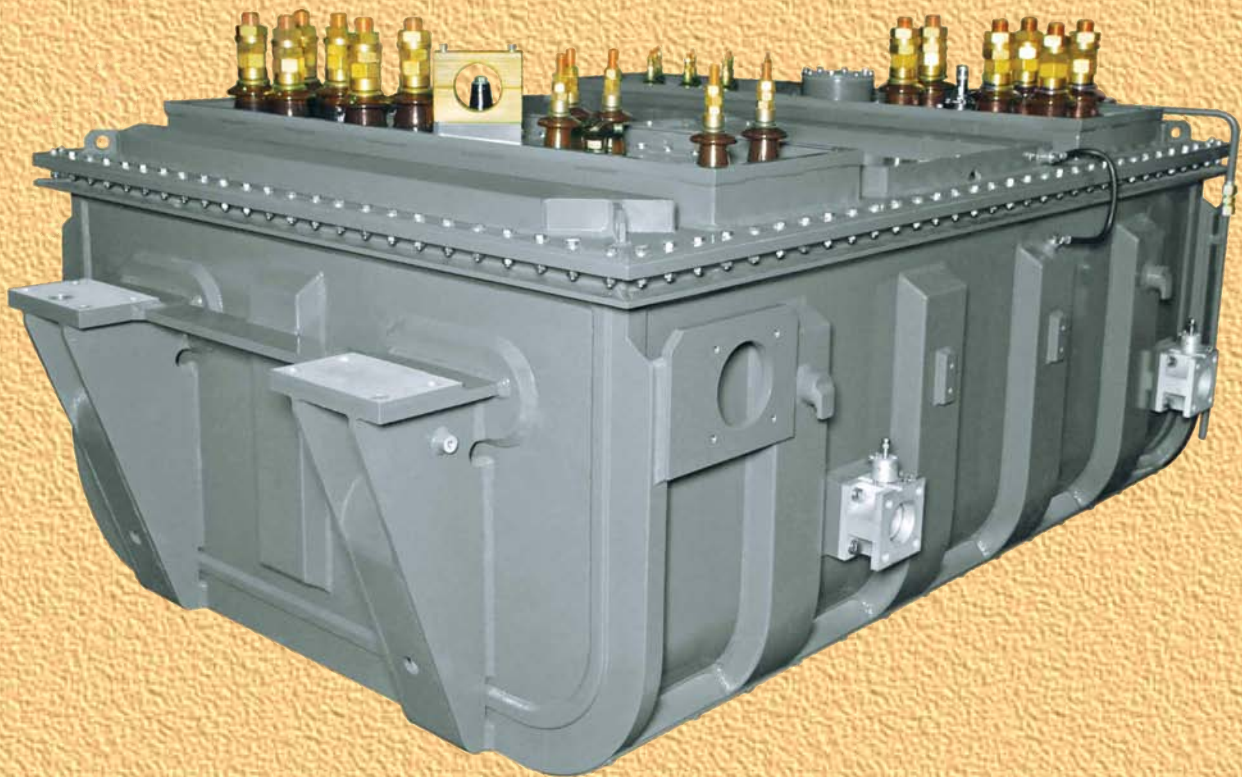
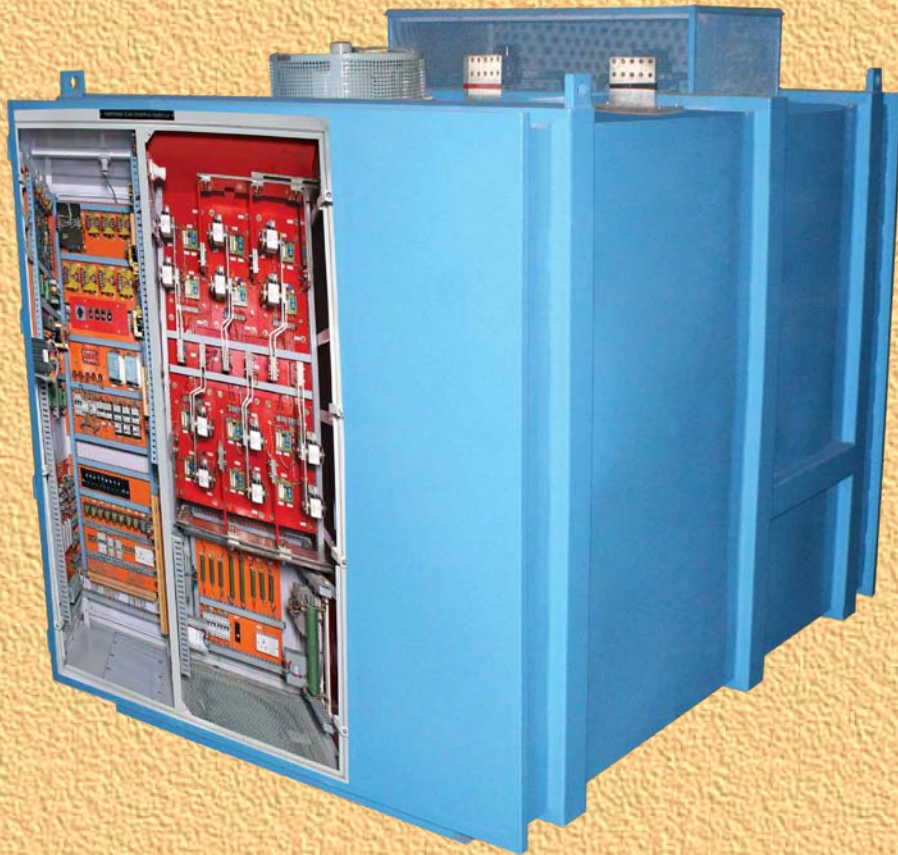


