' w.e.f. 10th October, 2017				
18	**At the beginning of the year**	**Surabhi Golyan**	01/04/2017	223000	1.48	223000	1.48
	Date wise increase / decrease in Promoters Shareholding during the year		*06/12/2017	27000	0.16	250000	1.51
	At the end of the year		31/03/2018	250000	1.51	250000	1.51
19	**At the beginning of the year**	**Jaya Darpan Sanghvi**	01/04/2017	15000	0.10	15000	0.10
	Date wise increase / decrease in Promoters Shareholding during the year		Nil movement till 10th October, 2017				
	At the end of the year		Reclassified as 'Public Category' w.e.f. 10th October, 2017				
20	**At the beginning of the year**	**Akshada Anand Jog (Nevatia)**	01/04/2017	5100	0.03	5100	0.03
	Date wise increase / decrease in Promoters Shareholding during the year		*06/12/2017	750	0.00	5850	0.04
	At the end of the year		31/03/2018	5850	0.04	5850	0.04

*Equity Shares were allotted on rights basis on 6th December, 2017.

(iv) Shareholding Pattern of top 10 Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No.	For Each of the Top 10 Shareholders	Name of the Shareholder	As on Date	No. of Shares held at the beginning of the year		No. of Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	**At the beginning of the year**	**BTR Industries Ltd**	01/04/2017	2400000	15.94	2400000	15.94
	Date wise increase / decrease in Shareholding during the year		Nil movement during the year.				
	At the end of the year		31/03/2018	2400000	14.49	2400000	14.49
2	**At the beginning of the year**	**Rahul Kumar Bajaj**	01/04/2017	357000	2.37	357000	2.37
	Date wise increase / decrease in Shareholding during the year		*06/12/2017	35700	0.22	392700	2.37
	At the end of the year		31/03/2018	392700	2.37	392700	2.37
3	**At the beginning of the year**	**Dhirajlal Shantilal Mehta / Niraj Bajaj (Trustees)**	01/04/2017	300000	1.99	300000	1.99
	Date wise increase / decrease in Shareholding during the year		Nil movement during the year.				
	At the end of the year		31/03/2018	300000	1.81	300000	1.81

Sr. No.	For Each of the Top 10 Shareholders	Name of the Shareholder	As on Date	No. of Shares held at the beginning of the year		No. of Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
4	**At the beginning of the year**	**Veena K Jagwani**	01/04/2017	211000	1.40	211000	1.40
	Date wise increase / decrease in Shareholding during the year		02/06/2017	14000	0.09	225000	1.49
			16/06/2017	-1000	0.01	224000	1.49
			22/09/2017	-20000	0.13	204000	1.35
			29/09/2017	7824	0.05	211824	1.41
			06/10/2017	7517	0.05	219341	1.46
			13/10/2017	-155	0.00	219186	1.46
			18/10/2017	3466	0.02	222652	1.48
			*06/12/2017	37665	0.23	260317	1.57
			02/02/2018	200	0.00	260517	1.57
			09/02/2018	-200	0.00	260317	1.57
			16/02/2018	2000	0.01	262317	1.58
			23/02/2018	8000	0.05	270317	1.63
	At the end of the year		31/03/2018	270317	1.63	270317	1.63
5	**At the beginning of the year**	**Roshan F. Hinger / D. K. Maloo (Trustees)**	01/04/2017	150000	1.00	150000	1.00
	Date wise increase / decrease in Shareholding during the year		Nil movement during the year				
	At the end of the year		31/03/2018	150000	0.91	150000	0.91
6	**At the beginning of the year**	**Contemporary Industries Limited**	01/04/2017	143810	0.96	143810	0.96
	Date wise increase / decrease in Share holding during the year		*06/12/2017	20450	0.12	164260	0.99
	At the end of the year		31/03/2018	164260	0.99	164260	0.99
7	**At the beginning of the year**	**Bhavna Govindbhai Desai**	01/04/2017	132500	0.88	132500	0.88
	Date wise increase / decrease in Shareholding during the year		10/11/2017	-13250	0.09	119250	0.79
			*06/12/2017	13250	0.08	132500	0.80
	At the end of the year		31/03/2018	132500	0.80	132500	0.80
8	**At the beginning of the year**	**Ruchira Agarwal**	01/04/2017	76044	0.51	76044	0.51
	Date wise increase / decrease in Shareholding during the year		15/09/2017	-1246	0.01	74798	0.50
			22/09/2017	-9000	0.06	65798	0.44
			*06/12/2017	10000	0.06	75798	0.46
			08/12/2017	-1350	0.01	74448	0.45
			16/02/2018	-838	0.01	73610	0.44
	At the end of the year		31/03/2018	73610	0.44	73610	0.44

Sr. No.	For Each of the Top 10 Shareholders	Name of the Shareholder	As on Date	No. of Shares held at the beginning of the year		No. of Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
9	**At the beginning of the year**	**Kamal Metharam Jagwani**	01/04/2017	75000	0.50	75000	0.50
	Date wise increase / decrease in Shareholding during the year		09/06/2017	-5000	0.03	70000	0.47
			24/11/2017	-7000	0.05	63000	0.42
			*06/12/2017	11841	0.07	74841	0.45
			08/12/2017	-341	0.00	74500	0.45
			29/12/2017	-4500	0.03	70000	0.42
			09/03/2018	600	0.00	70600	0.43
	At the end of the year		31/03/2018	70600	0.43	70600	0.43
10	**At the beginning of the year**	**Vinod Kumar Ohri**	01/04/2017	66658	0.44	66658	0.44
	Date wise increase / decrease in Shareholding during the year		18/08/2017	1165	0.01	67823	0.45
			08/09/2017	-1165	0.01	66658	0.44
			18/10/2017	2	0.00	66660	0.44
			*06/12/2017	10000	0.06	76660	0.46
	At the end of the year		31/03/2018	76660	0.46	76660	0.46
11	**At the beginning of the year**	**Shri Niraj Bajaj**	01/04/2017	163230	1.08	163230	1.08
	Date wise increase / decrease in Shareholding during the year		*06/12/2017	16323	0.10	179553	1.08
	At the end of the year		31/03/2018	179553	1.08	179553	1.08
12	**At the beginning of the year**	**Madhur Bajaj**	01/04/2017	163230	1.08	163230	1.08
	Date wise increase / decrease in Shareholding during the year		*06/12/2017	16323	0.10	179553	1.08
	At the end of the year		31/03/2018	179553	1.08	179553	1.08
13	**At the beginning of the year**	**Kiran Bajaj**	01/04/2017	153000	1.02	153000	1.02
	Date wise increase / decrease in Shareholding during the year		*06/12/2017	15300	0.09	168300	1.02
	At the end of the year		31/03/2018	168300	1.02	168300	1.02
14	**At the beginning of the year**	**Darashaw and Company Private Limited**	01/04/2017	0	0	0	0
	Date wise increase / decrease in Shareholding during the year		19/05/2017	81000	0.54	81000	0.54
			26/05/2017	19000	0.13	100000	0.66
			*06/12/2017	16916	0.10	116916	0.71
			30/03/2018	42000	0.25	158916	0.96
	At the end of the year		31/03/2018	158916	0.96	158916	0.96

*Equity Shares were allotted on rights basis on 6th December, 2017.

(v) Shareholding of Directors and Key Managerial Personnel

Sr. No.	Shareholding of Directors and Key Managerial Personnel	Shareholding at the beginning 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
1	**Shri S.K.Nevatia**				
	At the beginning of the year	1821138	12.09	1821138	12.09
	*Purchase	330000	1.99	2151138	12.99
	Sale	NIL			
	At the end of the year	2151138	12.99	2151138	12.99
2.	**Shri Bharat Swaroop**				
	At the beginning of the year	22500	0.15	22500	0.15
	Purchase	Resigned w.e.f. 24th April, 2017			
	Sale				
	At the end of the year				
3.	**Shri Vandan Shah**				
	At the beginning of the year	1800	0.01	1800	0.01
	*Purchase	180	0.00	1980	0.01
	Sale	NIL			
	At the end of the year	1980	0.01	1980	0.01
4.	**Smt. Akshada Nevatia**				
	At the beginning of the year	5100	0.03	5100	0.03
	*Purchase	750	0.00	5850	0.04
	Sale	NIL			
	At the end of the year	5850	0.04	5850	0.04

Note: 1) Shareholdings of other Directors are Nil.
2) Shri A. K. Nemani, Chief Financial Officer and Ms. Meenakshi Anchlia, Company Secretary do not hold any shares in the Company.
3) * Equity Shares were allotted on rights basis on 6th December, 2017.

V INDEBTEDNESS

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

(₹ in lacs)

Sr. No.	Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
1	**Indebtedness at the beginning of the financial year**				
	i) Principal Amount	4033.79	120.00	-	**4153.79**
	ii) Interest due but not paid	-	-	-	**-**
	iii) Interest accrued but not due	6.75	-	-	**6.75**
	Total (i+ii+iii)	4040.54	120.00	-	**4160.54**
2	**Changes in indebtedness during the financial year**				
	Addition	1239.00	-	-	**1239.00**
	Reduction	(149.01)	(120.00)	-	**(269.01)**
	Net Change	1089.99	(120.00)	-	**969.99**
3	**Indebtedness at the end of the financial year**				
	i) Principal Amount	5116.63	-	-	**5116.63**
	ii) Interest due but not paid	-	-	-	**-**
	iii) Interest accrued but not due	13.90	-	-	**13.90**
	Total (i+ii+iii)	**5130.53**	**-**	**-**	**5130.53**

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to MD / WTD / Manager

(₹ in lacs)

Sr. No.	Particulars of Remuneration	Name of MD / WTD / Manager		
		Shri S. K. Nevatia Chairman & Managing Director	Smt. Akshada Nevatia Executive Director	Total Amount
1	Gross Salary:			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	64.49	13.80	78.29
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	1.11	0.57	1.68
	(c) Profits in lieu of salary u/s 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	--
	- as % of profits		-	
	- others, specify	-	-	-
5	Others – Provident Fund / Superannuation	2.88	0.72	3.60
	Total	**68.48**	**15.09**	**83.57**
Ceiling as per Act		Company is having inadequate profit therefore remuneration of CMD and ED is paid under the provisions of Section 197(3) and Schedule V - Part II-Section II of the Companies Act, 2013.		

B. Remuneration to other Directors

(₹ in lacs)

Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount
1	**Independent Directors**	**Shri V. K. Bhartia**	**Shri Binod Kumar Patodia**	**Shri Pradeep Goyal**	**Shri Parimal Merchant**	
	Fees for attending Board / Committee meetings	0.65	0.30	0.55	0.50	2.00
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	**0.65**	**0.30**	**0.55**	**0.50**	**2.00**
2	**Other Non-Executive Directors**	**Shri Bharat Swaroop**	**Shri Pawan Kumar Golyan**	**Shri Vandan Shah**		
	Fees for attending Board / Committee meetings	-	0.15	0.23		0.38
	Commission	-	-	-		-
	Others, please specify	-	-	-		-
	Total (2)	**-**	**0.15**	**0.23**		**0.38**
	Total Managerial Remuneration (1+2)					**2.38**

C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD / Directors

(₹ in lacs)

Sr. No.	Particulars of Remuneration	Meenakshi Anchlia	A.K. Nemani	Total Amount
		Company Secretary	Chief Financial Officer	
1.	Gross Salary:			
	(a) Salary as per provisions contained in Section 17 (1) of the Income Tax Act,1961	7.74	24.19	31.93
	(b) Value of perquisites u/s 17(2) of the Income Tax Act,1961	-	0.80	0.80
	(c) Profits in lieu of salary u/s 17(3) of the Income Tax Act,1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profits	-	-	-
	- others, specify	-	-	-
5	Others – Provident Fund & Superannuation	0.14	2.49	2.63
	Total	**7.88**	**27.48**	**35.36**

VII PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

(₹ in lacs)

Type	Section of the Companies Act	Brief Description	Details of penalty / punishment / Compounding fees imposed	Authority [RD / NCLT/ Court]	Appeal made, if any (give details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-		-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

ANNEXURE "B" TO THE DIRECTORS' REPORT

FORM No. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2018

(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,
HIND RECTIFIERS LIMITED
Lake Road,
Bhandup west,
Mumbai-400078

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by HIND RECTIFIERS LIMITED (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents 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 March 31, 2018, complied with the statutory provisions of the applicable Acts 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 by HIND RECTIFIERS LIMITED for the Financial Year ended on March 31, 2018 according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made thereunder;

ii. The Companies Amendment Act, 2017 (to the extent notified)

iii. The Securities Contracts (Regulation) Act, 1956 ('SCRA) and the rules made thereunder;

iv. The Depositories Act, 1996 and the regulations and bye-laws framed thereunder

v. The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment;

vi. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz

   a) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

   b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

   c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

   d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

   e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **[Not applicable during the period of audit]**

   f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations. 2008; **[Not applicable during the period of audit]**

g) 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;

h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009: **[Not applicable during the period of audit]**

i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **[Not applicable during the period of audit]**

vii. We have also examined compliance with the applicable clauses of the Secretarial Standards I and II issued by The Institute of Company Secretaries of India.

Further, the Company being engaged in developing, designing, manufacturing and marketing of Power Semiconductors, Power Electronic Equipment & Railway Traction Equipment, there are no specific laws applicable to the Company, which require approvals or compliances under any Act or Regulations.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above, to the extent applicable.

We report that the Compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same has been subject to review by statutory auditor and other designated professionals.

We report during the conduct of the audit, in our opinion, adequate systems exist in the Company to monitor and ensure compliance with general laws like various labour laws, environmental laws etc.

We further report that

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

2. Adequate notice is given to all Directors to schedule the Board Meetings, Board Committee Meetings, agenda and detailed notes on agenda were sent well in advance 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. Majority decisions are carried through while the dissenting members' views, if any, are captured and recorded as part of Minutes.

3. That there are 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.

We further report that during the audit period,

1. The Company has issued and allotted 1505793 fully paid up equity shares of face value of ₹ 2/- each for cash at a price of ₹ 80/- per equity share (including share premium of ₹ 78/- per share) aggregating upto ₹ 1,204.63 Lacs to the existing shareholders on rights basis.

2. The Company has issued equity shares on rights basis to non-resident individuals and filed the relevant Form FCGPR within 30 days from allotment of shares. The status of Form FCGPR is pending for want of KYC report from overseas bank in a specified format.

For **GMJ & ASSOCIATES**
Company Secretaries

[MAHESH SONI]

Place : Mumbai
Date : 30th May, 2018

PARTNER
FCS: 3706 COP: 2324

Note : This report is to be read with our letter of even date which is annexed as **'ANNEXURE'** and forms an integral part of this report

ANNEXURE TO THE SECRETARIAL AUDIT REPORT

To,
The Members,
HIND RECTIFIERS LIMITED
Lake Road,
Bhandup West,
Mumbai-400078

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

1. Maintenance of secretarial records is the responsibility of 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. Wherever 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 and regulations, standards is the responsibility of the 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 **GMJ & ASSOCIATES**
Company Secretaries

[MAHESH SONI]

Place : Mumbai
Date : 30th May, 2018

PARTNER
FCS: 3706 COP: 2324

ANNEXURE "C" TO THE DIRECTORS' REPORT

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

(1) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2017-18 and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2017-18 are as under:

(₹ in lacs)

Sr. No.	Name of Director / KMP and Designation	Remuneration of Director / KMP for financial year 2017-18	% increase in Remuneration in the Financial Year 2017-18	Ratio of remuneration of each Director / to median remuneration of employees
1	S. K. Nevatia Chairman and Managing Director	69.94	61.30	14.33
2	Akshada Nevatia Executive Director	15.49	*	*
3	Bharat Swaroop Non-Executive Director (ceased w.e.f. 24/04/2017)	-	-	-
4	Pawan Golyan Non-Executive Director	0.15	(34.78)	0.03
5	Vijay Kumar Bhartia Non-Executive and Independent Director	0.65	(7.14)	0.13
6	Binod Kumar Patodia Non-Executive and Independent Director	0.30	(9.09)	0.06
7	Pradeep Goyal Non-Executive and Independent Director	0.55	(21.43)	0.11
8	Parimal Merchant Non-Executive and Independent Director	0.50	-	0.10
9	Vandan Shah Non-Executive Director	0.23	*	*
10.	Anil Kumar Nemani Chief Financial Officer	28.19	*	*
11	Meenakshi Anchlia Company Secretary	7.88	62.14	1.61

* Details not given, as they were not employed/appointed throughout in financial year 2016-17.

(2) The median remuneration of employees (excluding managerial personnel) of the Company during the financial year was ₹ 4.88 lacs.

(3) In the financial year, there was increase of 13.69% in the median remuneration of employees other than the managerial personnel.

(4) There were 228 permanent employees (excluding workers) on the rolls of the Company as on March 31, 2018.

(5) Average percentage increase in the salaries of employees (excluding managerial personnel) in the last financial year i.e. 2017-18 was 13.69%. Keeping in view the duties and responsibilities cast on the Chairman and Managing Director and considering his knowledge of various aspects relating to the Company's affairs, the percentage increase in the Managerial Remuneration for the same financial year was 61.30%.

(6) 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 for Directors, Key Managerial Personnel and other employees.

ANNEXURE "D" TO THE DIRECTORS' REPORT

Information under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 and forming part of the Directors Report for the year ended 31st March, 2018.

I CONSERVATION OF ENERGY

- Regular audit is being conducted to identify areas of energy wastage.
- Power Factor has been maintained at 1.00 to minimize the losses.

II TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION

(i) Efforts made towards technology absorption

- Successful Indigenous development of Medium Frequency Electrostatic Precipitator Transformer Rectifier Sets with State of Art controller.
- Successful adoption of Analog Constant Current Regulator Controller for air cooled lightening to latest micro controller.
- Successful Indigenous development of Active harmonic filter for Industrial Application for the successful Indigenous development of Water Cooled Rectifier with 3 inch semi conductor devices for large power.
- New Technology absorption of Traction IGBT Converter with 3 Phase Locomotive is under process.

(ii) Benefits derived as a result of the above efforts

- Enter into new markets and product segments.
- Quality and productivity improvement.

(ii) Expenditure incurred on Research and Development

(₹ In Lacs)

Particulars	**2017-18**	2016-17
Capital	**187.94**	190.75
Recurring	**124.62**	82.31
Total	**312.56**	273.06
Total R&D Expenditure as % of net operational income	**2.49%**	2.45%

III. FOREIGN EXCHANGE EARNING AND OUTGO

(₹ In Lacs)

	Particulars	2017-18	2016-17
Foreign Exchange Earned			
1.	Export of goods on FOB basis, Commission and Service Charges	**166.68**	186.32
Foreign Exchange Used			
1.	Raw materials, stores and spare parts, Capital goods and other products	**994.04**	928.34
2.	Expenditure in foreign currency	**4.66**	6.79
3.	Payment of Technical Knowhow	**18.84**	-

For and on behalf of the Board of Directors
For **Hind Rectifiers Ltd**

Place : Mumbai
Date : 30th May, 2018

S. K. Nevatia
Chairman & Managing Director

REPORT ON CORPORATE GOVERNANCE

Hind Rectifiers Limited is respected in the industry for its professional style of management and best business practices for more than six decades. Its core values are based on integrity, respect for the law and compliance thereof, emphasis on product quality and a caring spirit. We believe that good governance is a systemic process which enables the Company to operate in a manner that meets with the ethical, legal and business expectations and at the same time fulfils its social responsibilities. It also focuses on the need to provide a sustainable competitive return for its investors.

The Board endeavors to achieve this first, by leveraging the resources at its disposal and fostering an environment for growth and development of human resources. The management team is fully empowered to take the Company forward within the framework of effective accountability, which in turn enables the conversion of opportunities into achievements for the betterment of the Company and its stakeholders. Second, the Board has institutionalized best management practices to bring about an atmosphere of accountability. Systems are in place for strategic planning, risk management, financial plans and budgets, integrity of internal controls and reporting, communications policy with emphasis on transparency and full disclosure on the various facets of the Company's operations, its functioning and its financials and total compliance with all statutory/regulatory requirements not only in the letter of the law but also in its spirit. We believe that good governance generates goodwill among business partners, customers and investors and earns respect from society at large.