HIND RECTIFIERS LIMITED



**55th Annual Report
2012-2013**

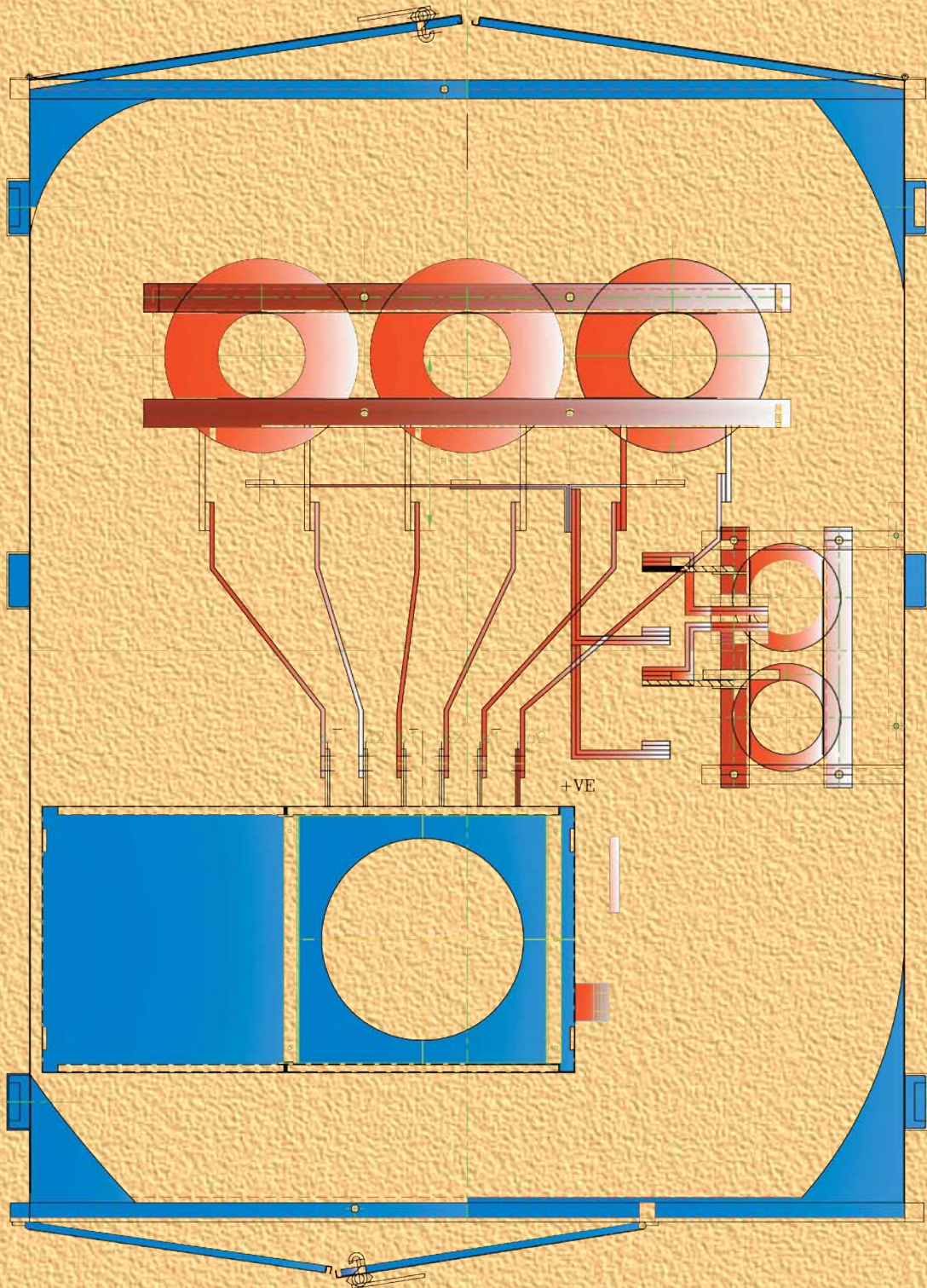


(A)



(B)

(C)



**MODULAR, FORCED AIR COOLED RECTIFIER
FOR MALAYSIA**

- (A) FRONT VIEW**
- (B) REAR VIEW**
- (C) TOP SCHEMATIC VIEW**

Hirect

REGISTERED OFFICE

: Lake Road,
Bhandup (W),
Mumbai - 400 078 (India)

WORKS

- : i) Lake Road, Bhandup (W),
Mumbai - 400 078. Maharashtra (India)
- ii) Plot No.110/111, M.I.D.C. Satpur,
Nashik - 422 007. Maharashtra (India)
- iii) New Khasra.No.64-67 & 74,
Village Charba, Vikas Nagar,
Dehradun - 248 197. Uttarakhand (India)
- iv) New Khasra.No.295, 296 & 301,
Village Charba, Vikas Nagar,
Dehradun - 248 197. Uttarakhand (India)

REGIONAL OFFICES

Eastern Region

: Chatterjee International Centre
11th Floor, Flat No. 13,
33-A, J.N. Road, Kolkata - 700 071.

Western Region

: Marketing Division
Lake Road, Bhandup (W),
Mumbai - 400 078.

Northern Region

: 7B/5024, 2nd Floor,
N. S. Marg, New Delhi - 110 002.

Southern Region

: 403, 4th Floor, C Block,
Shivalaya Building, Ethiraj Salai,
Egmore, Chennai - 600 008.

BRANCH OFFICES

Bengaluru

: No. 199, 1st Floor, 2nd Main H.V.R. Layout,
Magadi Road, Near K.H.B. Bus Stop,
Bengaluru - 560 079.

Secunderabad

: Srinivas Apartment, Plot No.4, Flat No.1
1st Venture Malla Reddy Nagar,
Trirumalgiri Post,
Secunderabad - 500 015.

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BOARD OF DIRECTORS : S. K. Nevatia, Chairman & Managing Director
Uma S. Nevatia, Executive Vice Chairperson
D. R. Mehta
Niraj Ramkrishna Bajaj
Bharat Swaroop
Pawan Kumar Golyan
V. K. Bhartia
Binod Patodia
Pradeep V. Goyal
Akhil Marfatia (upto 31st May, 2013)
Parimal Marchant, Additional Director (w.e.f. 7th February, 2013)

MANAGEMENT TEAM : S. K. Nevatia - Chairman & Managing Director
Uma S. Nevatia - Executive Vice Chairperson
R. C. Chandan - Chief Executive
Saurabh Nevatia - Chief Executive (Nashik)
A. K. Nemani - Chief Financial Officer

BANKERS : ICICI Bank Limited
Union Bank of India

AUDITORS : M/s Khandwala & Shah
Chartered Accountants

LEGAL ADVISORS : M/s Kanga & Co.