CORPORATE ETHICS

The Company endeavors to adhere to the highest possible standards of business ethics, compliance and commitment to transparency in business dealings.

CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT

The Company has in place a detailed Code of Conduct for Board Members and Senior Management. The said Code of Conduct is available on the website of the Company viz www.hirect.com. The Code of Conduct is applicable to all Directors and specified senior management executives. The members of the Board and senior management of the Company have submitted their affirmation on compliance with the code for the effective period. A declaration by the Chairman and Managing Director affirming compliance to the Code of Conduct is appended to this Report.

BOARD OF DIRECTORS

The Company as on 31st March, 2018 consists of eight Directors. There are two Executive Directors and the remaining six Directors are Non-Executive Directors. Out of the two Executive Directors one is the Chairman and Managing Director and the other is an Executive Director (Woman Director). There are two Non-Independent Non-Executive Directors. The remaining four Non-Executive Directors are Independent Directors and professionals with expertise and experience in general corporate management, finance and other allied fields.

Accordingly, the Company has a healthy mix of Executive and Non-Executive Directors and ensures the desired level of independence, functioning and decision making.

None of the Directors on the Board are members of more than ten Committees or Chairman of more than five Committees across all the companies in which they are Directors. Necessary disclosures regarding Committee positions in other public companies as on 31st March, 2018 have been made by the Directors.

The details of composition of the Board, category, shareholding of Directors, number of directorships held by the Directors in other Companies, Memberships/Chairmanships of the Committees in other public limited companies are given below:

Name of the Director	Category	No. of Other Directorships held as on 31/03/2018*		Outside Committee position held as on 31/03/2018**		Shareholding in the Company as on 31/03/2018
		Public	Private	Member	Chairman	
Shri S. K. Nevatia (Chairman and Managing Director)	Non-Independent Executive and Promoter	0	0	0	0	2151138
Shri Pawan Kumar Golyan	Non-Independent Non-Executive	0	0	0	0	NIL
Shri V. K. Bhartia	Independent Non-Executive	1	2	0	0	NIL
Shri Binod Kumar Patodia	Independent Non-Executive	4	4	4	0	NIL
Shri Pradeep Goyal	Independent Non-Executive	3	2	4	2	NIL
Shri Parimal Merchant	Independent Non-Executive	0	3	0	0	NIL
Smt. Akshada Nevatia	Non-Independent Executive and member of Promoter Group	0	0	0	0	5850
Shri Vandan Shah	Non-Executive Non-Independent	1	3	0	0	1980

* Excluding Directorships in Foreign Companies and Companies registered under Section 8 of the Companies Act, 2013.

** Committee positions only of the Audit Committee and Stakeholders Relationship Committee in Public Limited Companies have been considered.

INDEPENDENT DIRECTORS

The Non-Executive Independent Directors fulfill the conditions of independence specified in Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations. A formal letter of appointment to Independent Director as provided in Companies Act, 2013 and the Listing Regulations has been issued and disclosed on website of the Company viz. www.hirect.com

In compliance with the Listing Regulations, Directors of the Company do not serve as an Independent Director in more than seven listed companies. In case he is serving as a Whole Time Director in any listed Company, does not hold the position of Independent Director in more than three listed Companies.

As mandated by Listing Regulations and Section 149 of the Companies Act, 2013, the Independent Directors on the Board of the Company:

- are persons of integrity and also possess relevant expertise and experience;
- are not the Promoters of the Company or its holding or any of its Associate or Subsidiary Companies;
- are not related to the Promoters or Directors of the Company, its holding, its Subsidiary or Associate Company;

- apart from receiving sitting fees, do not have/had any pecuniary relationship or having transaction not exceeding ten percent of Director's total income with the Company, its holding, subsidiary or associate Company, or their promoters, or Directors, during the two immediately preceding financial years or during the current financial year;

- or any of the relative do not have

  i) holding any security of or interest in the Company of face value not exceeding fifty lakh rupees or two percent of the paidup capital of the Company, its holding, subsidiary or associate Company during the two immediately preceding financial years or during the current financial year;

  ii) indebted to the Company, its holding, subsidiary or associate Company or their promoters, or Directors, for an amount of fifty lacs rupees or more at any time during the two immediately preceding financial years or during the current financial year;

  iii) given a guarantee or provided any security in connection with the indebtedness of any third person to the Company, its holding, subsidiary or associate Company or their promoters, or Directors of such holding Company, for an amount of fifty lacs rupees or more at any time during the two immediately preceding financial years or during the current financial year; or

  iv) any other pecuniary transaction or relationship with the Company, or its subsidiary, or its holding or associate Company amounting to two percent or more of its gross turnover or total income singly or in combination with the transactions referred to in clause (i), (ii) or (iii).

- or any of the relative

  (A) do not hold the position of a Key Managerial Personnel or have been employees of the Company or its holding or its Subsidiary or Associate Company in any of the three financial years immediately preceding the current financial year;

  (B) are not employees or proprietor's or partners, in any of the three financial years immediately preceding the current financial year in which they are proposed to be appointed, in–

    (1) a firm of auditors or Company secretaries in practice or cost auditors of the Company or its holding or its Subsidiary or Associate Company; or

    (2) any legal or a consulting firm that has or had any transaction with the Company, its holding, its Subsidiary or Associate Company amounting to ten per cent or more of the gross turnover of such firm;

- either singly or together with their relatives, do not hold two per cent or more of the total voting power of the Company;

- are not Chief Executives or Directors, by whatever name called, of any non-profit organization that receives twenty five percent or more of its receipts from the Company, any of its promoters, Directors or its Subsidiary or Associate Company that holds two percent or more of the total voting power of the Company;

- are not material suppliers, service providers or customers or lessors or lessees of the Company;

- are not less than 21 years of age.

MEETING OF INDEPENDENT DIRECTORS

During the year under review the Independent Directors of the Company have met twice on 8th September, 2017 and 13th February, 2018 without the attendance of Non-Independent Directors. All the Independent Directors of the Company were present at the meeting.

The Independent Directors in their meeting, inter alia,

- evaluate performance of Non-Independent Directors and the Board of Directors as a whole;
- evaluate performance of the Chairman of the Company, taking into account the views of the Executive and Non- Executive Directors;
- evaluation of the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties

BOARD MEETING

The Board of Directors met six times during the financial year 2017-18 i.e. on 26.05.2017, 31.07.2017, 08.09.2017, 07.10.2017, 12.12.2017 and 13.02.2018.

The Board meets at least once in a quarter to review the performance and the financial results of the Company. The time gap between any two meetings is much less as compared to the requirement of one hundred and twenty days specified in Listing Regulations and Companies Act, 2013. The dates and timings of the meetings are decided well in advance and the notice of every Board Meeting is given to every Director.

The details of attendance of Directors at Board Meetings held during the financial year 2017-18 and at the last Annual General Meeting held on 08.09.2017 are as follows:

Name of the Director	No. of Board Meetings held during the tenure of the Director	No. of Board Meetings Attended	Whether attended last AGM
Shri S. K. Nevatia	6	6	Yes
Shri Pawan Kumar Golyan	6	2	Yes
Shri V. K. Bhartia	6	4	Yes
Shri Binod Kumar Patodia	6	4	Yes
Shri Pradeep Goyal	6	4	Yes
Shri Parimal Merchant	6	4	Yes
Shri Vandan Shah	6	3	Yes
Smt Akshada Nevatia	6	6	Yes
Shri Bharat Swaroop	0	0	NA

RELATIONSHIP BETWEEN DIRECTORS

Shri S.K. Nevatia and Smt. Akshada Nevatia are related to each other. Shri S.K. Nevatia and Shri Pawan Golyan are related to each other and no other Director is related with them or related to each other.

INFORMATION SUPPLIED TO THE BOARD

The Board has complete access to all the information available with the Company.

All Board meetings are governed by a structured agenda which is backed by comprehensive background information. The following information is regularly provided to the Board, as part of the agenda papers well in advance of the Board meetings or is tabled in the course of the Board meeting:

- Detailed Business Review;
- Annual operating plans and budgets and any updates thereof;
- Capital budgets and any updates thereof;

- Quarterly results for the Company and its operating divisions and business segments;
- Minutes of the meetings of the Audit Committee and other Committees of the Board;
- Information on recruitment and remuneration of senior officers just below the level of Board, including the appointment or removal of Chief Financial Officer and Company Secretary;
- Materially important show cause, demand, prosecution notices and penalty notices;
- Fatal or serious accidents, dangerous occurrences, any material, significant effluent or pollution problems;
- Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company;
- Details of any joint venture or collaboration agreement;
- Information for development of new products, new technology etc.;
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property and any other acquisition;
- Significant development on Human Resources/Industrial Relations front, like signing of wage agreement, implementation of voluntary retirement scheme etc.;
- developing a succession plan for the Board
- Sale of material nature, of investments, subsidiaries, assets, which is not in the normal course of business;
- Foreign exchange exposures and steps taken by the Management to limit the risks of adverse exchange rate movement, if material;
- Non-compliance of any regulatory, statutory nature or listing requirements and shareholders' service, such as non-payment of dividend, delay in share transfer etc;
- Details of investment of surplus funds available with the Company;
- Details of commercial dealings by firms/companies in which members of the Board/ Senior Management or their relatives hold shares with the Company;
- Any issue which involves possible public or product liability claims of a substantial nature;
- Detailed status on the business risks being faced by the Company and their mitigation plan;

The Board is routinely presented with all the information mentioned aforesaid whenever it is applicable and materially significant.

POST MEETING MECHANISM

The important decisions taken at the Board/Board Committee meetings are communicated to the concerned departments/divisions.

BOARD SUPPORT

The Company Secretary attends the Board meetings and advises the Board on Compliances and governance.

FAMILIARIZATION PROGRAMME

At the time of appointing a Director, a formal letter of appointment is given to the Director, which inter alia explains the role, functions, duties and responsibilities expected from him as a Director of the Company. The Director is also explained in detail the compliances required from him under the Companies Act, 2013, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and relevant Acts, Rules and Regulations. With a view to familiarize him with the Company's operations, the Chairman and Managing Director has a personal discussion with the newly appointed Director. They are also informed of the important policies of the Company including the Code of Conduct for Board Members and Senior Management Personnel and the Code of Conduct to regulate, monitor and report trading by insider etc.

At various Board meetings during the year, quarterly presentations are made on operations that include information on business performance, operations, projects, market share, financial parameters, working capital management, fund flows etc.

The above initiatives help the Director to understand the Company, its business and the regulatory framework in which the Company operates and equips him to effectively fulfill his role as a Director of the Company. Details of the familiarisation programme imparted to the Independent Directors are disclosed on the website of the Company viz. www.hirect.com.

CONFLICT OF INTERESTS

Each Director informs the Company on an annual basis about the Board and the Committee positions he occupies in other companies including Chairmanships and notifies changes during the year. The Members of the Board while discharging their duties, avoid conflict of interest in the decision making process. The Members of Board restrict themselves from any discussions and voting in transactions in which they have concern or interest.

COMMITTEES OF THE BOARD

For better Corporate Governance, promoting transparency and for enhancing the credibility of the financial disclosures of the Company, the Board has constituted Committees which conform to the requirements of Listing Regulations and the provisions of the Companies Act, 2013.

Details of the Committees of the Board and other related information are as follows:

AUDIT COMMITTEE

The constitution and the broad terms of reference of the Audit Committee of the Company are in accordance with the provisions of Listing Regulations and Section 177 of the Companies Act, 2013. The Audit Committee comprises of three Independent Directors. All the members of the Audit Committee have adequate knowledge of Accounts, Audit and Finance.

Shri S. K. Nevatia, Chairman and Managing Director, Smt. Akshada Nevatia, Executive Director, Shri Suramya Nevatia, Chief Executive Officer, Shri A. K. Nemani Chief Financial Officer of the Company are permanent invitees to the Audit Committee Meeting. In addition to this representative of the Statutory and Internal Auditors and other executives as may be required to attend these meetings. The Company Secretary acts as the Secretary to the Audit Committee. The Chairman of the Audit Committee was present at the last Annual General Meeting. The Audit Committee met four times during the year i.e. on 26.05.2017, 08.09.2017, 12.12.2017 and 13.02.2018.

Attendance record at the meetings of the Audit Committee of Directors during financial year 2017-18:

Name of Committee Members	Position	No. of Committee Meetings held during the tenure of the Director	No. of Committee Meetings Attended
Shri V. K. Bhartia, Chairman	Independent and Non-Executive	4	4
Shri Pradeep Goyal	Independent and Non-Executive	4	3
Shri Parimal Merchant	Independent and Non-Executive	4	3

TERMS OF REFERENCE

The Audit Committee inter alia performs the functions of approving Annual Internal Audit Plan, review of financial reporting system, internal financial controls system, discussion on financial results, interaction with Statutory and Internal Auditors, one-on-one Meeting with Statutory and Internal Auditors, if required, recommendation for the appointment of Statutory, Cost and Secretarial Auditors and their remuneration, recommendation for the appointment and remuneration of Internal Auditors, Management Discussions and Analysis, Review of Internal Audit Reports and related party transactions. In fulfilling the above role, the Audit Committee has powers to investigate any activity within its terms of reference, to seek information from employees and to obtain outside legal and professional advice.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee comprises of three Independent Directors. The Committee meets as and when necessary.

The Nomination and Remuneration Committee" met once during the year i.e. on 26.05.2017.

The composition of the "Nomination and Remuneration Committee" and the attendance of its members at the aforesaid meeting held during the year under review are given below:

Name of Committee Members	Position	No. of Committee Meetings held during the tenure of the Director	No. of Committee Meetings Attended
Shri V. K. Bhartia, Chairman	Independent and Non-Executive	1	1
Shri Binod Kumar Patodia	Independent and Non-Executive	1	0
Shri Pradeep Goyal	Independent and Non-Executive	1	1

The terms of reference of the Committee are as follows:

- To recommend to the Board, the appointment and removal of Directors, Key Managerial Personnel and Senior Management Personnel;
- To recommend to the Board, the Remuneration payable to the Directors and Key Managerial Personnel;
- To help in determining the appropriate size, diversity and composition of the Board;
- To formulate a criteria for determining qualifications, positive attributes and independence of a Director and to recommend to the Board, the policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management;
- Formulate criteria for evaluation of the Independent Directors and the Board;

- To carry out evaluation of every Director's performance;
- Ensure that level and composition of remuneration is reasonable and sufficient, the relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage;
- Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy;
- To recommend to the Board, the appointment, removal and the remuneration payable to a relative of a Director;
- To assist in developing a succession plan for the Board;
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

NOMINATION AND REMUNERATION POLICY

The Company has formulated a 'Nomination and Remuneration Policy' which is in compliance with the provisions of the Companies Act, 2013 and Listing Regulations. This policy is applicable to Directors, Key Managerial and Senior Management Personnel.

The policy lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management Personnel of the Company. The Key objectives would be:

a) To guide the Board in relation to appointment and removal of Directors, Key Managerial and Senior Management Personnel;

b) To recommend to the Board the Remuneration payable to the Directors, Key Managerial and Senior Management Personnel;

c) To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.

REMUNERATION OF DIRECTORS

The appointment and remuneration of Executive Directors including Chairman and Managing Director is governed by the recommendation of the Nomination and Remuneration Committee, Resolutions passed by the Board of Directors and Shareholders of the Company. The remuneration of Chairman and Managing Director and Executive Director comprises of salary, perquisites and allowances, contributions to Provident fund, Retirement Benefit Funds, etc. as approved by the shareholders at the General Meetings. Increments are decided by the Nomination and Remuneration Committee and recommended to the Board for approval thereof under the ceiling of applicable laws and regulations. Presently, the Company does not have a stock options scheme for its Directors. The Remuneration and Nomination Policy is disclosed on the Company's website viz. www.hirect.com

Non-Executive Directors do not draw any remuneration from the Company except the sitting fees for attending the meetings of the Board/Committee. The Non-Executive Directors are paid sitting fees of ₹ 7,500/- for attending each meeting of the Board and ₹ 5,000/- for attending Audit Committee, Nomination and Remuneration Committee and Stakeholder Relationship Committee meetings.

The details of remuneration/sitting fees paid to the Directors of the Company during the financial year 2017-18 are as under:

(₹ In Lacs)

Name of the Director	Salary	Benefits	Bonus / Commission/ Stock Options	Sitting Fees	Total
Shri S. K. Nevatia	24.00	45.94	-	-	69.94
Smt. Akshada Nevatia	6.00	9.49	-	-	15.49
Shri Pawan Kumar Golyan	-	-	-	0.15	0.15
Shri V. K. Bhartia	-	-	-	0.65	0.65
Shri Binod Kumar Patodia	-	-	-	0.30	0.30
Shri Pradeep Goyal	-	-	-	0.55	0.55
Shri Parimal Merchant	-	-	-	0.50	0.50
Shri Vandan Shah	-	-	-	0.23	0.23
Shri Bharat Swaroop	-	-	-	-	-

During the period under review, none of the Directors were paid any performance linked incentive.

Shri S. K. Nevatia and Smt. Akshada Nevatia are entitled to minimum remuneration comprising of salary, perquisites and benefits as per the applicable provisions of the Companies Act, 2013 in the event of inadequacy/absence of profits. Notice period is three months and there is no provision for payment of severance fees.

PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, the Board has carried out an annual performance evaluation of its own performance, the Directors individually, as well as the evaluation of the working of its Committees. The performance evaluation of the Chairman and Managing Director and the Non-Independent Directors was carried out by the Independent Directors. The Directors have expressed their satisfaction with the evaluation process and performance.

PERFORMANCE EVALUATION CRITERIA FOR DIRECTORS

The Nomination and Remuneration Committee has devised a criteria for evaluation of the performance of the Directors including Independent Directors. The said criteria provides certain parameters like attendance, acquaintance with business, communicate inter se Board members, effective participation, domain knowledge, compliance with code of conduct, vision and strategy, etc. which is in compliance with applicable laws, regulations and guidelines.

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Committee has been constituted to strengthen the investor relations and to inter-alia, resolve the grievances of security holders pertaining to transfer of shares, non receipt of declared dividends, non receipt of Annual Report, issues concerning de-materialization etc.

The 'Stakeholders Relationship Committee' of the Company comprises of three Independent Directors.

Ms. Meenakshi Anchlia is the Company Secretary and Compliance Officer of the Company. Her contact details are given below:

Address : Hind Rectifiers Limited
Lake Road, Bhandup (West),
Mumbai-400078

Phone : +91 22 25696789

Email : investors@hirect.com

The Company has designated the e-mail ID 'investors@hirect.com' exclusively for the purpose of registering complaints by investors electronically. This e-mail ID is displayed on the Company's website viz. www.hirect.com.

The following table shows the nature of complaints received from the shareholders during the financial year 2017-18:

Nature of complaints	No. of complaints received during the year 2017-18	No of complaints resolved during the year 2017-18
Non receipt of Dividend Warrant	-	-
Non receipt of Annual Report	-	-
Non receipt of Share Certificate	-	-
Other	8	8

The above table includes Complaints received from SEBI SCORES by the Company.

There were no complaints pending as on 31st March, 2018.

The 'Stakeholders Relationship Committee' met two times during the year i.e. on 26.05.2017 and 12.12.2017.

The composition of the 'Stakeholders Relationship Committee' and the attendance of its members at the aforesaid meeting held during the financial year 2017-18 are given below:

Name of Committee Members	Position	No. of Committee Meetings held during the tenure of the Director	No. of Committee Meetings Attended
Shri V. K. Bhartia, Chairman	Independent and Non-Executive	2	2
Shri Pradeep Goyal	Independent and Non-Executive	2	1
Shri Parimal Merchant	Independent and Non-Executive	2	1

RISK MANAGEMENT COMMITTEE

Business Risk Evaluation and Management is an ongoing process within the organization. The Company has for made Risk Management Committee. The Company has a robust risk management framework to identify, monitor and minimize risks and also identify business opportunities.

The Risk Management Committee of the Company comprises of three members i.e. Shri S. K. Nevatia, Chairman and Managing Director, Shri Parimal Merchant Non-Executive and Independent Director and Shri A. K. Nemani, Chief Financial Officer of the Company as on 31st March, 2018. Shri S.K. Nevatia is the Chairman of the Risk Management Committee.

The roles and responsibility of the Risk Management Committee are as follows:

- The Committee shall meet at least twice in a year;
- To identify and evaluate the impact of risk reported by various departments;
- To review the effectiveness of the corrective measures submitted by the concerned departments;
- To provide guidance to the concerned departments, in case, a better course of action is there to tackle/ reduce/mitigate the risk(s);
- To generally monitor, review and whenever necessary, update the risk management plan/policy and process to ensure that there is timely and effective reporting of risks;
- To inform the management from time to time;
- Any other functions as may be necessary or required;

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Composition:

The Corporate Social Responsibility (CSR) Committee comprises of three Directors. Shri V. K. Bhartia, Non-Executive Independent Director is the Chairman of the Committee. The other members of the CSR Committee include Shri S. K. Nevatia and Smt. Akshada Nevatia as on 31st March, 2018. The Composition of CSR Committee is pursuant to the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014. As per Section 135 of the Companies Act, 2013 the Company need not to spend any amount on CSR for the financial year 2017-18 due to losses in three preceding financial years. The Company formulated CSR Policy, which is disclosed on the website of the Company viz. www.hirect.com.

Terms of Reference:

To review the existing CSR Policy and to make it more comprehensive so as to indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 and to provide guidance on various CSR activities to be undertaken by the Company and to monitor process.

The Corporate Social Responsibility Committee met one time during the year i.e. on 13.02.2018.

The composition of Corporate Social Responsibility Committee and the attendance of its members at the aforesaid meeting held during the financial year 2017-18 are given below:-

Name of Committee Members	Position	No. of Committee Meetings held during the tenure of the Director	No. of Committee Meetings Attended
Shri V. K. Bhartia, Chairman	Independent and Non-Executive	1	1
Shri S. K. Nevatia	Manager Director	1	1
Smt. Akshada Nevatia	Executive Director	1	1

RIGHTS ISSUE COMMITTEE

During the year, the Board constituted a Rights Issue Committee of Directors of the Company to monitor issue of Rights shares for an aggregrate amount of ₹ 1204.63 lacs. The Rights Issue Committee consists of Shri S. K. Nevatia, Chairman and Managing Director of the Company, Shri V. K. Bhartia and Shri Praimal Merchant, Independent Directors. Shri S. K. Nevatia is the Chairman of the Committee. Rights Issue Committee meetings were held on 21.07.2017, 26.10.2017 and 6.12.2017 during the year. The attendance of each Committee member was as under

Name of Committee Members	Position	No. of Committee Meetings held during the tenure of the Director	No. of Committee Meetings Attended
Shri S. K. Nevatia, Chairman	Managing Director	3	3
Shri V. K. Bhartia	Independent Non-Executive	3	3
Shri Praimal Merchant	Independent Non-Executive	3	1

GENERAL BODY MEETINGS

The last three Annual General Meetings were held as under:

AGM	Financial Year	Date	Time	Venue
57th AGM	31.03.2015	13.08.2015	3:30 p.m.	Kamalnayan Bajaj Hall and Art Gallery, Ground Floor, Bajaj Bhavan, Nariman Point, Mumbai - 400021.
58th AGM	31.03.2016	04.08.2016	3:30 p.m.	M. C. Ghia Hall, 4th Floor, 18/20, Bhogilal Hargovindas Building, K Dubash Marg, Kala Ghoda, Mumbai 400 001, Maharashtra
59th AGM	31.03.2017	08.09.2017	3:30 p.m.	Kamalnayan Bajaj Hall and Art Gallery, Ground Floor, Bajaj Bhavan, Nariman Point, Mumbai - 400021.

All the matters as set out in the respective notices were passed by the members. The summary of the special resolution at the last three Annual General Meeting and status of implementation thereof is reproduced below:

57th AGM

Sr. No.	Subject matter of the Resolutions	Type of Resolution	Status of implementation
1.	Resolution passed under Section 180(1)(c) for borrowing money up to ₹ 150 crore.	Special	Implemented
2.	Resolution passed under Section 180(1) (a) for creation of securities in favour of lenders up to ₹ 150 crore.	Special	Implemented
3.	Re-appointment of Smt. Uma S. Nevatia as an Executive Vice Chairperson of the Company	Special	Implemented
4.	Appointment of Smt. Akshada Nevatia relative of a Director to hold an office or place of profit under Section 188 of the Companies Act, 2013.	Special	Implemented
5.	Adoption of new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013.	Special	Implemented

58th AGM

Sr. No.	Subject matter of the Resolutions	Type of Resolution	Status of implementation
1.	Re-appointment of Shri S. K. Nevatia as Chairman and Managing Director of the Company	Special	Implemented

Resolution passed through postal ballot

No resolution was passed through postal ballot in the last year.

COMPLIANCES REGARDING INSIDER TRADING

The Securities and Exchange Board of India (SEBI) has promulgated the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("The PIT Regulations"). The PIT Regulations has come into effect from May 15, 2015 and replaced the earlier Regulations. The object of the PIT Regulations is to curb the practice of insider trading in the securities of a listed Company.

The Company has adopted an 'Internal Code of Conduct for Regulating, Monitoring and Reporting of Trades by Insiders' ("the Code") in accordance with the requirements of the PIT Regulations. The Code is applicable to Promoters and Promoter's Group, all Directors and such Designated Employees who are expected to have access to unpublished price sensitive information relating to the Company.

The Company Secretary is the Compliance Officer for monitoring adherence to the said Regulations. The Company has also formulated 'The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)' in compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015. This Code is disclosed on the Company's website viz. www.hirect.com

MEANS OF COMMUNICATION

- The Unaudited quarterly/half yearly financial results are announced within forty-five days of the close of the quarter except when extended time is allowed by regulators. The audited annual financial results are announced within sixty days from the closure of the financial year as per the requirement of the Listing Regulations.

- The approved financial results are forthwith sent to the Stock Exchanges and are published in a national English newspaper. In addition, the same are published in local language (Marathi) newspaper, within forty eight hours of approval thereof.

- The financial results are disclosed on the Company's Website viz.www.hirect.com.

- The quarterly financial results, shareholding pattern, quarterly compliances and all other corporate communication to the Stock Exchanges viz. BSE Limited and National Stock Exchange of India Limited are filed electronically. The Company has complied with filing submissions through BSE's BSE Listing Centre. Likewise, the said information is also filed electronically with NSE through NSE's NEAPS portal.

- A separate section on the Company's website gives information on unclaimed dividends, unclaimed shares, shareholding pattern, quarterly/half yearly results and other relevant information of interest to the investors/ public.

- Presentation, if any, made to the institutional investors or/and analysts are also disclosed on the Company's website viz. www. hirect.com.

GENERAL SHAREHOLDER INFORMATION

a) **AGM:** 60th Annual General Meeting for the financial year 2017-18 is scheduled to be held on Monday, 13th August, 2018, at 12.00 noon at Odyssey Mayfair Banquet, 254-C, Dr. Annie Besant Road, Worli, Mumbai 400030.

b) **Financial Year:** The Company follows April to March as its financial year. The financial results for every quarter have been declared within the time prescribed in the Listing Regulations. The details for the forthcoming financial year 2018-19 are as follows:

Financial year 2018-19	1st April, 2018 to 31st March, 2019
Financial reporting for the quarter ended 30th June, 2018	On or before 14th August, 2018
Financial reporting for the quarter ended 30th Sept., 2018	On or before 14th November, 2018
Financial reporting for the quarter ended 31st Dec., 2018	On or before 14th February, 2019
Financial reporting for the year ended 31st March, 2019	Audited Results on or before 30th May, 2019

c) **Dividend Payment Date:** Not Applicable

Payment of Dividend: Not Applicable

Unclaimed Dividend/ Shares : Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, if the dividend transferred to the Unpaid Dividend Account of the Company remains unpaid or unclaimed for a period of seven years from the date of such transfer then such unclaimed or unpaid dividend shall be transferred by the Company along with interest accrued, if any to the Investor Education and Protection Fund ('the IEPF'), a fund established under sub-section (1) of Section 125. The details of unclaimed/unpaid dividend are available on the website of the Company viz. www.hirect.com

Mandatory Transfer of Shares to Demat Account of Investors Education and Protection Fund Authority (IEPFA) in case of unpaid/ unclaimed dividend on shares for a consecutive period of seven years: In terms of Section 124(6) of the Companies Act, 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) (IEPF Rules) shares on which dividend has not been paid or claimed by a shareholder for a period of seven consecutive years or more shall be credited to the Demat Account of Investor Education and Protection Fund Authority (IEPFA) within a period of thirty days of such shares becoming due to be so transferred. Upon transfer of such shares, all benefits (like bonus, etc.), if any, accruing on such shares shall also be credited to such Demat Account and the voting rights on such shares shall remain frozen till the rightful owner claims the shares.

Shares which are transferred to the Demat Account of IEPFA can be claimed back by the shareholders from IEPFA by following the procedure prescribed under the IEPF Rules.

The Company has sent out individual communication to the concerned Members whose shares are liable to be transferred to IEPFA on July 4, 2018, to take immediate action in the matter. As required under the IEPF Rules, the Company has also published a Notice informing the Members' who have not claimed their shares for a period of 7 years to claim the same from the Company before they are transferred to IEPFA.

d) **Listing on Stock Exchanges:** The Company's equity shares are listed on BSE Limited and National Stock Exchange of India Limited. The Company has paid listing fees to the Stock Exchanges for the financial year 2018-19.

Address of Stock Exchanges

BSE Limited

P.J. Towers, Dalal Street, Mumbai – 400 001

National Stock Exchange of India Limited

Exchange Plaza, 5th Floor, Bandra-Kurla Complex,

Bandra (E), Mumbai – 400 051

e) **Stock Code/ Symbol:** BSE Limited – 504036

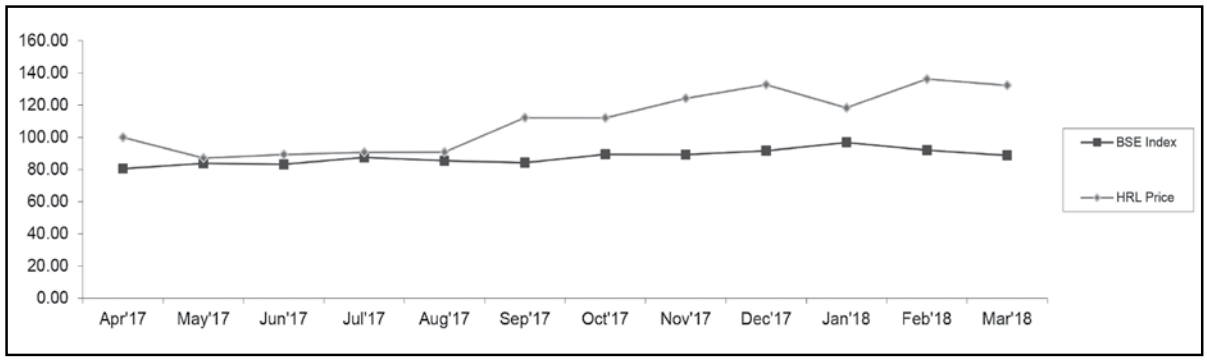
National Stock Exchange of India Limited – HIRECT

Demat ISIN: INE835D01023

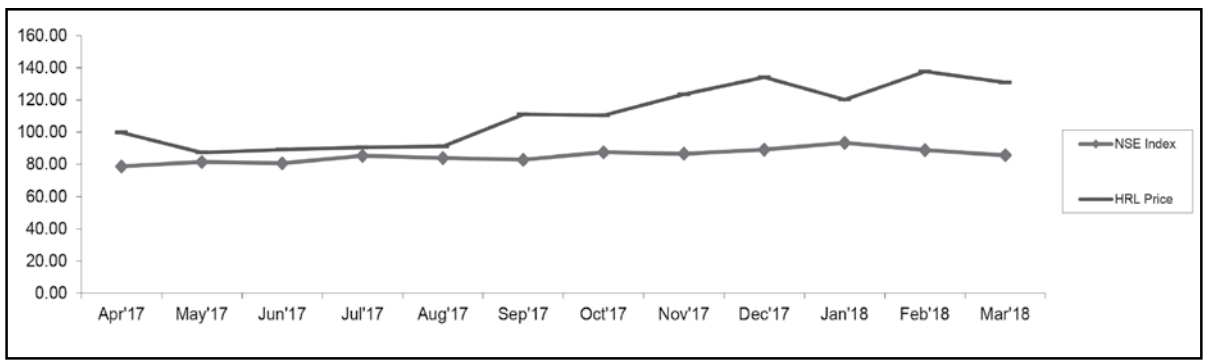
f) **Market Price Data:** The Monthly High/Low market price of equity shares of Hind Rectifiers Limited during the financial year 2017-18:

Month	BSE		NSE	
	High	Low	High	Low
April, 2017	99.80	75.82	99.65	75.19
May, 2017	101.49	82.74	102.12	82.36
June, 2017	100.57	81.39	100.77	80.66
July, 2017	90.25	83.37	91.08	82.40
August, 2017	90.11	75.19	91.17	75.57
September, 2017	143.78	87.20	144.08	86.38
October, 2017	124.41	106.35	125.91	107.05
November, 2017	130.25	102.15	129.80	101.65
December, 2017	144.80	112.00	144.45	114.00
January, 2018	154.90	115.05	155.85	116.00
February, 2018	164.00	107.30	164.00	101.90
March, 2018	143.50	122.00	145.00	124.50

RELATIVE PERFORMANCE OF HIND RECTIFIERS SHARES VERSUS BSE SENSEX:



RELATIVE PERFORMANCE OF HIND RECTIFIERS SHARES VERSUS NSE SENSEX



g) **Date of Book Closure:** 03/08/2018 to 13/08/2018 (Both days inclusive)

h) **Registrar & Share Transfer Agent:** In terms of SEBI Circular No. D&CC/FITTC/CIR-15/2002 dated December 27, 2002 read with Circular No. D &CC/FITTC/CIR-18/2003 dated February 12, 2003, on appointment of common agency for share registry work, the Company has appointed the below mentioned agency as Registrars and Share Transfer Agent (RTA) for both physical and demat segment of Equity Shares of the Company.

M/S ADROIT CORPORATE SERVICES PVT. LTD.
[Unit: Hind Rectifiers Limited]
17-20, Jafferbhoy Industrial Estate, 1st Floor, Makwana Road, Marol Naka,
Andheri (East), Mumbai – 400059
Tel: +91 22 42270400 Fax: +91 22 28503748
Email: info@adroitcorporate.com Website: www.adroitcorporate.com

i) **Share Transfer System:** The transfer of shares in physical form is processed and completed by Registrar and Share Transfer Agent within a period of fifteen days from the date of receipt thereof provided all the documents are in order. In case of shares in electronic form, the transfers are processed by NSDL/CDSL through respective Depository Participants. In compliance with the Listing Regulations, a Practicing Company Secretary carries out audit of the System of Transfer and a certificate to that effect is issued.

j) **Shareholding Pattern as on 31st March, 2018**

Category	No. of shares held	% of shareholding
Promoters and Associates	6962124	42.03
Mutual Funds and UTI	750	0.00
Banks/Financial Institutions	2250	0.01
Private Bodies Corporate	597337	3.61
NRI/OCBs	2540576	15.34
Others	6460686	39.01
Total	**16563723**	**100.00**

k) **Distribution of Shareholding as on 31st March, 2018**

No. of Equity Shares held	No. of Shareholders	No. of Shares held	% of Equity Capital
Upto 500	5033	632353	3.82
501 - 1000	527	400908	2.42
1001 - 2000	451	664260	4.01
2001 - 3000	173	449365	2.71
3001 - 4000	69	245152	1.48
4001 - 5000	39	179163	1.09
5001 - 10000	80	571880	3.45
10001 & above	97	13420642	81.02
Total	**6469**	**16563723**	**100**

l) **Dematerialisation of Shares:** 13289130 Equity Shares representing 80.23% of total equity share capital were held in dematerialized form with NSDL and CDSL as on 31st March, 2018. Members can hold shares in electronic form and trade the same in Depository System. However, they may hold the same in physical form also.

Status of Dematerialization of equity shares as on 31st March, 2018

Particulars	No. of Shareholders	No. of Shares	% to Paid-up Capital
National Securities Depository Limited	3855	11720459	70.76
Central Depository Services (India) Limited	2386	1568671	9.47
Total Dematerialized	**6241**	**13289130**	**80.23**
Shares held in Physical form	228	3274593	19.77
Grand Total	**6469**	**16563723**	**100.00**

m) **Nominations:** Individual shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in the case of death of all the registered shareholders. Nomination facility in respect of shares held on electronic form is also available with the Depository Participant (DP) as per the bye laws and business rules applicable to NSDL and CDSL.

n) **Outstanding GDRs / ADRs / Warrants or any Convertible Instruments, conversion date and likely impact on equity shares:** The Company does not have any GDRs / ADRs / Warrants or any Convertible Instruments as on date.

o) **Plant Locations:**

a. Lake Road, Bhandup (West), Mumbai - 400078 Maharashtra

b. Plot No.110/111, M.I.D.C., Satpur, Nashik - 422007 Maharashtra

c. New Khasra No. 64-67 and 74, Village Charba, Vikas Nagar, Dehradun - 248197 Uttarakhand

d. New Khasra No. 295, 296 and 301, Village Charba, Vikas Nagar, Dehradun - 248197 Uttarakhand

p) **Compliance Officer:** Ms. Meenakshi Anchlia, Company Secretary and Compliance Officer

q) **Address for Correspondence:**

HIND RECTIFIERS LIMITED
Lake Road, Bhandup (West),
Mumbai - 400078
CIN: L28900MH1958PLC011077
E-mail: investors@hirect.com
Tel. No. +91 22 25696789
Fax No.: +91 22 25964114

DISCLOSURES

a) There were no material related party transactions as per the provisions of Listing Regulations and Section 188 of the Companies Act, 2013. There were also no transactions of material value with related parties which were in potential conflict with the interest of the Company. All the related party transactions entered into by the Company are in the ordinary course of business and on arm's length basis. All the related party transactions are approved by the Audit Committee. The necessary disclosures regarding the transactions entered into with the related parties are given in the Notes to the Financial Statements.

The Board has approved a policy for related party transactions. The policy is disclosed on the Company's website viz. www. hirect.com.

b) There were no instances of non-compliance on any matter related to the capital market during the last three years. No penalties or strictures were imposed on the Company by any Stock Exchange or SEBI or any other statutory authority on any matter related to capital market during the last three years.

c) The Company has a 'Vigil Mechanism/Whistle Blower Policy' in place as required under SEBI LODR, 2015 and as per the provisions of Section 177 of the Companies Act, 2013.The Directors and employees of the Company are free to report genuine concerns about unethical behavior, misconduct or unlawful act, factual or suspected fraud or violation of the code of conduct or the ethics policy. The policy provides mechanism for an individual to report violations without fear of victimization. The policy is disclosed on the website of the Company viz www.hirect.com. It is affirmed that no personnel has been denied access to the Chairman of the Audit Committee.

d) The Company does not have any material subsidiary Company whose net worth exceeds 20% of the consolidated net worth of the holding Company in the immediately preceding accounting year or has generated 20% of the consolidated income of the Company during the previous financial year. Accordingly, a policy on material subsidiaries has not been formulated.

e) The Company has complied with the mandatory requirements under SEBI LODR, 2015 pertaining to the Corporate Governance.

f) In the preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The Company has also fulfill the following non-mandatory requirements as prescribed in the Listing Regulations:

I. Audit Qualification:

It is always the Company's endeavour to present unqualified financial statements. There are no audit qualifications in the Company's financial statement for the year under review.