**REGISTRAR AND
TRANSFER AGENT** : M/s ADROIT CORPORATE SERVICES PRIVATE LIMITED
19, Jafarbhoy Industrial Estate,
1st Floor, Makwana Road, Marol Naka,
Andheri (East), Mumbai - 400 059.

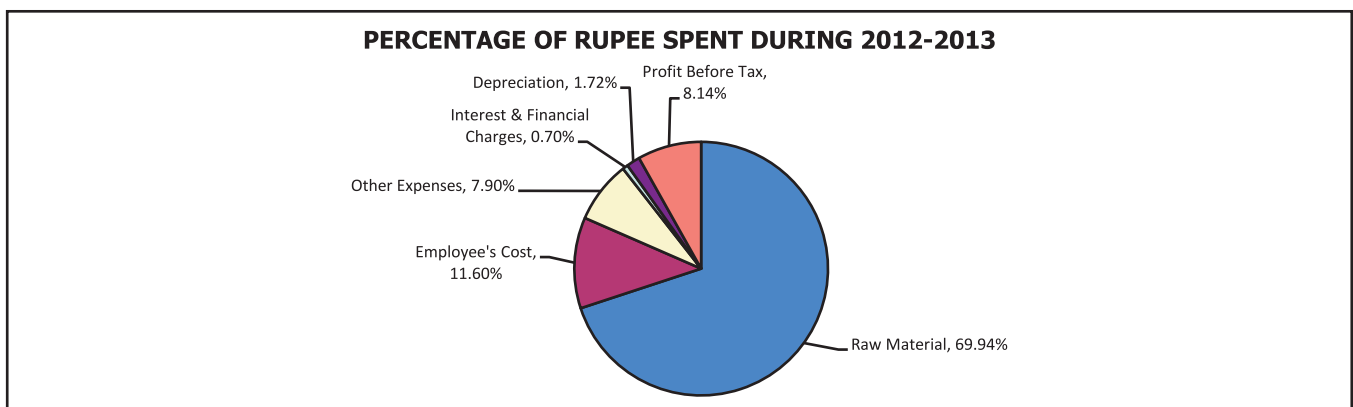
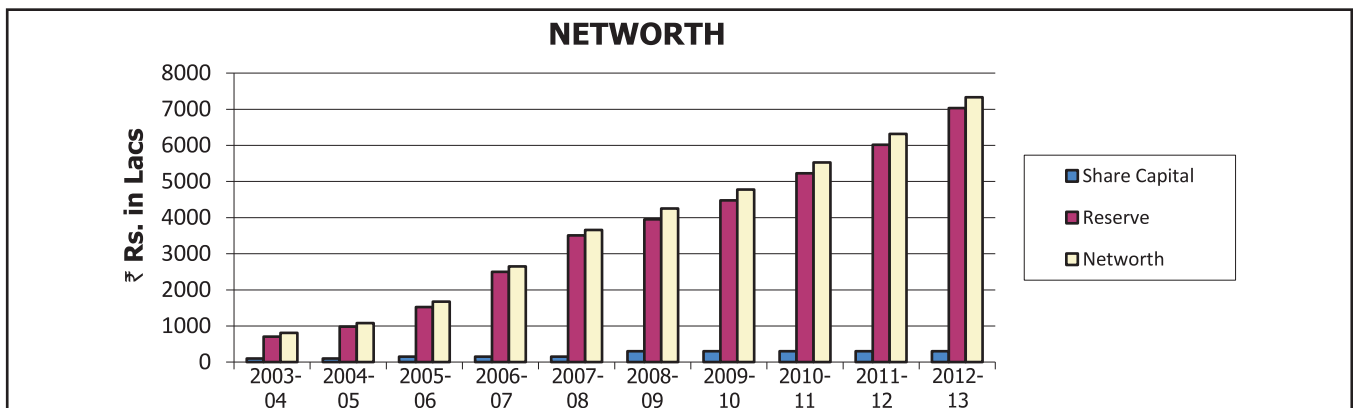