II. Reporting of Internal Auditor:

The Internal Auditors are invitees at the Audit Committee meetings of the Company. Internal audit report of the Internal Auditor is placed quarterly before the Audit Committee. The Internal Auditor may, if necessary, report directly to the Audit Committee.

RECONCILIATION OF SHARE CAPITAL AUDIT REPORT

As required by the Securities and Exchange Board of India (SEBI), quarterly audit of the Company's share capital is being carried out by a Practicing Company Secretary with a view to reconcile the total share capital admitted with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and held in physical form, with the issued and listed capital. The report in regard to the same is submitted to BSE Limited and National Stock Exchange of India Limited and is also placed before the Board of Directors.

MANAGEMENT DISCUSSIONS & ANALYSIS

Management Discussion and Analysis Report is given in a separate section forming part of this report.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Institute of Company Secretaries of India, a Statutory Body, has issued Secretarial Standards on various aspects of corporate law and practices. The Company has complied with each one of them

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

The Company has obtained a certificate from Auditors of the Company regarding compliance with the provisions relating to the corporate governance laid down in the Listing Regulations with the Stock Exchanges. The certificate is annexed to this report.

CEO / CFO CERTIFICATION

As required under the Listing Regulations, a Certificate duly signed by Shri S. K. Nevatia, Chairman and Managing Director (CMD) and Shri A. K. Nemani, Chief Financial Officer (CFO) has been obtained. The certificate is annexed to this report.

For and on behalf of the Board of Directors
For **Hind Rectifiers Limited**

Place: Mumbai
Date: 30th May, 2018

S. K. Nevatia
Chairman and Managing Director

DECLARATION

I, S.K. Nevatia, Chairman and Managing Director of Hind Rectifiers Limited hereby confirm that:

The Board of Directors of Hind Rectifiers Limited has laid down a Code of Conduct for all Board Members and Senior Management Personnel of the Company.

The said Code of Conduct has also been posted on the Company's website viz www.hirect.com.

All the Board Members and Senior Management Personnel have affirmed their compliance with the said Code of Conduct for year ended on 31st March, 2018.

For and on behalf of the Board of Directors
For **Hind Rectifiers Limited**

Place: Mumbai
Date: 30th May, 2018

S. K. Nevatia
Chairman and Managing Director

INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of **Hind Rectifiers Limited**

We have examined the compliance of conditions of Corporate Governance by Hind Rectifiers Ltd. ('the company') for the year ended 31st March, 2018 as stipulated in regulations 17 to 27 and clauses (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations').

Management's responsibility for the Financial statements

The compliance of the conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations.

Auditor's Responsibility

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the books of accounts and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with the conditions of the Corporate Governance requirements by the Company.

We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (the ICAI), the Standards on Auditing specified under section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Review of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (i) of regulation 46(2) and para C and D of Schedule V of the SEBI Listing Regulations during the year ended 31st March, 2018.

We state that 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 **RAVI A. SHAH & ASSOCIATES**
Chartered Accountants
Firm Reg. No. 125079W

Ravi A. Shah, Proprietor
Membership No. 116667

Place: Mumbai
Date: 30th May, 2018

CEO/CFO CERTIFICATION

The Board of Directors
Hind Rectifiers Limited
Mumbai, Maharashtra

Re: Compliance Certificate for the Financial Statements for 2017-18.

We, S. K. Nevatia, Chairman and Managing Director and A. K. Nemani, Chief Financial Officer of Hind Rectifiers Limited, hereby certify that:

A. We have reviewed financial statements and the cash flow statement for the year ended on 31st March, 2018 and to the best of our knowledge and belief:

(1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(2) 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 which are fraudulent, illegal or violative of the Company's Code of Conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated to the auditors and the Audit Committee:

(1) significant changes, if any, in internal control over financial reporting during the year;

(2) significant changes, if any, in accounting policies during the year and that the same have been disclosed in the Notes to the Financial Statements; and

(3) instances of significant fraud, if any, of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Mumbai	**S. K. Nevatia**	**A. K. Nemani**
Date: 30th May, 2018	Chairman and Managing Director	Chief Financial Officer

MANAGEMENT DISCUSSION AND ANALYSIS

1) INDUSTRY STRUCTURE & DEVELOPMENTS

The Company caters to the Indian Railways and Industrial Sector, maintaining a very strong legacy and reputation in the respective industries. The primary customer continues to be Indian Railways. There is an increasing requirement of Locomotives and Coaches in the nation today. There is good mix of small, medium, large and multinational players in the market.

2) OPPORTUNITIES AND THREATS

The Company has a strong brand and leadership position. Equipments of 3 Phase Locomotives & LHB Coaches along with Pollution Control & Environment Protection Equipment have great potential in the modern economy. The Company continues to increase its emphasis on R&D and work towards development of more innovative technology. There is opportunity with High Speed Trains and International Markets for both the Industrial as well as Railways Sector. The threat would be erratic government policies.

3) OUTLOOK

The Government has aggressively targeted more electrification of routes and modernization of Railways facilities. A lot of initiatives have been taken to upgrade the ageing infrastructure and enhance the quality of service of the Railways. The outlook of the industry seems to be healthy.

For increasing operational capacity and productivity, the Company has expanded its facilities at Nasik as well as added elements of automation at other plants.

4) RISKS AND CONCERNS

Government Policies to a large extent will influence the growth of the Company. Slow cash flow causes pressure the working capital and may also impact the profitability of the business. High working capital would ultimately lead to higher interest cost.

5) SEGMENTWISE AND PRODUCTWISE PERFORMANCE

The Industrial Division of the Company is having products for the Anti Pollution and Environment Protection Industry such as Power Supplies for Electrostatic Precipitators and Custom made Rectifiers for any and every application.

The Railways Division of the Company is having several elements of products such as Electrical Equipment, Mechanical Equipment, Control Software and Electronics Equipment.

Segment wise Performance is reported in the Balance Sheet as notes to Accounts.

6) INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company continues to follow effective system of internal control ensuring the accurate, reliable and timely preparation of accounting information, securing the assets and interest of the Company and following various laws and regulations.

Internal audits and checks are ongoing process within the Company.

7) FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The Company's financial performance has improved during the financial year and more particularly in second half of the financial year.

All operational costs are carefully analyzed and all recurring and non-recurring expenses, wasteful and unproductive expenses are avoided.

Budgets are accurately made to forecast and monitor expenses and study the variance to understand the reason for deviation.

Company is putting in great efforts for significantly improving the performance even further.

8) DEVELOPMENT IN HUMAN RESOURCES/INDUSTRIAL RELATIONS

Attracting and retaining competent talent, for an emerging business, such as ours, while focusing on training and development is absolutely imperative.

The Company recognizes that Human Resources are an extremely important and a critical long-term investment. The Company's top management honors the dignity of each individual irrespective of the position and highly values the feelings and emotions of the people. Industrial relations with the Union are cordial and peaceful.

For and on behalf of the Board of Directors
For **Hind Rectifiers Ltd**

Place : Mumbai
Date : 30th May, 2018

S. K. Nevatia
Chairman and Managing Director

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HIND RECTIFIERS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of Hind Rectifiers Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and a summary of significant accounting policies and other explanatory information, in which are incorporated the returns for the year ended on that date audited by the auditors of the Company's branches at Nashik and Dehradun Unit-I & Unit-II.

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 including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with the Companies (Accounting Standard) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, 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. In conducting 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 issued under Section 143(11) of the Act.

We conducted our audit 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 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 true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by 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 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 state of affairs of the Company as at March 31, 2018 and its profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Other Matter

We did not audit the financial statements of Nashik and Dehradun Unit-I & Unit-II (the branches) included in the financial statements of the company. The financial statements of the said branches have been audited by the

branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of the branch, is based solely on the report of such branch auditors.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in annexure 1 a statement on the matters specified in the paragraphs 3 and 4 of the said 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 purpose of our audit;

   b In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the branches not visited by us;

   c The reports on the accounts of the branch offices of the company audited under section 143(8) of the Act by branch auditors have been sent to us and been have been properly dealt with by us in preparing this report.

   d The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account;

   e In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 Companies (Indian Accounting Standards) Rules, 2015, as amended;

   f On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of section 164(2) of the Act.

   g With respect to the adequacy to the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure 2" to this report. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;

   h With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to our best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements;

      ii. The Company has made provision as at March 31, 2018, as required under the applicable law or accounting standards for material foreseeable losses, if any, on long term contracts. The company has not entered into any derivative contracts;

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;

3. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order

For **RAVI A. SHAH & ASSOCIATES**
Chartered Accountants,
Firm Reg. No.125079W

Place : Mumbai
Date : 30th May, 2018

Ravi A. Shah, Proprietor
Membership No.116667

Annexure 1 referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of the Our Report of even date to the members of Hind Rectifiers Limited on the accounts of the company for the year ended 31st March, 2018.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

i) a. The Company has maintained proper records showing full particulars including quantitative details and location of its fixed assets;

b. There is a regular program of physical verification, which in our opinion is reasonable having regard to the size of the Company and the nature of its fixed assets. No material discrepancies have been noticed in respect of the assets physically verified during the year;

c. According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the name of the company.

ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification. Inventories lying with third parties have been confirmed by them as at March 31, 2018 and no material discrepancies were noticed in respect of such confirmations.

iii) In our opinion and according to the information and explanations given to us, 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. Accordingly, Paragraph 3 (iii) of the Order, 2016 is not applicable.

iv) In our opinion and according to the information and explanations given to us, in respect of loans, investments, guarantees and security provisions of section 185 and 186 of the Companies Act 2013 are complied with as applicable.

v) In our opinion and according to the information and explanations given to us the Company has not accepted any deposits from the public in accordance with the provision of Section 73 and 76 of the Act and the rules framed there under.

vi) We have broadly reviewed the cost records maintained by the company in accordance with section 148(1) of the Act and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii) (a) According to the information and explanations given to us in respect of statutory and other dues the Company has been regular in depositing undisputed statutory dues with the appropriate authorities during the year

(b) The disputed statutory dues aggregating to ₹ 231.81 lacs, that have not been deposited on account of disputed matters pending before Appropriate Authorities are as under:

Name of the Statute	Nature of Dues	Amount (in lacs)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act	Excise Duty	118.74 (net of advance of ₹ 9.17 lacs)	2005-2017	Central Excise and Service Tax Appellate Tribunal
Central Excise Act	Excise Duty	26.80 (net of advance of ₹ Nil)	2016-2017	Departmental Authorities
Central Sales Tax and Local Sales Tax Act	Central Sales Tax and Local Sales Tax	86.27 (net advance of ₹ 39.97 lacs)	2006-2013	Departmental Authorities

viii) On the basis of verification of records and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks. The Company has not taken any loans from any financial institutions or Government or by way of issue of debentures.

ix) According to the information and explanations given to us and based on the documents and records produced to us for verification, during the year the company has raised money by way of Right Issue and the proceeds of the same have been applied for the purpose for which same was obtained.

In our opinion, and according to the information and explanations given to us, the term loan has been applied for the purpose for which the same was obtained.

x) Based upon the audit procedures performed for the purpose of reporting true and fair view of the financial statements and according to information and explanations given by the management, we report that no fraud on the company or by the officers or employees of the Company has been noticed or reported during the year.

xi) According to the information and explanations given to us and based on verification of records, the Managerial remuneration has been paid in accordance with requisite approvals mandated 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 order does not arise.

xiii) Based upon the audit procedures performed for the purpose of reporting true and fair view of the financial statements and according to information and explanations given by the management, transactions with related parties are in compliance with section 177 and section 188 of Companies Act 2013 where applicable and details have been disclosed in the notes to the financial statements, as required by the applicable accounting standard.

xiv) According to the information and explanations given to us and on overall examination of balance sheet, the company has not made preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review, accordingly, paragraph 3 (xiv) of the Order, 2016 is not applicable and hence not commented upon.

xv) Based upon the audit procedures performed for the purpose of reporting true and fair view of the financial statements and according to the information and explanations given to us by the management, the company has not entered into any non-cash transactions with directors or persons connected with them.

xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **RAVI A. SHAH & ASSOCIATES**
Chartered Accountants,
Firm Reg. No.125079W

Place : Mumbai
Date : 30th May, 2018

Ravi A. Shah, Proprietor
Membership No.116667

Annexure 2 referred to in paragraph 2(f) under the under the heading 'Report on Other Legal and Regulatory Requirements' of the Our Report of even date

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

To the Members of HIND RECTIFIERS LIMITED

We have audited the internal financial controls over financial reporting of HIND RECTIFIERS LIMITED ("the Company") as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls 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 Controls over 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 conduct 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.

Auditors' 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") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform 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 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 exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

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 purposes in accordance with generally accepted accounting principles. A 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 receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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, 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, 2018, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

Explanatory paragraph

We also have audited, in accordance with the Standard on Auditing issued by the Institute of Chartered Accountants of India, as specified under section 143(10) of the Act, the financial statements of HIND RECTIFIERS LIMITED ("the company"), which comprise the Balance Sheet as at March 31 2018, and the related Statement of Profit and Loss and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information, and our report dated May 30, 2018 expressed an unqualified opinion thereon.

For **RAVI A. SHAH & ASSOCIATES**
Chartered Accountants,
Firm Reg. No.125079W

Place : Mumbai
Date : 30th May, 2018

Ravi A. Shah, Proprietor
Membership No.116667

BALANCE SHEET AS AT 31ST MARCH, 2018

(₹ in lacs)

Particulars	Note	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
I. ASSETS				
(1) Non-current Assets				
(a) Property, Plant and Equipment	2	**2,212.96**	1,580.17	1,647.79
(b) Capital Work in Progress	3	**23.09**	114.44	11.72
(c) Intangible Assets	4	**518.94**	407.71	409.04
(d) Intangible Assets under Development	5	**400.56**	357.41	178.60
(e) Financial Assets				
i. Investments	6	**10.00**	5.26	5.26
ii. Loans	7	**6.64**	9.63	9.55
iii. Others	8	**307.01**	232.88	185.10
(f) Deferred tax Assets (net)	9	**1,058.29**	1,123.19	865.03
(g) Other Non Current Assets	10	**254.91**	237.64	145.32
		4,792.40	4,068.33	3,457.41
(2) Current Assets				
(a) Inventories	11	**3,441.07**	2,713.30	3,262.98
(b) Financial Assets				
i. Trade Receivables	12	**5,538.54**	3,561.80	4,126.92
ii. Cash and cash equivalents	13	**32.20**	49.85	152.80
iii. Other Bank balances	14	**193.82**	99.12	336.82
iv. Loans	15	**2.83**	6.54	7.10
v. Other Current Assets	16	**356.43**	47.65	132.52
(c) Other current Assets	17	**796.60**	767.46	635.49
		10,361.49	7,245.72	8,654.63
(3) Assets held for Sale	18	**115.26**	-	-
TOTAL ASSETS		**15,269.15**	11,314.05	12,112.04
II. EQUITY AND LIABILITIES				
(1) Equity				
(a) Equity Share Capital	19	**331.27**	301.16	301.16
(b) Other Equity	20	**6,297.58**	5,019.52	5,716.36
		6,628.85	5,320.68	6,017.52
(2) Non-current Liabilities				
(a) Financial Liabilities				
i. Borrowings	21	**1,003.25**	649.45	563.31
ii. Other Financial Liabilities	22	**17.76**	15.76	16.76
(b) Provisions	23	**168.37**	166.06	162.31
		1,189.38	831.27	742.38
(3) Current Liabilities				
(a) Financial Liabilities				
i. Borrowings	24	**3,809.97**	3,329.39	2,540.15
ii. Trade Payables	25	**2,609.66**	1,231.05	2,333.33
iii. Other Financial Liabilities	26	**673.88**	351.58	227.43
(b) Other Current Liabilities	27	**279.98**	183.35	170.06
(c) Provisions	28	**77.43**	66.73	81.17
		7,450.92	5,162.10	5,352.14
TOTAL EQUITY AND LIABILITIES		**15,269.15**	11,314.05	12,112.04
Corporate Information & Significant Accounting Policies	1			

The accompanying notes are an integral part of the financial statements

As per our report attached
For **RAVI SHAH AND ASSOCIATES**
Chartered Accountant
(Registration No. 125079W)

Ravi Shah
Proprietor
Membership No. 116667
Place: Mumbai
Date: 30th May 2018

For and on behalf of the Board of Directors

S. K. NEVATIA	Chairman & Managing Director
V. K. BHARTIA	Director
A. K. NEMANI	Chief Financial Officer
MEENAKSHI ANCHLIA	Company Secretary

Place: Mumbai
Date: 30th May 2018

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in lacs)

Particulars	Note	Year ended March 31, 2018	Year ended March 31, 2017
1. Income			
(a) Revenue from Operations	29	**12,705.51**	12,062.81
(b) Other income	30	**48.73**	45.29
Total income		**12,754.24**	12,108.10
2. Expenses			
(a) Cost of materials consumed	31	**8,989.95**	7,146.58
(b) Purchases of stock-in-trade		**82.38**	200.02
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	32	**(279.75)**	536.36
(d) Employee benefit expense	33	**1,828.17**	1,873.10
(e) Finance costs	34	**595.33**	516.14
(f) Depreciation, depletion and amortisation expense		**230.73**	199.75
(g) Other Expenses	35	**1,105.67**	1,834.70
Total expenses		**12,552.48**	12,306.65
3. Profit/(Loss) before exceptional items and tax		**201.76**	(198.55)
4. Exceptional items		**-**	779.33
5. Profit/(Loss) before tax		**201.76**	(977.88)
6. Tax expense			
(a) Current tax	36	**-**	(0.15)
(b) Deferred tax	36	**70.31**	(265.53)
7. Net Profit/ (Loss) after tax		**131.45**	(712.20)
8. Other comprehensive income/(loss)			
Items that will not be reclassified to profit and loss in subsequent year			
i. Actuarial Gains/(Loss) on post-employment defined benefit plan	45	**11.74**	22.73
ii. Tax on above		**(3.27)**	(7.37)
9. Total Comprehensive income for year		**139.92**	(696.84)
10. Earnings per equity share			
Basic & Diluted	38	**0.84**	(4.63)

The accompanying notes are an integral part of the financial statements

As per our report attached
For **RAVI SHAH AND ASSOCIATES**
Chartered Accountant
(Registration No. 125079W)

Ravi Shah
Proprietor
Membership No. 116667
Place: Mumbai
Date: 30th May 2018

For and on behalf of the Board of Directors

S. K. NEVATIA	Chairman & Managing Director
V. K. BHARTIA	Director
A. K. NEMANI	Chief Financial Officer
MEENAKSHI ANCHLIA	Company Secretary

Place: Mumbai
Date: 30th May 2018

STATEMENT OF CHANGES IN EQUITY (₹ in lacs)

Particulars	Equity Share Capital	Other Equity			Total Other Equity	Total Equity
		Reserve & Surplus				
		General Reserve	Securities Premium	Retained Earnings		
	(A)				(B)	(A+B)
As at 1 April 2016	301.16	6,333.65	-	(617.29)	5,716.36	6,017.52
Profit / (Loss) for the year	-	-	-	(712.20)	(712.20)	(712.20)
Transfer to Retained Earnings	-	-	-	-	-	-
Other Comprehensive Income/ (Loss)	-	-	-	15.36	15.36	15.36
Total Comprehensive Income for the Year	-	-	-	(1,314.13)	(696.84)	(696.84)
As at 31 March 2017	301.16	6,333.65	-	(1,314.13)	5,019.52	5,320.68
Profit / (Loss) for the year	-	-	-	131.45	131.45	131.45
Other Comprehensive Income/ (Loss)	-	-	-	8.47	8.47	8.47
Total Comprehensive Income for the Year	-	-	-	139.92	139.92	139.92
Director's Loan Reconverted into Right Shares	-	-	-	(13.87)	(13.87)	(13.87)
Rights Shares Issued during the year	30.11		1,174.52	-	1,174.52	1,204.63
Rights Issue Expenses Transferred to Securities Premium (Net of deferred tax of ₹ 8.68 Lacs)	-	-	(22.51)	-	(22.51)	(22.51)
As at 31 March 2018	**331.27**	**6,333.65**	**1,152.01**	**(1,188.08)**	**6,297.58**	**6,628.85**

The accompanying notes are an integral part of the financial statements

As per our report attached
For **RAVI SHAH AND ASSOCIATES**
Chartered Accountant
(Registration No. 125079W)

Ravi Shah
Proprietor
Membership No. 116667
Place: Mumbai
Date: 30th May 2018

For and on behalf of the Board of Directors

S. K. NEVATIA	Chairman & Managing Director
V. K. BHARTIA	Director
A. K. NEMANI	Chief Financial Officer
MEENAKSHI ANCHLIA	Company Secretary

Place: Mumbai
Date: 30th May 2018

CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2018 (₹ in lacs)

Particulars		Year ended March 31, 2018	Year ended March 31, 2017
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net Profit / (Loss) Before Exceptional Item	**201.76**	(198.55)
	Less: Exceptional Items	**-**	779.33
	Net Profit / (Loss) After Exceptional Items	**201.76**	(977.88)
	Adjusted for		
	Other Comprehensive Income	**11.74**	22.73
	Depreciation & Amortization Expense	**230.73**	199.75
	Investment Income	**(25.58)**	(33.19)
	Impairment Loss	**12.23**	-
	Interest Charged	**595.33**	516.15
	Operating Profit before Working Capital Changes	**1,026.21**	(272.44)
	Changes in		
	Trade & Other Receivables	**(2,406.43)**	309.75
	Inventories	**(727.77)**	549.68
	Trade & Other Payables	**1,805.40**	(983.26)
		(1,328.80)	(123.83)
	Cash Generated from Operations	**(302.59)**	(396.27)
	Direct Taxes Paid	**5.29**	70.57
	Net Cash from Operating Activities	**(297.30)**	(325.70)
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchases of Fixed Assets	**(1,058.17)**	(419.09)
	Sale / Disposal of Fixed Assets	**4.13**	6.76
	Purchases of Investments	**(4.74)**	-
	Sale of Investments	**-**	-
	Interest Received	**26.61**	31.27
	Dividend Received	**0.75**	0.13
	Net Cash used in Investing Activities	**(1,031.42)**	(380.93)
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds from issue of Share Capital	**1,204.63**	-
	Rights Issue Expenses Paid	**(31.19)**	-
	Proceeds from Borrowings	**820.51**	875.38
	Interest Paid	**(588.18)**	(509.40)
	Net Cash used in Financing Activities	**1,405.77**	365.98
	Net Changes in Cash & Cash Equivalents (A+B+C)	**77.05**	(340.65)
	Cash & Cash Equivalents - Opening Balance	**148.97**	489.62
	Cash & Cash Equivalents - Closing Balance	**226.02**	148.97

The accompanying notes are an integral part of the financial statements

As per our report attached
For **RAVI SHAH AND ASSOCIATES**
Chartered Accountant
(Registration No. 125079W)

Ravi Shah
Proprietor
Membership No. 116667
Place: Mumbai
Date: 30th May 2018

For and on behalf of the Board of Directors

S. K. NEVATIA	Chairman & Managing Director
V. K. BHARTIA	Director
A. K. NEMANI	Chief Financial Officer
MEENAKSHI ANCHLIA	Company Secretary

Place: Mumbai
Date: 30th May 2018

1. OTHER NOTES ON FINANCIAL STATEMENTS AS AT, AND FOR THE YEAR ENDED 31ST MARCH, 2018

1.1 Corporate Information

Hind Rectifiers Limited ('Hirect' or 'the Company') is a public Company domiciled in India and is incorporated under the provisions of the Companies Act, applicable in India. The principal place of business of the Company is located in Bhandup, Mumbai. The Company is principally engaged in developing, designing, manufacturing and marketing Power Semiconductor, Power Electronic Equipments and Railway Transportation Equipments.

1.2 Significant Accounting Policies

a) Basis of Preparation of Financial Statements

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

For all the periods upto 31st March 2017, the Company had prepared its financial statements in accordance with the accounting standards notified under the section 133 of the companies Act 2013, read together with paragraph 7 of the companies (Accounts) Rule, 2014 (Indian GAAP).

These financial Statements for the year ended 31st March 2018 are the first the Company has prepared in accordance with IND AS

The financial statements have been prepared on a historical cost basis, except for the following:

1) Assets held for sale - measured at lower of carrying amount or fair value less cost to sell;

2) Defined benefit plans - plan assets measured at fair value;

The financial statements are presented in INR and all values are rounded to the nearest lacs (INR 00,000), except when otherwise indicated.

b) Significant accounting judgements, estimates and assumptions

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

c) Current non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when it is:

- Expected to be settled in normal operating cycle
- Due to be settled within twelve months after the reporting period, or

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

  All other liabilities are classified as non-current.

  Deferred tax assets and liabilities are classified as non-current assets and liabilities. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

d) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being received. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment.

Sales

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and discounts etc.

Amounts disclosed in the revenue includes excise duty and service tax but excludes sales tax/VAT and GST.

Interest income

Interest income from debt instruments is recognised using the effective interest rate method.

Dividends

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established.

e) Taxes

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted, by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date.

f) Property, Plant and Equipment

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

Properties in the course of construction for production or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Other property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property,plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

The Company depreciates its property, plant and equipment over the useful life in the manner prescribed in Schedule II of the Companies Act, 2013 and management believe that useful life of assets are same as those prescribed in Scehdule II to the Act.

Transition date accounting:

The Company has considered Previous GAAP carrying value as deemed cost as at the transition date as per Ind AS 101

g) Intangible assets

Intangible assets with finite useful lives that are acquired separately or developed in-house are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives.

The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets representing cost of software capitalised is amortised over its useful life which is estimated to be a period of three years.

Transition date accounting:

The Company has considered Previous GAAP carrying value as deemed cost as at the transition date as per Ind AS 101.

h) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

i) Inventories

Cost of inventories have been computed to include all cost of purchases, cost of conversion and other costs incurred in bringing the inventories to their present location and conditions.

i) Raw material is valued at cost or net realisable value whichever is lower. Cost is calculated by applying the weighted average method.

ii) Work in progress, Finished Goods and Stock-in-Trade are valued at cost or net realisable value whichever is lower.

iii) Scrap is valued at estimated selling price.

iv) Stores and Spares are valued at cost. Tools and Instruments are valued at book value.

j) Provisions and contingent liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

k) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits.

l) Employee Benefits

i) Provident Fund is a defined contribution scheme established under State Plan. The contributions to the scheme are charged to Profit & Loss Account in the year when the contributions to the funds are due.

ii) Superannuation Fund is a defined contribution scheme and contribution to the scheme are charged to the Profit & Loss Account in the year when contributions are made in respect of employees covered under the scheme. The scheme is funded with Life Insurance Corporation of India.

iii) The Company provides for gratuity, a defined benefit retirement plan (Gratuity Plan) covering all employees. The Gratuity Plan provides a lumpsum payment to vested employees, at retirement or termination of employment, an amount based on the respective employee's last drawn salary and the years of employment with the Company.

The liability in respect of employees is provided and contributed to Life Insurance Corporation of India under Group Gratuity (Cash Accumulation) Scheme except;

a) In case of Chairman cum Managing Director and Executive Director , in whose cases the additional Gratuity liability in accordance with their terms of appointment, is provided in the books.

b) In case of Nashik and Dehradun Division it is provided on the basis of actuarial valuation.

iv) The Company has other long term employee benefits in the form of Leave Encashment. The liability in respect of Leave Encashment is provided for on the basis of actuarial valuation made at the end of the financial year. The aforesaid Leave Encashment is not funded.

v) The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by the employees is recognised during the period when the employee renders the services.

vi) Terminal Benefits:

Compensation to employees who have opted for retirement under the Voluntary Retirement Scheme and termination of services of the employees by the Company is charged to the Statement of Profit and Loss account in the year on actual basis.

vii) Actuarial gains / losses are recognised immediately to the Statement of Profit and Loss account.

m) Research and Development

Research and Development expenditure of revenue nature is charged to revenue and capital expenditure is treated as fixed assets.

n) Foreign currencies

i) Transaction denominated in foreign currency are recorded at the rate of exchange prevailing at the time of transaction.

ii) Current Liabilities / Assets not covered by forward contract are stated at the rates ruling at the year end and any exchange difference arising on such transaction is dealt with in the Statement of Profit and Loss Account.

iii) Transactions completed during the year are adjusted at the prevailing rates.

o) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

p) Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

Non-current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal company classified as held for sale continue to be recognised.

Standards issued but not yet effective

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows' and Ind AS 102, 'Share-based payment. The amendments are applicable to the Company from 1 April 2017.

Amendment to Ind AS 7

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The Company is evaluating the requirements of the amendment and its impact on its cash flows, which are not expected to be material.

Ind AS 115

In March 2018, the Ministry of Corporate Affairs has notified the Companies (Indian Accounting Standards) Amended Rules, 2018 ("amended rules"). As per the amended rules, Ind AS 115 "Revenue from contracts with customers" supersedes Ind AS 11, "Construction contracts" and Ind AS 18, "Revenue" and is applicable for all accounting periods commencing on or after 1 April 2018.

Ind AS 115 introduces a new framework of five step model for the analysis of revenue transactions. The model specifies that revenue should be recognized when (or as) an entity transfer control of goods or services to a customer at the amount to which the entity expects to be entitled. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The new revenue standard is applicable to the Company from 1 April 2018.

The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach)

The Company is evaluating the requirement of the amendment and the impact on the financial statements.

The effect on adoption of Ind AS 115 is expected to be insignificant

2 PROPERTY, PLANT AND EQUIPMENT

(₹ in lacs)

Details Of Assets	LAND		Road	Buildings	Plant & Machinery	Furniture & Fixture	Vehicles	Computers	Total
	Freehold	Leashold							
Gross Carrying Amount									
Deemed Cost As At 1st April, 2016	**229.98**	**21.01**	**51.24**	**866.36**	**969.38**	**278.01**	**220.53**	**67.35**	**2,703.86**
Additions	-	-	-	-	58.34	1.27	-	11.16	70.77
Disposals	-	-	-	-	-	-	25.05	-	25.05
Reclassification As Held For Sale	-	-	-	-	-	-	-	-	-
Balance As At 31st March, 2017	**229.98**	**21.01**	**51.24**	**866.36**	**1,027.72**	**279.28**	**195.48**	**78.51**	**2,749.58**
Additions	-	-	-	341.86	553.82	7.54	-	13.48	916.70
Disposals	-	-	-	-	-	0.41	19.39	-	19.80
Reclassification As Held For Sale	(68.58)	-	-	(67.46)	-	-	-	-	(136.04)
Balance As At 31st March, 2018	**161.40**	**21.01**	**51.24**	**1,140.76**	**1,581.54**	**286.41**	**176.09**	**91.99**	**3,510.44**
Accumulated Depreciation	-	-	-	-	-	-	-	-	-
Balance As At 1st April, 2016	**-**	**8.25**	**45.88**	**201.76**	**437.17**	**202.40**	**111.97**	**48.64**	**1,056.07**
Additions	-	0.22	2.31	20.03	62.55	13.71	22.99	10.71	132.52
Disposals	-	-	-	-	-	-	19.18	-	19.18
Reclassification As Held For Sale	-	-	-	-	-	-	-	-	-
Balance As At 31st March, 2017	**-**	**8.47**	**48.19**	**221.79**	**499.72**	**216.11**	**115.78**	**59.35**	**1,169.41**
Additions	-	0.22	0.48	25.26	82.45	13.40	18.94	11.54	152.29
Disposals	-	-	-	-	-	0.21	15.46	-	15.67
Reclassification As Held For Sale	-	-	-	(8.55)	-	-	-	-	(8.55)
Balance As At 31st March, 2018	**-**	**8.69**	**48.67**	**238.50**	**582.17**	**229.30**	**119.26**	**70.89**	**1,297.48**
Net Carrying Amount									
Balance As At 1st April, 2016	**229.98**	**12.76**	**5.36**	**664.60**	**532.21**	**75.61**	**108.56**	**18.71**	**1,647.79**
Balance As At 31st March, 2017	**229.98**	**12.54**	**3.05**	**644.57**	**528.00**	**63.17**	**79.70**	**19.16**	**1,580.17**
Balance As At 31st March, 2018	**161.40**	**12.32**	**2.57**	**902.26**	**999.37**	**57.11**	**56.83**	**21.10**	**2,212.96**

Note : Borrowing Costs of ₹ 39.20 lacs have been capitalised for the year ended 31st March, 2018 (Previous year ₹ Nil)

3 CAPITAL WORK IN PROGRESS

(₹ in lacs)

Details Of Assets	Capital Work In Progress Others	Total
Gross Carrying Amount		
Deemed Cost As At 1st April,2016	**11.72**	**11.72**
Additions	105.72	105.72
Transferred to intangible assets under Development	(0.45)	(0.45)
Disposal/Capitalised During the year	2.55	2.55
Reclassification As Held For Sale	-	-
Balance As At 31st March, 2017	**114.44**	**114.44**
Additions	688.18	688.18
Disposals / Capitalised	779.53	779.53
Reclassification As Held For Sale	-	-
Balance As At 31st March, 2018	**23.09**	**23.09**
Net Carrying Amount		
Balance As At 1st April, 2016	**11.72**	**11.72**
Balance As At 31st March, 2017	**114.44**	**114.44**
Balance As At 31st March, 2018	**23.09**	**23.09**

Note: Borrowing Costs capitalised to Capital Work in Progress Others are as follows

(₹ in lacs)

As on 1st April, 2016	0.96
As on 31st March, 2017	6.18
As on 31st March, 2018	32.82
Total	39.96

During the year ended 31st March, 2018, ₹ 39.20 Lacs of borrowing costs are transferred from Capital Work in Progress(Others) to Property, Plant and Equipment

4 INTANGIBLE ASSETS (₹ in lacs)

Details Of Assets	Technical Knowhow	Computer Softwafre	Product Development	Total
Gross Carrying Amount				
Deemed Cost as at 1st April, 2016	**573.69**	**70.82**	**163.19**	**807.70**
Additions	4.00	8.03	53.87	65.90
Disposals	-	-	-	-
Reclassification as Held For Sale	-	-	-	-
Balance as at 31st March, 2017	**577.69**	**78.85**	**217.06**	**873.60**
Additions	2.25	10.34	177.08	189.67
Disposals	-	-	-	-
Reclassification as Held For Sale	-	-	-	-
Balance as at 31st March, 2018	**579.94**	**89.19**	**394.14**	**1,063.27**
Accumulated depreciation				
Balance as at 1st April, 2016	**339.64**	**54.66**	**4.36**	**398.66**
Additions	34.62	6.81	25.80	67.23
Disposals	-	-	-	-
Reclassification as held for sale	-	-	-	-
Balance as at 31st March, 2017	**374.26**	**61.47**	**30.16**	**465.89**
Additions	35.16	4.33	38.95	78.44
Disposals	-	-	-	-
Reclassification as held for sale	-	-	-	-
Balance as at 31st March, 2018	**409.42**	**65.80**	**69.11**	**544.33**
Net carrying amount				
Balance as at 1st April, 2016	**234.05**	**16.16**	**158.83**	**409.04**
Balance as at 31st March, 2017	**203.43**	**17.38**	**186.90**	**407.71**
Balance as at 31st March, 2018	**170.52**	**23.39**	**325.03**	**518.94**

5 INTANGIBLE ASSETS UNDER DEVELOPMENT

(₹ in lacs)

Details Of Assets	Technical Knowhow	Computer Softwafre	Product Development	Total
Gross carrying amount				
Deemed cost as at 1st April, 2016	**8.54**	**-**	**170.06**	**178.60**
Additions	6.52	-	225.71	232.23
Transferred from capital work in progress	-	-	0.45	0.45
Capitalised during the year	-	-	53.87	53.87
Reclassification as held for sale	-	-	-	-
Balance as at 31st March, 2017	**15.06**	**-**	**342.35**	**357.41**
Additions	56.41	2.36	207.72	266.49
Disposals / capitalised	2.25	-	221.09	223.34
Reclassification as held for sale	-	-	-	-
Balance as at 31st March, 2018	**69.22**	**2.36**	**328.98**	**400.56**
Net carrying amount				
Balance as at 1st April, 2016	**8.54**	**-**	**170.06**	**178.60**
Balance as at 31st March, 2017	**15.06**	**-**	**342.35**	**357.41**
Balance as at 31st March, 2018	**69.22**	**2.36**	**328.98**	**400.56**

6 NON-CURRENT INVESTMENTS

(₹ in lacs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Investments carried at Cost			
Fully paid equity shares (unquoted)			
Apna Sahakari Bank Ltd.	**5.00**	0.26	0.26
Thane Janata Sahakari Bank Ltd.	**5.00**	5.00	5.00
TOTAL	**10.00**	5.26	5.26

Note: Since the Investments consists of Shares taken for loan, the determination of fair value of Investments is not carried out.

7 LOANS - NON CURRENT

(₹ in lacs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Financial Assets valued at cost			
Unsecured, Considered Good			
Staff Loans	**3.00**	-	-
Rental Security Deposit	**3.64**	9.63	9.55
TOTAL	**6.64**	9.63	9.55

Note: Rental Security Deposit as on 31st March 2018 includes ₹ 1.5 lacs due from the CEO of the Company, Mr. Suramya Nevatia.

Other than that, No Loan is due from directors or other officers of the Company either severally or jointly with any other person, nor any loan are due from firms or private companies respectively in which any director is a partner and a director or member.

8 OTHER NON CURRENT FINANCIAL ASSETS

(₹ in lacs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Financial Assets valued at cost			
Unsecured, Considered Good			
Security Deposits Given to Government & Other Bodies	**60.18**	48.62	48.99
Retention Money	**151.90**	100.48	69.43
Fixed Deposits with Banks (EMD)	**13.15**	31.73	38.55
Earnest Money Deposits	**81.78**	52.05	28.13
TOTAL	**307.01**	232.88	185.10

9 DEFERRED TAX ASSET (NET)

(₹ in lacs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Deferred Tax Assets			
Disallowance under the Income Tax Act, 1961	**312.25**	362.94	156.46
Carried forward losses and unabsorbed depreciation	**506.62**	545.50	480.00
	818.87	908.44	636.46
Deferred Tax Liability			
Related to Property, Plant & Equipment and Intangible Assets	**148.04**	123.30	109.48
MAT Credit Entitlement	**387.46**	338.05	338.05
TOTAL	**1,058.29**	1,123.19	865.03

10 OTHER NON-CURRENT ASSETS

(₹ in lacs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Capital Advances	**254.91**	237.64	145.32
TOTAL	**254.91**	237.64	145.32

11 INVENTORIES

(₹ in lacs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Raw Materials and components	**1,774.18**	1,316.74	1,344.80
Work-in-progress	**1,552.37**	1,283.62	1,785.98
Finished goods	**67.05**	41.88	45.82
Trading Goods	**-**	21.78	53.14
Stores and Spares	**4.69**	0.29	0.58
Loose Tools and Instruments	**40.99**	39.34	28.57
Scrap	**1.79**	9.65	4.09
TOTAL	**3,441.07**	2,713.30	3,262.98

Note: Also refer Note 1 on Financial Statements for Accounting Policy of Inventory Valuation.

12 TRADE RECEIVABLES

(₹ in lacs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Secured, considered good	**5.97**	4.25	14.51
Unsecured, considered good	**5,532.57**	3,557.55	4,112.41
Unsecured Considered Doubtful	**814.17**	1,002.94	277.00
Less : Allowance for Expected Credit Loss	**(814.17)**	(1,002.94)	(277.00)
TOTAL	**5,538.54**	3,561.80	4,126.92

Note: No Trade Receivable is due from directors or other officers of the Company either severally or jointly with any other person, nor any trade Receivable are due from firms or private companies respectively in which any director is a partner and a director or member.

Trade receivables are non interest bearing and are generally on terms of 30 to 120 days of credit period, except retention money which is due after certain period / event.