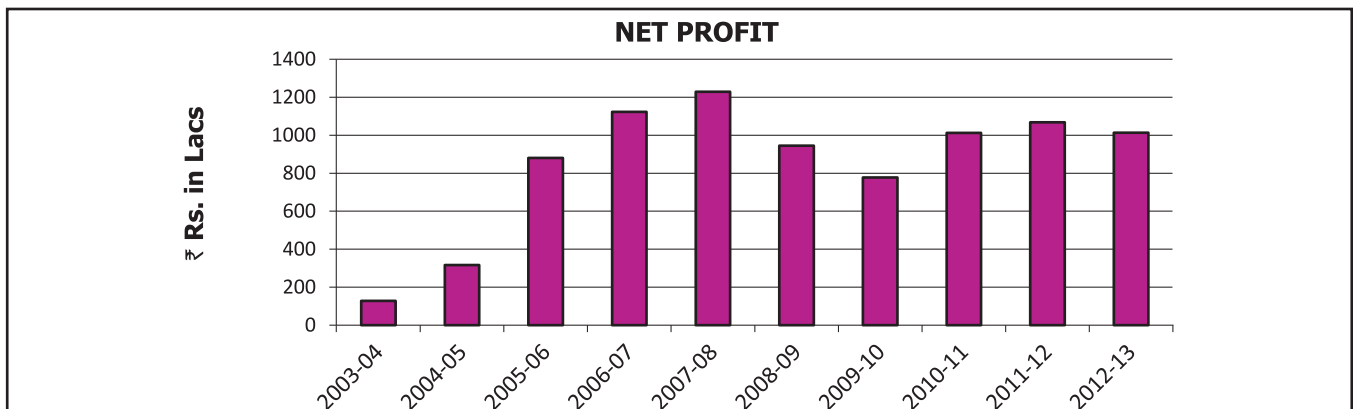
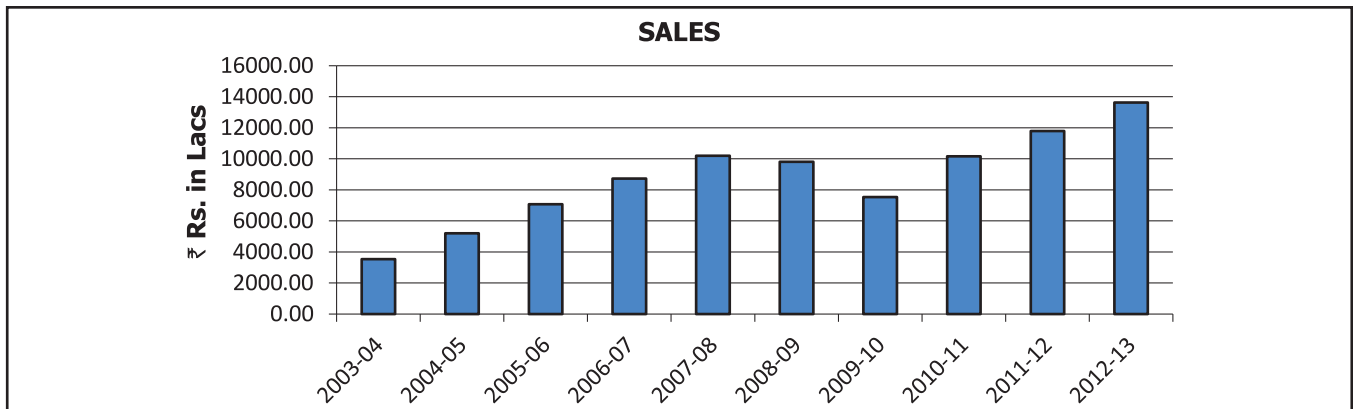
55th ANNUAL GENERAL MEETING

Date : 12th August, 2013

Time : 3.30 p.m.

Venue : Kamalnayan Bajaj Hall & Art Gallery,
Bajaj Bhavan, Ground Floor,
Nariman Point,
Mumbai - 400 021.