13 CASH AND CASH EQUIVALENTS

(₹ in lacs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
a. Balances with banks			
In Current Account	**27.29**	42.40	147.20
b. Cash on hand	**4.91**	7.45	5.60
TOTAL	**32.20**	49.85	152.80

14 OTHER BANK BALANCES

(₹ in lacs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
a. Balances with banks			
In Margin Account	**161.34**	65.71	300.22
b. Fixed Deposits (Earnest Money Deposits)	**32.48**	33.41	36.60
TOTAL	**193.82**	99.12	336.82

15 LOANS - CURRENT

(₹ in lacs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Unsecured, Considered Good			
Staff Loans	**2.83**	6.54	7.10
TOTAL	**2.83**	6.54	7.10

Note: No Loan is due from directors or other officers of the Company either severally or jointly with any other person, nor any loan are due from firms or private companies respectively in which any director is a partner and a director or member.

16 OTHER CURRENT FINANCIAL ASSETS

(₹ in lacs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Financial Assets valued at cost			
Unsecured, Considered Good			
Advances recoverable in cash or kind or for value to be received			
Advance to Staff	**1.85**	2.54	3.28
Others	**65.92**	57.50	121.06
	67.77	60.04	124.34
Earnest Money Deposits	**10.45**	5.61	2.57
Claims Receivable	**284.05**	-	-
Interest Income accrued but not due	**5.62**	7.40	5.61
Less : Provision for doubtful debts	**(11.46)**	(25.40)	-
TOTAL	**356.43**	47.65	132.52

17 OTHER CURRENT ASSETS

(₹ in lacs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Balance with Excise, Customs and Port Trust etc.	**162.66**	205.23	264.20
GST Incentives Receivable	**32.11**	-	-
Taxes Paid in Advance/ deducted at Source (Net of Provision for Tax)	**72.18**	77.47	147.89
Advance to Suppliers	**340.27**	329.20	223.40
Unbilled Service Revenue	**196.00**	187.43	-
Less : Provision for Doubtful debts	**(6.62)**	(31.87)	-
TOTAL	**796.60**	767.46	635.49

18 ASSETS HELD FOR SALE

(₹ in lacs)

Particulars	Office Building (Kolkata)	Land (Dehradun)	Total
Deemed Cost as at 1st April, 2016	-	-	-
Add: Transferred from Property, Plant & Equipment	-	-	-
Less: Sold during the year	-	-	-
Balance as at 31st March,2017	-	-	-
Add: Transferred from Property, Plant & Equipment	58.91	56.35	115.26
Less: Sold during the year	-	-	-
Balance as at 31st March, 2018	**58.91**	**56.35**	**115.26**

Note: During the year, the company has decided to sell the Office Building at Kolkata and as per the said decision, management is committed for sale. Also, the Company has signed a Memorandum of Understanding for sale of Land at Dehradun. Hence, the above assets have been classified as asset held for sale and the same have been measured at carrying cost or fair value less cost to sell whichever is lower. Accordingly, an amount of ₹ 12.23 lacs has been provided as impairment loss on Land at Dehradun.

19 EQUITY SHARE CAPITAL

(₹ in lacs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
5,00,00,000 Equity Shares of ₹ 2/- each	**1,000.00**	1,000.00	1,000.00
Issued Capital			
1,50,57,930 Equity Shares of ₹ 2/- each	**301.16**	301.16	301.16
Add: 15,05,793 Equity Shares of ₹ 2/- each (Rights Issue)	**30.11**	-	-
1,65,63,723 Equity Shares of ₹ 2/- each	**331.27**	301.16	301.16

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Subscribed and Paid up			
1,50,57,930 Equity Shares of ₹ 2/- each	**301.16**	301.16	301.16
Add: 15,05,793 Equity Shares of ₹ 2/- each (Rights Issue)	**30.11**	-	-
TOTAL	**331.27**	301.16	301.16

a. The details of shareholders holding more than 5% shares

Name of Shareholder	As at March 31, 2018		As at March 31, 2017	
	No of shares	% held	No of shares	% held
Shri. Sushil Kumar Nevatia	2151138	12.99	1821138	12.09
Shri. Suramya Nevatia	2006536	12.11	1716209	11.40
Shri. Saurabh Nevatia	1398800	8.44	1243300	8.26
BTR Industries Limited	2400000	14.49	2400000	15.94

b. Reconciliation of number of shares

Particulars	As at March 31, 2018		As at March 31, 2017	
	No of shares	(₹ in lacs)	No of shares	(₹ in lacs)
Equity Shares at the beginning of the year	15057930	301.16	15057930	301.16
Add: Shares Issued during the year	1505793	30.11	-	-
Less: Shares bought back during the year	-	-	-	-
Equity Shares at the end of the year	16563723	331.27	15057930	301.16

Note: During the year, Company has alloted 1505793 Equity Shares by Rights issue at a price of ₹ 80 per share (Face value of ₹ 2 each and pemium of ₹ 78/-) aggregating to ₹ 1,204.63 Lacs in the ratio of 1:10 that is one right shares for every ten shares held. Consequent to the allotment of shares, paid up share capital of the Company has increased to ₹ 331.27 lacs and the Securities premium to ₹ 1,152.01 lacs (net of right issue expenses)

20 OTHER EQUITY

(₹ in lacs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
General Reserve			
Opening Balance	**6,333.65**	6,333.65	6,333.65
Less : Transferred to Statement of Profit & Loss	**-**	-	-
Closing Balance	**6,333.65**	6,333.65	6,333.65
Securities Premium			
Opening Balance	-	-	-
Add: Securities Premium on Rights Shares	**1,174.52**	-	-
Less: Expenses of Right Issue (Net of deferred tax of ₹ 8.68 Lacs)	**22.51**	-	-
Closing Balance	**1,152.01**	-	-
Profit and Loss Account			
Opening balance	**(1,314.13)**	(617.29)	(300.04)
Add: Profit for the year	**139.92**	(696.84)	(317.25)
Add: Director's Loan Reconverted	**(13.87)**	-	-
Closing Balance	**(1,188.08)**	(1,314.13)	(617.29)
TOTAL	**6,297.58**	5,019.52	5,716.36

21 NON CURRENT BORROWINGS

(₹ in lacs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Financial Liabilities valued at amortised cost			
SECURED			
Mortgage Loan from Apna Sahakari Bank Ltd.	**543.58**	428.37	481.58
Term Loan from Apna Sahakari Bank Ltd.	**459.67**	123.33	(16.71)
Vehicle Loan from ICICI Bank Ltd	**-**	-	5.64
Vehicle Loan from HDFC Bank Ltd	**-**	-	1.68
UNSECURED			
Loan from Directors	**-**	97.75	91.12
TOTAL	**1,003.25**	649.45	563.31

Note:

1. Mortgage Loan from Apna Sahakari Bank Ltd. Secured against mortgage of Land and Building situated at Plot No. 110/111, Satpur MIDC, Nashik. Repayable in 60 monthly installments started from July, 2017 (Loan Amount ₹ 500 Lacs) & Repayable in 72 monthly installments started from August, 2017 (Loan Amount ₹ 250 Lacs)
2. Term Loan from Apna Sahakari Bank Ltd. is secured by hypothetication of Plant and Machinery, Equipments, Furniture & Fixture, Computers, etc. at Nashik Factory and Mortgage of Land and Building situated at Plot No. 110/111, Satpur MIDC, Nashik. Repayable in 60 monthly instalments started from June, 2017 (Loan Amount ₹ 450 Lacs) & Repayable in 66 monthly instalments started from Jan, 2018 (Loan Amount ₹ 250 Lacs)
3. Loan from Directors has been converted into Equity Shares of the Company during the Rights Issue done by the Company.

22 OTHER NON CURRENT FINANCIAL LIABILITIES

(₹ in lacs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Financial Liabilities valued at cost			
Dealership Deposit	**17.76**	15.76	16.76
TOTAL	**17.76**	15.76	16.76

23 NON CURRENT PROVISIONS

(₹ in lacs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Provision for Employee Benefits			
Gratuity	**124.45**	119.56	107.99
Leave Encashment	**43.92**	46.50	54.32
TOTAL	**168.37**	166.06	162.31

24 CURRENT BORROWINGS

(₹ in lacs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Financial Liabilities valued at cost			
SECURED			
Loan from Consortium Banks			
i) Cash Credit	**3,809.97**	3,329.39	1,728.29
ii) Preshipment Credit In Foreign Currency	**-**	-	300.18
iii) Foreign Currency Non Residential Loan	**-**	-	511.68
TOTAL	**3,809.97**	3,329.39	2,540.15

Note: Secured by first charge against all movable and immovable assets both present and future situated at Bhandup, Mumbai and also by hypothecation of stocks and book debts of the Company ranking pari- passu in favour of ICICI Bank Ltd., Union Bank of India and TJSB Sahakari Bank Ltd.

25 TRADE PAYABLES

(₹ in lacs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Micro, Small and Medium Enterprises	**82.04**	5.63	16.07
Others	**2,527.62**	1,225.42	2,317.26
TOTAL	**2,609.66**	1,231.05	2,333.33

Note : Also refer Note no. 41 of Financial Statements

26 OTHER CURRENT FINANCIAL LIABILITIES

(₹ in lacs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Financial Liabilities valued at cost			
Current maturities of long term debt	**279.43**	121.93	12.06
Interest Accrued But not Due	**13.90**	6.75	-
Unclaimed Dividend	**11.39**	15.03	19.76
Sundry Creditors for Capital Goods	**19.71**	6.15	-
Other Payables	**349.45**	201.72	195.61
TOTAL	**673.88**	351.58	227.43

27 OTHER CURRENT LIABILITIES

(₹ in lacs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Statutory Liabilities	**174.20**	93.28	80.46
Advance from Customers	**95.78**	90.07	89.60
Advances for Sale of Asset	**10.00**	-	-
TOTAL	**279.98**	183.35	170.06

28 CURRENT PROVISIONS

(₹ in lacs)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Provision for Employee Benefits			
Provision for Gratuity	**33.94**	28.23	32.65
Provision for Leave encashment	**12.00**	15.31	11.82
Provision for Bonus	**31.49**	23.19	36.70
TOTAL	**77.43**	66.73	81.17

29 REVENUE FROM OPERATIONS

(₹ in lacs)

Particulars	As at 31 March 2018	As at 31 March 2017
Sale of Products	**10,999.48**	10,009.20
Sale Of Services	**1,662.23**	2,039.08
Other Operating Income		
Export Incentives	**11.69**	14.53
GST Incentives	**32.11**	-
TOTAL	**12,705.51**	12,062.81

30 OTHER INCOME

(₹ in lacs)

Particulars	As at 31 March 2018	As at 31 March 2017
Interest Income	**24.83**	33.06
Credit Balance Written Back	**16.32**	4.92
Profit on Sale of Assets	**-**	0.89
Dividend from Trade Investments	**0.75**	0.13
Exchange Rate Fluctuation	**0.76**	6.23
Miscellaneous Income	**0.22**	0.06
Provisions no longer Required	**5.85**	-
TOTAL	**48.73**	45.29

31 COST OF MATERIALS CONSUMED

(₹ in lacs)

Particulars	As at 31 March 2018	As at 31 March 2017
Opening Stock of Raw Materials	**1,316.74**	1,344.80
Add: Purchases of Raw Materials	**8,833.09**	6,520.73
Add: Conversion and Processing Charges	**614.30**	597.79
Total	**10,764.13**	8,463.32
Less: Closing Stock of Raw Materials	**1,774.18**	1,316.74
TOTAL	**8,989.95**	7,146.58

32 CHANGES IN INVENTORY OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

(₹ in lacs)

Particulars	As at 31 March 2018	As at 31 March 2017
Opening Inventory		
Finished Goods	**41.88**	45.82
Work-In-Progress	**1,283.62**	1,785.98
Stock-In-Trade	**21.78**	53.14
	1,347.28	1,884.94
Closing Inventory		
Finished Goods	**67.05**	41.88
Work-In-Progress	**1,552.37**	1,283.62
Stock-In-Trade	**-**	21.78
	1,619.42	1,347.28
Add/(Less) Excise duty on Finished Goods	**(7.61)**	(1.30)
TOTAL	**(279.75)**	536.36

33 EMPLOYEE BENEFITS EXPENSE

(₹ in lacs)

Particulars	As at 31 March 2018	As at 31 March 2017
Salaries, Wages, Bonus, Gratuity etc.	**1,609.08**	1,659.84
Contribution to Provident Fund, Superannuation,Employees State Insurance Scheme	**109.97**	107.67
Staff Welfare Expenses	**109.12**	105.59
TOTAL	**1,828.17**	1,873.10

34 FINANCE COSTS

(₹ in lacs)

Particulars	As at 31 March 2018	As at 31 March 2017
Interest on Bank Borrowings	**375.03**	326.45
Interest on Deposits & Loans	**8.37**	11.64
Other Interest	**16.41**	6.15
Interest on Term Loan	**142.92**	62.74
Exchange Fluctuation (FCNR/Buyer's Credit)	**-**	26.02
Bank Charges	**52.60**	83.14
TOTAL	**595.33**	516.14

35 OTHER EXPENSES

(₹ in lacs)

Particulars	As at 31 March 2018	As at 31 March 2017
Consumable Stores, Tools and Instruments	**46.85**	31.51
Electricity, Water and Fuel Charges	**155.67**	151.74
Packing	**109.85**	75.22
Repairs		
To Machinery	**7.98**	9.68
To Building	**6.47**	4.33
To Other Assets	**19.87**	15.61
Repairing and Servicing Expenses	**3.57**	2.14
Rent	**14.85**	22.15
Rates and Taxes	**14.78**	7.57
Insurance	**6.20**	5.29
Travelling, Conveyance and Vehicle Expenses	**219.53**	211.73
Directors' Travelling, Conveyance and Sitting Fees	**3.32**	6.71
Printing and Stationery	**12.99**	13.55
Postage, Telegram and Telex	**29.61**	34.48
Advertisement and Publicity	**1.44**	6.16
Liquidity Damages	**-**	6.25
Commission	**20.96**	28.90
Legal and Professional Charges	**94.11**	115.78
Payment to Auditors (refer note 37)	**4.19**	4.42
Transit Insurance and Freight	**108.80**	72.03
Bad Debts	**3.16**	18.42
Provision for Doubtful debts	**14.02**	3.89
Testing Charges	**2.31**	0.00
Excise Duty/ Service Tax	**136.31**	914.32
Miscellaneous Expenses	**56.60**	72.82
Impairment Loss on Assets held for Sale	**12.23**	-
TOTAL	**1,105.67**	1,834.70

36 TAX EXPENSES

Income Tax Expenses Recognized in the Statement of Profit & Loss

(₹ in lacs)

Particulars	As at 31 March 2018	As at 31 March 2017
Current Tax		
Current Tax on taxable Income for the year	-	0.15
Total Current Tax Expense	-	0.15
Deferred Tax		
Deferred Tax Charge / (Credit)	**119.72**	(265.53)
MAT Credit (taken)/ utilised	**(49.41)**	-
Total Deferred Tax expense / (benefit)	**70.31**	(265.53)
Other Comprensive Income	**3.27**	7.37
TOTAL	**73.58**	(258.01)

A reconciliation of the Income Tax expenses to the amount computed by applying the statutory income tax rate to the profit before Income taxes is summarized below:

(₹ in lacs)

Particulars	As at 31 March 2018	As at 31 March 2017
Enacted Income tax rate in India applicable to the Company	**33.06%**	33.06%
Profit before tax	**213.50**	(955.15)
Current tax expense on Profit before tax expenses at the enacted income tax rate in India	**70.58**	(315.77)
Tax effects of the amounts which are not deductible / (taxable) in calculating taxable income		
Add / Less:		
Tax rate change on deferred tax asset	**100.78**	-
Additional prior year MAT recognized during this year	**(49.91)**	-
Tax impact on expense which not-deductible (penalty type, donation)	**1.06**	7.50
Earlier year un-recognized deferred tax asset recognized during the year	**(42.20)**	-
Deferred tax asset un-recognized	**-**	37.32
Others	**(6.74)**	12.95
Tax of Earlier Years	**-**	0.15
TOTAL	**73.58**	(258.01)

The movement in deferred tax assets and liabilities during the year ended 31st March, 2018 and 31st March, 2017:

(₹ in lacs)

Particulars	Deferred Tax Asset/ (Liabilities) as on 1st April, 2016	Credit/ (charge) in Statement of Profit & Loss	Deferred Tax Asset/ (Liabilities) as on 31st March, 2017	Credit/ (charge) in Equity	Credit/ (charge) in Statement of Profit & Loss	Deferred Tax Asset/ (Liabilities) as on 31st March, 2018
Depreciation	(109.48)	(13.82)	(123.30)	-	(24.74)	(148.04)
Disallowance under Income Tax Act with respect to Employee Benefits	79.40	(3.66)	75.74	-	(5.36)	70.38
Provisions	77.06	210.14	287.20	-	(55.67)	231.53
Impairment Of Asset	-	-	-	-	3.40	3.40
Right Issue Expenses	-	-	-	8.68	(1.74)	6.94
Loss of earlier years	480.00	65.50	545.50	-	(38.88)	506.62
MAT Credit Entitlement	338.05	-	338.05	-	49.41	387.46
TOTAL	**865.03**	**258.16**	**1,123.19**	**8.68**	**(73.58)**	**1,058.29**

37 PAYMENT TO AUDITORS (Excluding Service Tax & GST)

(₹ in lacs)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
As Auditor	**2.65**	2.25
For Tax Audit	**0.70**	0.60
For Certification	**0.37**	0.58
For out of Pocket expenses	**0.46**	0.45
TOTAL	**4.18**	3.88

38 EARNINGS PER SHARE

(₹ in lacs)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Profit after taxation as per Statement of Profit & Loss	**139.92**	(696.84)
Weighted Average Number of Equity Shares Outstanding	**16563723**	15057930
Basic and Diluted Earnings per Share (₹)	**0.84**	(4.63)

39 CAPITAL WORK IN PROGRESS

During the year, the Company has incurred an expenditure of ₹ 207.72 lacs on the development of various products and completed the development process of the products of ₹ 221.09 lacs (including ₹ 173.41 lacs incurred upto 31st March 2017) and the balance of ₹ 328.98 lacs (including ₹ 168.94 lacs incurred upto 31st March, 2017) related to the products still under development is clubbed under Capital Work in Progress.

40 RESEARCH AND DEVELOPMENT

The recurring expenditure of ₹ 124.62 lacs (Previous year ₹ 82.31 lacs) and Capital Expenditure of ₹ 187.94 lacs (Previous Year ₹ 190.75 lacs) spent in Research and Development during the year have been debited to respective account.

41 TRADE PAYABLES

(i) ₹ 82.04 Lacs (Previous Year ₹ 5.63 Lacs) due to Micro, Small and Medium Enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act). There are no other amounts paid / payable towards interest / principal under the MSMED; and

(ii) The above information has been determined to the extent such parties have been identified on the basis of the information available with the Company regarding the status of suppliers under the MSME.

(₹ in lacs)

Particulars	**Year ended 31 March 2018**	Year ended 31 March 2017
Principal Amount Due and remaining unpaid	**-**	-
Interest Due on above and unpaid interest	**-**	-
Interest paid	**-**	-
Payment made beyond the appointed day during the year	**-**	-
Interest due and payable for the period of delay	**-**	-
Interest accrued and remaining unpaid	**-**	-
Amount of further interest remaining due and payable in succeeding years	**-**	-

42 CONTINGENT LIABLITIES

Contingent Liabilities in respect of the following:

(₹ in lacs)

Particulars	**Year ended 31 March 2018**	Year ended 31 March 2017
Letters of credit opened by the bankers of the Company in favour of the third parties	**206.79**	161.43
Guarantee given by the banks to the third parties on behalf of the company	**1,069.76**	785.26
Letter of Credit discounted with bank	**34.28**	-
Claims of Excise disputed by the Company	**154.71**	127.88
Claims of Income Tax disputed by Company	**-**	-
Claims of Sales Tax disputed by Company	**126.24**	145.74

43 COMMITMENTS

Estimated amounts of contract remaining to be executed and not provided on account of Technical Know how ₹ 80.44 lacs (Previous year ₹ 86.56 lacs) and on account of Capital Purchase ₹ 200.98 lacs (Previous year ₹ 341.87 lacs)

44 CASH AND BANK BALANCES

i. Balances with banks in current account includes Unclaimed Dividend of ₹ 11.39 Lacs (Previous Year ₹ 15.03 Lacs)

ii. Balance in Margin Money Accounts is towards security for Letter of Credit and Letter of Guarantees.

45 OTHER COMPREHENSIVE INCOME

Amounts recognised in Other Comprehensive Income i.e. Items that will not be reclassified to profit and loss in subsequent year includes Actuarial Gains/(Loss) on post-employment defined benefit plan (net of deferred tax)

(₹ in lacs)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Actuarial Gains/(Loss) on post-employment defined benefit plan	**11.74**	22.73
Tax on above	**(3.27)**	(7.37)
Net Other Comprehensive Income / (Loss)	**8.47**	15.36

46 FAIR VALUE HIERARCHY

The Company has not carried out fair value of any asset or liability. Thus fair value hierarchy is not applicable to the Company.

47 DISCLOSURES PURSUANT TO - "EMPLOYEE BENEFITS "

(a) Defined Contribution Plans:

The Company's contribution to Provident Fund, Superannuation Fund & Pension Fund that has been recognised in the Statement of Profit and Loss under the head Employee Benefits Expense is as under:

(₹ in lacs)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
Employer's Contribution to Provident Fund	**37.51**	43.84
Employer's Contribution to Superannuation Fund	**14.74**	18.61
Employer's Contribution to Pension Fund	**35.07**	36.86

(b) Defined Benefit Plans:

(i) Gratuity

The company has a defined benefit gratuity plan (funded and non funded).The company's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The fund has the form of a trust and it is governed by the Board of Trustees, which consists of an equal number of employer and employee representatives. The Board of Trustees is responsible for the administration of the plan assets and for the definition of the investment strategy.

The significant actuarial assumptions used for the purposes of the actuarial valuations were as follows:

Valuation as at	31 March 2018	31 March 2017
Employee Attrition Rate	**1% to 2%**	1% to 2%
Discount rate(s)	**7.60%**	7.40%
Expected rate(s) of salary increase	**3.50%**	3.50%

(₹ in lacs)

Particulars		Year ended 31 March 2018	Year ended 31 March 2017
I.	**Change in the obligation during the year ended 31 March 2018**		
1.	Present value of defined benefit obligation at the beginning of the year		
	Funded	**320.06**	352.20
	Non Funded	**116.62**	114.35
		436.68	466.55
2.	Expenses Recognised in Profit and Loss Account		
	Current Service Cost		
	Funded	**30.28**	29.53
	Non Funded	**5.70**	4.91
		35.98	34.44
	Interest Cost		
	Funded	**21.20**	24.83
	Non Funded	**3.44**	3.47
		24.64	28.30
	Past Service Cost		
	Funded	**4.58**	-
	Non Funded	**-**	-
		4.58	-
3.	Recognised in Other Comprehensive Income		
	Actuarial (Gain)/ Loss		
	Funded	**(5.86)**	(22.68)
	Non Funded	**(8.77)**	(2.50)
		(14.63)	(25.18)
4.	Benefits paid		
	Funded	**86.82**	63.82
	Non Funded	**13.14**	3.61
		99.96	67.43
5.	Present value of defined benefit obligation at the end of the year.		
	Funded	**283.44**	320.06
	Non Funded	**103.85**	116.62
		387.29	436.68
II.	**Change in fair value of assets during the year ended 31 March 2018**		
1.	Fair value of plan assets at the beginning of the year	**288.90**	325.91
2.	Adjustments to Opening Fair Value of Plan asset	**-**	-
3.	Expenses Recognised in Profit and Loss Account	**-**	-
	Expected return on plan assets	**21.06**	25.74

(₹ in lacs)

Particulars			Year ended 31 March 2018	Year ended 31 March 2017
	4.	Recognised in Other Comprehensive Income		
		Remeasurement (gains) / losses		
		Actual Return on plan assets in excess of the expected return	**(2.88)**	(2.45)
	5.	Contributions by employer (including benefit payments recoverable)	**8.66**	3.51
	6.	Benefits paid	**86.82**	63.82
	7.	Fair value of plan assets at the end of the year	**228.92**	288.89
III.	**(a)**	**Expense recognised in the Statement of Profit and Loss for the year ended 31 March 2018**		
		Current Service Cost		
		Funded	**30.28**	29.53
		Non Funded	**5.70**	4.91
			35.98	34.44
		Past Service Cost		
		Funded	**4.58**	-
		Non Funded	**-**	-
			4.58	-
		Interest Cost		
		Funded	**21.20**	24.83
		Non Funded	**3.44**	3.47
			24.64	28.30
		Expected Return on plan assets		
		Funded	**21.06**	25.74
		Non Funded	**-**	-
			21.06	25.74
		Components of defined benefit costs recognized in profit or loss		
		Funded	**35.00**	28.62
		Non Funded	**9.14**	8.38
			44.14	37.00
	(b)	Included in other Comprehensive Income		
		Actuarial (Gain) / Loss recognized for the period	**(14.63)**	(25.18)
		Return on Plan Assets excluding net interest	**2.88**	2.45
		Actuarial (Gain) / Loss recognized in OCI	**(11.75)**	(22.73)
IV.		**Net Asset/(Liability) recognised in the Balance Sheet as at 31 March 2018**		
	1.	Fair value of plan assets as at 31 March 2018		
		Funded	**228.92**	288.89
		Non Funded	**-**	-
			228.92	288.89

(₹ in lacs)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
2. Present value of defined benefit obligation as at 31 March 2018		
Funded	**283.44**	320.06
Non Funded	**103.85**	116.62
	387.29	436.68
3. Amount recognised in Balance Sheet		
Funded	**54.52**	31.17
Non Funded	**103.85**	116.62
	158.37	147.79

48 RELATED PARTY DISCLOSURES AS PER IND AS 24

I. List of related parties

Name of Related Party	Relationship
Shri S. K. Nevatia	Key Management Personnel (CMD)
Smt. Akshada Nevatia	Relative of Key Management Personnel
Shri Suramya Nevatia	Relative of Key Management Personnel
Shri Saurabh Nevatia	Relative of Key Management Personnel
Shri Bharat Swaroop	Relative of Key Management Personnel
Shri Pawan Kumar Golyan	Relative of Key Management Personnel
Shri Anil Kumar Nemani	Key Management Personnel (CFO)
Meenakshi Anchlia	Key Management Personnel (CS)
Force Motion Technology LLP	Enterprises of Relative of Key Management Personnel

II. Transactions during the year

(₹ in lacs)

S. No.	Nature of transaction	KMP of Company	Relative of KMP	Total
1	Loan Received	-	-	-
		-	-	-
2	Loan Repaid	**120.00**	**1.50**	**121.50**
		(5.00)	-	(5.00)
3	Income			
	Sale	-	-	-
		-	0.42	0.42
4	Expenditure			
	i Remuneration	**106.01**	**75.81**	**181.82**
		(81.28)	(56.08)	(137.36)
	ii Directors Sitting Fees	-	**0.23**	**0.23**
		-	(0.53)	(0.53)
	iii Rent	-	**6.60**	**6.60**
		-	(4.80)	(4.80)
	iv Purchase	-	**92.35**	**92.35**
		-	(30.10)	(30.10)

(*) Figures in bracket represent previous year's amount.

III. Balances Receivable / Payable with Related Parties

(₹ in lacs)

S. No.	Nature of transaction	KMP of Company	Relative of KMP	Total
1	Trade Payables			
	Force Motion Technology	-	**8.63**	**8.63**
		-	(3.21)	(3.21)
2	Other Current Financial Liabilities			
	Salary and Other Accrued Expenses			
	Salary Payable to Mr. S K Nevatia	**3.00**	**-**	**3.00**
		-	-	-
	Salary Payable to Mrs. Akshada Nevatia	-	**0.70**	**0.70**
		-	-	-
	Salary Payable to Mr. Suramya Nevatia	-	**1.16**	**1.16**
		-	-	-
	Salary Payable to Mr. Saurabh Nevatia	-	**1.45**	**1.45**
		-	-	-
	Salary Payable to Mr. Anil Nemani	**1.29**	-	**1.29**
		-	-	-
	Salary Payable to Ms. Meenakshi Anchlia	**0.50**	-	**0.50**
		-	-	-
3	Other Current Financial Liabilities	-		
	Others			
	Rent Payable to Mr. Suramya Nevatia	-	**0.27**	**0.27**
		-	-	-
4	Security Deposits			
	Deposit Given to Mr. Suramya Nevatia	-	**1.50**	**1.50**
		-	-	-

(*) Figures in bracket represent previous year's amount.

Note: The Employee benefit expenses & Provision for employee benefits such as Leave encashment and Gratuity are determined at a company level as a whole and it shall be impracticable to allocate the same to individual Key Managerial Personnel and Relatives of Key Managerial Personnel.

IV. Disclosure in respect of material transactions with related parties during the year (included in II above)

(₹ in lacs)

S. No.	Particulars	Year ended 31 March 2018	Year ended 31 March 2017
1.	**Loan Received**		
	Nil	**-**	-
2.	**Loan Repaid / Deposits Given**		
	Mr. S K Nevatia #	**120.00**	5.00
	Mr. Suramya Nevatia	**1.50**	-
3.	**Income**		
	Sale		
	Force Motion Technology	**-**	0.42
4.	**Expenditure**		
	i. Remuneration		
	Mr. S K Nevatia	**69.94**	43.36
	Mrs. Uma Nevatia	**-**	14.70
	Mrs. Akshada Nevatia (as KMP)	**-**	0.94
	Mrs. Akshada Nevatia	**15.49**	3.59
	Mr. Suramya Nevatia	**29.82**	24.21
	Mr. Saurabh Nevatia	**30.50**	28.28
	Mr. Anil Kumar Nemani	**28.19**	17.42
	Ms. Meenakshi Anchlia	**7.88**	4.86
	ii. Directors Sitting Fees		
	Pawan Kumar Golyan	**0.23**	0.27
	Bharat Swaroop	**-**	0.26
	iii. Rent		
	Saurabh Nevatia	**4.80**	4.80
	Suramya Nevatia	**1.80**	-
	iv. Purchase		
	Force Motion Technology	**92.35**	30.10

(#) The Loan repaid of Shri. SK Nevatia of ₹ 120 Lacs is arrived after adding interest for year ended 31st March 2018 of ₹ 8.38 Lacs to the balance of Loan as 31st March 2017 of ₹ 97.75 Lacs and adding back to the Retained earnings of ₹ 13.87 Lacs.

49 SEGMENT INFORMATION

The Company has identified it's Business segments as it's Primary Segments comprising of Electronic Components and Equipments

(₹ in lacs)

S. No.	Particulars	Year ended 31 March 2018	Year ended 31 March 2017
I.	**Segment Revenue**		
	Electronic Components	**1,020.79**	1,171.32
	Equipments	**11,910.21**	11,129.21
		12,931.00	12,300.53
	Less : Inter-Segment Revenue	**225.49**	237.72
	Net Sales/ Income from Operations	**12,705.51**	12,062.81
II.	**Segment Results - Profit/(Loss)**		
	Electronic Components	**46.81**	(83.38)
	Equipments	**1,191.19**	744.71
		1,238.00	661.33
	Less : Interest & Financial Charges	**595.33**	516.15
	Other Unallocable Expenditure (Net of unallocable Income)	**440.91**	343.73
	Exceptional Items	**-**	779.33
	Profit Before Tax	**201.76**	(977.88)
III.	**Capital Employed**		
	Electronic Components	**457.93**	159.69
	Equipments	**7,631.37**	2,906.89

50. Financial Risk Management Framework

The Company's principal financial liabilities, comprise loans and borrowings, trade and other payables. The Company's principal financial assets include loans, trade and other receivables and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

A. Credit Risk

Credit risk is the risk that counter party will not meet its obligation under a financial instrument or customer contract leading to a financial loss. The Company is exposed to credit risk mainly from trade receivables and other financial assets.

(i) Trade receivables

Customer credit is managed by each business division subject to the Company's established policy procedures and control related to customer credit risk management.

Export customers are mainly against Letter of Credit and insurance cover on export outstanding is also taken. Generally deposits are taken from domestic debtors. In case any customer defaults the amount is first recovered from deposits. Each outstanding customer receivables are regularly monitored and if outstanding is above due date the further shipments are controlled and can only be released if there is a proper justification.

The Company evaluates the concentration of risk with respect to trade receivables as medium, as its customers are located in several jurisdictions and industries and operate in largely independent markets and their credit worthiness are monitored at periodical intervals.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. (₹ in lacs)

Particulars	**Less Than 180 Days**	More Than 180 Days
As at 31 March 2018		
Expected loss rate	**-**	25.00%
Gross carrying amount of doubtful debtors	**-**	1,179.62
Loss allowance provision during the year after subtracting provision made as on 31st March 2017 & 31st March 2016)	**-**	14.02
As at 31 March 2017		
Expected loss rate	-	25.00%
Gross carrying amount of doubtful debtors	**-**	1,123.54
Loss allowance provision during the year (after subtracting provision made as on 31st March 2016)*	**-**	3.87
As at 1 April 2016		
Expected loss rate	-	22.50%
Gross carrying amount of doubtful debtors	-	1,231.10
Loss allowance provision during the year	**-**	**277.00**

* The Loss allowance provision of ₹ 3.87 Lacs does not include the value of provision of doubtful debts of ₹ 779.33 lacs which was treated as exceptional item as on 31st March 2017. Loss allowance provision during the year of ₹ 3.87 lacs is after subtracting provision made as on 31st March 2016 and is provided at the Expected loss rate on the Gross carrying amount of doubtful debtors.

Reconciliation of loss allowance provision for Trade Receivables (₹ in lacs)

Particulars	**As at 31st March 2018**	As at 31st March 2017
Balance as at beginning of the year	**1,002.94**	277.00
Impairment losses recognised in the year based on lifetime expected credit losses		
On receivables originated in the year	**14.02**	725.94
Amounts written off during the year as uncollectible	**202.79**	-
Amounts recovered during the year	-	-
Balance at end of the year	**814.17**	**1,002.94**

B. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risks – interest rate risk, currency risk and other price risk in a fluctuating market environment. Financial instrument affected by market risks includes loans and borrowings, deposits and other financials assets.

The Company has designed risk management frame work to control various risks effectively to achieve the business objectives. This includes identification of risk, its assessment, control and monitoring at timely intervals.

(i) Currency Risk

The Company operates internationally and portion of the business is transacted in several currencies and consequently, the Company is exposed to foreign exchange risk through it's sales and services in overseas and purchases from overseas suppliers in various foreign currencies. The Currency Risk can be majorly divided into two main categories - 1. Risk of change in Profits due to change in currency rate of Outstanding Trade Payables and Receivables (net of advances); & 2. Risk of increased outflows due to change in currency rate of Other Payables.

Foreign Currency Sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD and EURO exchange rates, with all other variables held constant. The impact on the Company's profit before tax and cash flows is due to changes in the fair value of Outstanding Trade Payables and Receivables (net of advances) and the effect not on profit but on cash flow is due to Other Payables. The Company's exposure to foreign currency changes for all other currencies is not material.

1. The impact on the Company's profit before tax due to changes in the fair value of Outstanding Trade Payables and Receivables (net of advances)

(₹ in lacs)

	Currency	Change in rate	Effect on profit before tax
31-Mar-18	USD	+5%	5.50
	USD	-5%	(5.50)
	EURO	+5%	(0.52)
	EURO	-5%	0.52
31-Mar-17	USD	+5%	5.10
	USD	-5%	(5.10)
	EURO	+5%	(5.67)
	EURO	-5%	5.67

2. The impact on the Company's cash flow due to changes in the fair value of Other Payables

(₹ in lacs)

	Currency	Change in rate	Effect on cash flow
31-Mar-18	USD	+5%	
	USD	-5%	-
	EURO	+5%	(7.38)
	EURO	-5%	7.38
31-Mar-17	USD	+5%	-
	USD	-5%	-
	EURO	+5%	(4.33)
	EURO	-5%	4.33

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

(ii) Interest rate risk

The Company manages interest rate risk by having a balanced portfolio of fixed and variable rate of interest on loans and borrowings. To manage this, Company has loans taken from banks which are linked to MCLR rate of the bank, which are variable.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

(₹ in lacs)

PARTICULARS	Currency	Increase/ Decrease in basis Points	Effect on profit before tax
31-Mar-18	INR	+50	(15.42)
	INR	-50	15.42
31-Mar-17	INR	+50	(14.14)
	INR	-50	14.14

(iii) Equity Price Risk

The Company is not exposed to equity price risks arising from equity investments since the Company does not have any equity investments.

C. Liquidity Risk

(i) Liquidity risk management

The Company manages liquidity risk by continuously monitoring forecast and actual cash flows on daily, monthly and yearly basis. The Company ensures that there is a free credit limit available at the start of the year which is sufficient for repayments getting due in the ensuing year. Loan arrangements, credit limits with various banks including working capital and monitoring of operational and working capital issues are always kept in mind for better liquidity management

(ii) Maturities of financial liabilities

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

(₹ in lacs)

As at 31 March 2018	On demand	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years & above	Total
(a) Non Derivative financial instruments						
Long term borrowings	-	-	875.01	128.24	-	1,003.25
Short term borrowings						
Cash Credit Facilities	-	3,809.97	-	-	-	3,809.97
Trade payables						
Trade payables - Micro and small enterprises	-	82.04	-	-	-	82.04
Trade payables - other than micro and small Ent	-	2,527.62	-	-	-	2,527.62
Other financial liabilities						
Deposits from dealers and agents	-	-	-	-	17.76	17.76
Current maturities of long-term debt	-	279.43	-	-	-	279.43
Interest accrued on borrowings	-	13.90	-	-	-	13.90
Provision for Processing Fees	-	23.03	-	-	-	23.03
Unclaimed / Unpaid dividends	-	11.39	-	-	-	11.39
Creditors for Capital Supplies / Services	-	19.71	-	-	-	19.71
Salary & Other Accrued Expenses	-	289.52	-	-	-	289.52
Other Payables	-	36.90	-	-	-	36.90
Total	-	7,093.51	875.01	128.24	17.76	8,114.52

(₹ in lacs)

As at 31 March 2017	On demand	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years & above	Total
(a) Non Derivative financial instruments						
Long term borrowings	-	-	510.75	138.70	-	649.45
Short term borrowings						
Cash Credit Facilities	-	3,329.39	-	-	-	3,329.39
Trade payables						
Trade payables - Micro and small enterprises	-	5.63	-	-	-	5.63
Trade payables - other than micro and small Ent	-	1,225.42	-	-	-	1,225.42
Other financial liabilities						
Deposits from dealers and agents	-	-	-	-	15.76	15.76
Current maturities of long-term debt	-	121.93	-	-	-	121.93
Interest accrued on borrowings	-	6.75	-	-	-	6.75
Provision for Processing Fees	-	29.17	-	-	-	29.17
Unclaimed / Unpaid dividends	-	15.03	-	-	-	15.03
Creditors for Capital Supplies / Services	-	6.15	-	-	-	6.15
Salary & Other Accrued Expenses	-	144.47	-	-	-	144.47
Other Payables	-	28.08	-	-	-	28.08
Total	-	4,912.02	510.75	138.70	15.76	5,577.23

(₹ in lacs)

As at 1st April 2016	On demand	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years & above	Total
(a) Non Derivative financial instruments						
Long term borrowings	-	-	228.35	322.65	12.31	563.31
Short term borrowings						
Cash Credit Facilities	-	2,540.15	-	-	-	2,540.15
Trade payables						
Trade payables - Micro and small enterprises	-	16.07	-	-	-	16.07
Trade payables - other than micro and small Ent	-	2,317.26	-	-	-	2,317.26
Other financial liabilities						
Deposits from dealers and agents	-	-	-	-	16.76	16.76
Current maturities of long-term debt	-	12.06	-	-	-	12.06
Interest accrued on borrowings	-	-	-	-	-	-
Provision for Processing Fees		25.95				25.95
Unclaimed / Unpaid dividends	-	19.76	-	-	-	19.76
Creditors for Capital Supplies / Services	-	-	-	-	-	-
Salary & Other Accrued Expenses	-	139.01	-	-	-	139.01
Other Payables	-	30.65	-	-	-	30.65
Total	-	5,100.91	228.35	322.65	29.07	5,680.98

(iii) Financing arrangements

The Company had access to following undrawn borrowing facilities at the end of the reporting period:

(₹ in lacs)

Particulars	**31 March 2018**	31 March 2017	1 April 2016
Cash Credit Facilities	**270.03**	-	454.18
TOTAL	**270.03**	-	454.18

(iv) Maturities of financial assets

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

(₹ in lacs)

As at 31 March 2018	On demand	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years & above	Total
(a) Non Derivative financial instruments						
Investments	-	-	-	-	10.00	10.00
Trade Receivables	-	5,538.54	-	-	-	5,538.54
Cash and Cash Equivalents	-	32.20	-	-	-	32.20
Other Bank Balances	-	193.82	-	-	-	193.82
Loans	-	2.83	2.65	0.35	3.64	9.47
Other financial Assets						
Security Deposits	-	-	60.18	-	-	60.18
Retention Money	-	-	151.90	-	-	151.90
Fixed Deposits with Banks (EMD)	-	-	13.15	-	-	13.15
Earnest Money Deposits	-	10.45	81.78	-	-	92.23
Advances recoverable in cash	-	56.31	-	-	-	56.31
Interest Income accrued	-	5.62	-	-	-	5.62
Claims receivable	-	284.05	-	-	-	284.05
Total	-	6,123.82	309.66	0.35	13.64	6,447.47

(₹ in lacs)

As at 31 March 2017	On demand	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years & above	Total
(a) Non Derivative financial instruments						
Investments	-	-	-	-	5.26	5.26
Trade Receivables	-	3,561.80	-	-	-	3,561.80
Cash and Cash Equivalents	-	49.85	-	-	-	49.85
Other Bank Balances	-	99.12	-	-	-	99.12
Loans		0.10			9.63	9.73
Other financial Assets						
Security Deposits	-	-	48.62	-	-	48.62
Retention Money	-	-	100.48	-	-	100.48
Fixed Deposits with Banks (EMD)	-	-	31.73	-	-	31.73
Earnest Money Deposits	-	5.61	52.05	-	-	57.66
Advances recoverable in cash	-	41.08	-	-	-	41.08
Interest Income accrued	-	7.40	-	-	-	7.40
Claims receivable	-	-	-	-	-	-
Total	-	3,764.96	232.88	-	14.89	4,012.73

(₹ in lacs)

As at 1st April 2016	On demand	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years & above	Total
(a) Non Derivative financial instruments						
Investments	-	-	-	-	5.26	5.26
Trade Receivables	-	4,126.92	-	-	-	4,126.92
Cash and Cash Equivalents	-	152.80	-	-	-	152.80
Other Bank Balances	-	336.82	-	-	-	336.82
Loans	-	7.10	-	-	9.55	16.65
Other financial Assets						
Security Deposits	-	-	48.99	-	-	48.99
Retention Money	-	-	69.43	-	-	69.43
Fixed Deposits with Banks (EMD)	-	-	38.55	-	-	38.55
Earnest Money Deposits	-	2.57	28.13	-	-	30.70
Advances recoverable in cash	-	124.34	-	-	-	124.34
Interest Income accrued	-	5.61	-	-	-	5.61
Claims receivable	-	-	-	-	-	-
Total	-	4,756.16	185.10	-	14.81	4,956.07

51 Capital Management

The company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to safeguard it's ability to continue as a going concern and to optimise returns to shareholders. The company monitors the amount of Capital in proportion to risk and manage the capital structure in light of changes in economic conditions and risk characteristics of underlying assets. The company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value. The Company takes and will take appropriate steps in order to maintain, or if necessary adjust it's capital structure.

The Company's adjusted net debt to equity ratio at 31st March 2018, 31st March 2017 and 1st April 2016 is as follows:

(₹ in lacs)

Particulars	31 March 2018	31 March 2017	1 April 2016
Total Liabilities	**8,640.30**	5,993.37	6,094.52
Less: cash and cash equivalents	**226.02**	148.97	489.62
Adjusted net debt	**8,414.28**	5,844.40	5,604.90
Total equity	**6,628.85**	5,320.68	6,017.52
Adjusted net debt to adjusted equity ratio	**1.27**	1.10	0.93

52. FIRST TIME ADOPTION OF IND -AS

These are the Company's first financial statements prepared in accordance with Ind AS. The Company has adopted Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate Affairs with effect from 1st April, 2017, with a transition date of 1st April, 2016. Ind AS 101-First-time Adoption of Indian Accounting Standards requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements which is for the year ended 31st March, 2017 for the company, be applied retrospectively and consistently for all financial years presented.

The presentation requirements under Previous GAAP differs from Ind AS, and hence, Previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The Regrouped Previous IGAAP information is derived from the Financial Statements of the Company prepared in accordance with Previous GAAP.

The changes as per Indian GAAP and IND AS are as follows:

Foot Notes to the Financial Statements

(To be read with the Reconciliation of Balance Sheet as on 31st March 2017 & 1st April 2016 and Reconciliation of Profit & Loss A/c for the year ended 31st March 2017.)

a. Bank Borrowings

Under Indian GAAP, unamortised transaction costs relating to borrowings is recognised separately in assets, whereas under Ind-AS, required under the IND AS 109, transactions costs incurred towards origination of borrowings have been deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the profit and loss over the tenure of the borrowing as interest expense, computed using the effective interest rate method corresponding effect being in Long term borrowings.

Unamortised transaction cost is netted off against the borrowings resulting into -

i. Decrease of bank Borrowings of ₹ 35.14 lacs as at 1 April 2016 and ₹ 30.77 lacs as at 31 March 2017,

ii. Increase of Other Financial Current Liabilities (Provision of Processing fees) of ₹ 25.95 lacs as at 1 April 2016 and ₹ 29.17 lacs as at 31 March 2017,

iii. Decrease in capital work in progress of ₹ 4.44 lacs as at 1 April 2016 and decrease of ₹ 2.40 lacs as at 31 March 2017.

iv. Decrease in Reserves amounting to ₹ 0.20 lacs as at 1 April 2016.

v. increase in finance cost amounting to ₹ 0.59 lacs for the year ended 31 March 2017.

vi. Decrease of Prepaid Expenses in Other Current Assets of ₹ 4.95 lacs as on 1st April 2016

b. Loan from Director

Under IND AS, the interest free loan from director is restated at the present value of the loan on the date of receipt of the loan and Interest is charged on the present value of the loan.

This has resulted in the following effects:

i. Decrease of Borrowings of ₹ 33.88 lacs as at 1 April 2016 and decrease of ₹ 22.24 lacs (as compared to previous IGAAP) as at 31 March 2017,

ii. Increase in Reserves amounting to ₹ 33.88 lacs as at 1 April 2016.

iii. increase in finance cost amounting to ₹ 11.64 lacs for the year ended 31 March 2017.

c. Defined benefit liabilities

Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to the statement of profit or loss. Under Ind AS, remeasurements comprising of actuarial gains and losses are

recognised separtely in the Statement of Profit & Loss. Actuarial Gain of ₹ 22.73 lacs as at 31st March 2017 and ₹ 11.74 Lacs as at 31 March 2018 is recognised in Other Comprehensive Income.

d. Trade Receivables

As per IND AS, Expected Loss on doubtful debts has been recognised on debtors thus leading in -

i. Reduction in Trade Receivables as on 1st April 2016 by ₹ 277 lacs and Reduction in Trade Receivables as on 31st March 2017 (as compared to previous IGAAP) by ₹ 280.88 lacs.

ii. Increase in Other Expenses for the year ended 31st March 2017 by ₹ 3.88 lacs.

iii. Decrease in Retained earnings as on 1st April 2016 by ₹ 277 lacs.

e. Other Equity

Retained earnings as at April 1, 2016 has been adjusted consequent to the above Ind AS transition adjustments.

Also, an amount of ₹ 34.82 lacs earlier shown in the Capital Reserve has now been transferred to Retained Earnings as on 1st April 2016 because the conditions attached to it have been fulfilled as on 1st April, 2016.

f. Deferred Tax

Deferred Tax on aforesaid IND AS adjustments.

g. Property, Plant & Equipment & Intangible Assets

As per Ind AS 101, the net carrying amounts of all of its Property, Plant and Equipment and Intangible Assets as per previous GAAP has been used as deemed value of all of its Property, Plant and Equipment and Intangible Assets on the date of transition to Ind AS.

RECONCILIATION OF BALANCE SHEET AS ON 1ST APRIL 2016 (₹ in lacs)

Particulars	Foot Note	Regrouped Indian GAAP	Ind AS Adjustments	Ind AS
I. ASSETS				
(1) Non-current Assets				
(a) Property, Plant and Equipment		1,647.79	-	1,647.79
(b) Capital Work in Progress	a	16.16	(4.44)	11.72
(c) Intangible Assets		409.04	-	409.04
(d) Intangible Assets under Development		178.60	-	178.60
(e) Financial Assets				
i. Investments		5.26	-	5.26
ii. Loans		9.55	-	9.55
iii. Others		185.10	-	185.10
(f) Deferred tax Assets (net)	f	787.97	77.06	865.03
(g) Other Non Current Assets		145.32	-	145.32
		3,384.79	**72.62**	**3,457.41**
(2) Current Assets				
(a) Inventories		3,262.98	-	3,262.98
(b) Financial Assets				
i. Trade Receivables	d	4,403.92	(277.00)	4,126.92
ii. Cash and cash equivalents		152.80	-	152.80
iii. Other Bank balances		336.82	-	336.82
iv. Loans		7.10	-	7.10
v. Other Current Assets	a	137.47	(4.95)	132.52
(c) Other current Assets		635.49	-	635.49
		8,936.58	**(281.95)**	**8,654.63**
(3) Assets held for Sale		-	-	-
TOTAL ASSETS		**12,321.37**	**(209.33)**	**12,112.04**
II. EQUITY AND LIABILITIES				
(1) Equity				
(a) Equity Share Capital		301.16	-	301.16
(b) Other Equity	e	5,882.62	(166.26)	5,716.36
		6,183.78	**(166.26)**	**6,017.52**
(2) Non-current Liabilities				
(a) Financial Liabilities				
i. Borrowings	a, b	632.33	(69.02)	563.31
ii. Other Financial Liabilities		16.76	-	16.76
(b) Provisions		162.31	-	162.31
		811.40	**(69.02)**	742.38
(3) Current Liabilities				
(a) Financial Liabilities				
i. Borrowings		2,540.15	-	2,540.15
ii. Trade Payables		2,333.33	-	2,333.33
iii. Other Financial Liabilities	a	201.48	25.95	227.43
(b) Other Current Liabilities		170.06	-	170.06
(c) Provisions		81.17	-	81.17
		5,326.19	**25.95**	**5,352.14**
TOTAL EQUITY AND LIABILITIES		**12,321.37**	**(209.33)**	**12,112.04**

RECONCILIATION OF BALANCE SHEET AS ON 31ST MARCH 2017 (₹ in lacs)

Particulars	Foot Note	Regrouped Indian GAAP	Ind AS Adjustments	Ind AS
I. ASSETS				
(1) Non-current Assets				
(a) Property, Plant and Equipment		1,580.17	-	1,580.17
(b) Capital Work in Progress	a	116.84	(2.40)	114.44
(c) Intangible Assets		407.71	-	407.71
(d) Intangible Assets under Development		357.41	-	357.41
(e) Financial Assets				
i. Investments		5.26	-	5.26
ii. Loans		9.63	-	9.63
iii. Others		232.88	-	232.88
(f) Deferred tax Assets (net)	f	1,045.05	78.14	1,123.19
(g) Other Non Current Assets		237.64	-	237.64
		3,992.59	**75.74**	**4,068.33**
(2) Current Assets				
(a) Inventories		2,713.30	-	2,713.30
(b) Financial Assets				
i. Trade Receivables	d	3,842.68	(280.88)	3,561.80
ii. Cash and cash equivalents		49.85	-	49.85
iii. Other Bank balances		99.12	-	99.12
iv. Loans		6.54	-	6.54
v. Other Current Assets		47.65	-	47.65
(c) Other current Assets		767.46	-	767.46
		7,526.60	**(280.88)**	**7,245.72**
(3) Assets held for Sale		-	-	-
TOTAL ASSETS		**11,519.19**	**(205.14)**	**11,314.05**
II. EQUITY AND LIABILITIES				
(1) Equity				
(a) Equity Share Capital		301.16	-	301.16
(b) Other Equity	e	5,200.82	(181.30)	5,019.52
		5,501.98	**(181.30)**	**5,320.68**
(2) Non-current Liabilities				
(a) Financial Liabilities				
i. Borrowings	a, b	702.46	(53.01)	649.45
ii. Other Financial Liabilities		15.76	-	15.76
(b) Provisions		166.06	-	166.06
		884.28	**(53.01)**	**831.27**
(3) Current Liabilities				
(a) Financial Liabilities				
i. Borrowings		3,329.39	-	3,329.39
ii. Trade Payables		1,231.05	-	1,231.05
iii. Other Financial Liabilities	a	322.41	29.17	351.58
(b) Other Current Liabilities		183.35	-	183.35
(c) Provisions		66.73	-	66.73
		5,132.93	**29.17**	**5,162.10**
TOTAL EQUITY AND LIABILITIES		**11,519.19**	**(205.14)**	**11,314.05**

RECONCILIATION OF STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2017

(₹ in lacs)

Particulars		Foot Note	Regrouped Indian GAAP	Ind AS Adjustments	Ind AS
1.	**Income**				
(a)	Revenue from Operations		12,062.81	-	12,062.81
(b)	Other income		45.29	-	45.29
	Total income		**12,108.10**	**-**	**12,108.10**
2.	**Expenses**				
(a)	Cost of materials consumed		7,146.58	-	7,146.58
(b)	Purchases of stock-in-trade		200.02	-	200.02
(c)	Changes in inventories of finished goods, work-in-progress and stock-in-trade		536.36	-	536.36
(d)	Employee benefit expense	c	1,850.37	22.73	1,873.10
(e)	Finance costs	a,b	503.91	12.23	516.14
(f)	Depreciation, depletion and amortisation expense		199.75	-	199.75
(g)	Other Expenses	d	1,830.82	3.88	1,834.70
	Total expenses		**12,267.81**	**38.84**	**12,306.65**
3.	**Profit/(Loss) before exceptional items and tax**		**(159.71)**	**(38.84)**	**(198.55)**
4.	**Exceptional items**		779.33	-	779.33
5.	**Profit/(Loss) before tax**		**(939.04)**	**(38.84)**	**(977.88)**
6.	**Tax expense**				
(a)	Current tax		(0.15)	-	(0.15)
(b)	Deferred tax	f	(257.08)	(8.45)	(265.53)
7.	**Net Profit/ (Loss) after tax**		**(681.81)**	**(30.39)**	**(712.20)**
8.	**Other comprehensive income/(loss)**				
	Items that will not be reclassified to profit and loss in subsequent year				
i.	Actuarial Gains/(Loss) on post-employment defined benefit plan		-	22.73	22.73
ii.	Tax on above		-	(7.37)	(7.37)
9.	**Total Comprehensive income for year**		**(681.81)**	**(15.03)**	**(696.84)**

The accompanying notes are an integral part of the financial statements

As per our report attached
For **RAVI SHAH AND ASSOCIATES**
Chartered Accountant
(Registration No. 125079W)

Ravi Shah
Proprietor
Membership No. 116667
Place: Mumbai
Date: 30th May 2018

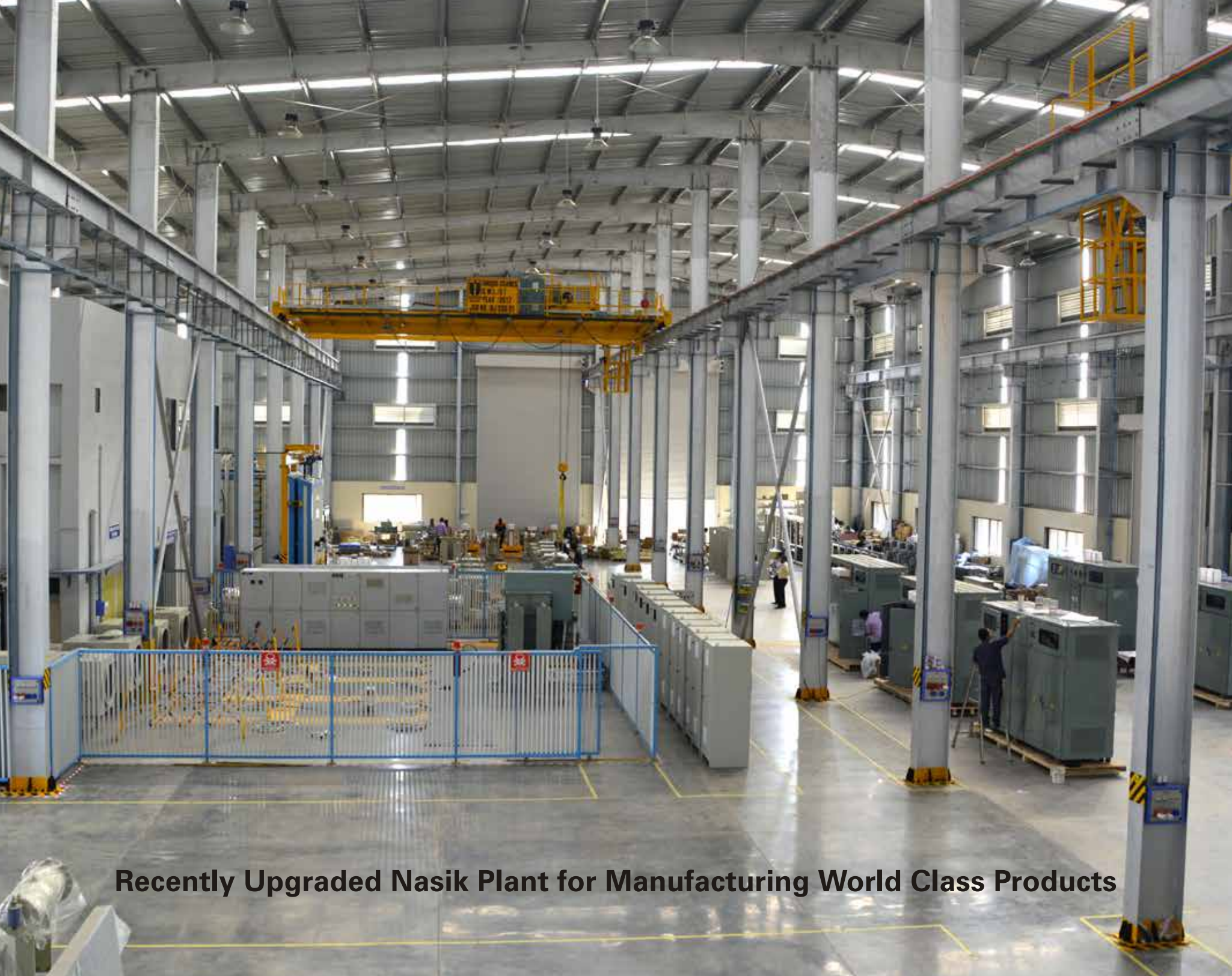
For and on behalf of the Board of Directors

S. K. NEVATIA	Chairman & Managing Director
V. K. BHARTIA	Director
A. K. NEMANI	Chief Financial Officer
MEENAKSHI ANCHLIA	Company Secretary

Place: Mumbai
Date: 30th May 2018

Notes

Notes



Recently Upgraded Nasik Plant for Manufacturing World Class Products



Battery Charger for Submarines supplied to Defence

Hind Rectifiers Limited

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