Cover : Main Transformer 6531kVA Type, for 3 Phase, 6000HP, WAP5, WAP7 &
WAG9 (Co-Co) AC Electric Locomotive for Indian Railways



HIGHLIGHTS

		2012-13	2011-12	2010-11	2009-10	2008-09	
INCOME:							
1	Gross Operational Income	(₹ in lacs)	14,539.64	12,653.29	10,853.67	7,970.92	10,869.05
2	Net Operational Income	(₹ in lacs)	13,621.65	11,793.96	10,163.88	7,534.46	9,814.86
3	Profit before Finance Costs, Depreciation & Tax	(₹ in lacs)	1,440.74	1,606.08	1,483.76	1,215.28	1,660.21
4	Finance Cost	(₹ in lacs)	95.38	158.30	82.10	54.57	81.95
5	Depreciation	(₹ in lacs)	234.67	239.83	239.68	156.40	172.35
6	Gross Profit after Finance Costs, Depreciation but before Tax	(₹ in lacs)	1,110.69	1,207.95	1,161.98	1,004.31	1,405.90
7	Profit after Tax	(₹ in lacs)	1,012.77	1,068.18	1,014.41	777.41	944.76
8	Dividends	(₹ in lacs)	240.93	240.93	225.87	210.81	301.16
EQUITY SHARE DATA:							
9	Sales & other Income per equity Share	(₹)	91	78	68	50	65
10	Earnings per equity share	(₹)	6.73	7.09	6.74	5.16	6.27
11	Book value of equity share	(₹)	46.81	41.96	36.72	31.73	28.25
12	Networth	(₹ in lacs)	7,048.90	6,318.00	5,529.83	4,777.92	4,253.50
13	Market Price :						
	a) High	(₹)	70.50	56.70	78.95	91.80	188.00
	b) Low	(₹)	36.00	36.00	39.05	33.90	25.60
14	Dividend	(%)	80	80	75	70	100
15	Allotment of Bonus Shares	(Ratio)	-	-	-	-	1:1
RATIO:							
16	PBT / Net Operational Income	(%)	8.15	10.24	11.43	13.33	14.32
17	Profit after Tax / Networth	(%)	14.37	16.91	18.34	16.27	22.21
18	Total Liabilities / Total Assets	Times	0.38	0.39	0.32	0.27	0.35
19	Total Debt/Equity	Times	0.27	0.24	0.13	0.08	0.18
20	Total Outside Liability / Total Networth	Times	0.61	0.63	0.47	0.37	0.54
21	Current Ratio	Times	2.21	2.18	2.52	3.20	2.58
22	PBDIT / Finance Costs	Times	15.11	10.15	18.07	22.27	20.26

NOTICE TO THE MEMBERS

NOTICE is hereby given that the 55th Annual General Meeting of the members of **HIND RECTIFIERS LIMITED** will be held on Monday the 12th August, 2013 at 3.30 P.M. at Kamalnayan Bajaj Hall & Art Gallery, Bajaj Bhavan, Ground Floor, Nariman Point, Mumbai – 400 021 to transact, with or without modification(s) the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Profit and Loss Account for the year ended March 31, 2013 and the Balance Sheet as on that date together with the Report of the Directors and Auditors thereon.
2. To declare Dividend on Equity Shares for the year ended March 31, 2013.
3. To appoint a Director in place of Shri Binod Patodia, who retires from office by rotation, and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Shri Pradeep Goyal, who retires from office by rotation, and being eligible offers himself for re-appointment.
5. To appoint a Director in place of Shri Bharat Swaroop, who retires from office by rotation, and being eligible offers himself for re-appointment.
6. To appoint M/s. Khandwala & Shah, Chartered Accountants having firm Registration No.: 105069W as Statutory Auditor to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.
7. To appoint Branch Auditors for Nashik and Dehradun Plants to hold the office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS:

To consider and if thought fit, to pass with or without modification(s), the following Resolutions:

8. AS AN ORDINARY RESOLUTION:

"RESOLVED THAT Shri Parimal Merchant who was appointed as an Additional Director of the Company with effect from 7th February, 2013 pursuant to section 260 of the Companies Act, 1956 and who holds office up to the date of the Annual General Meeting and being eligible offers himself for re-appointment and in respect of whom Company has received a notice in writing from a member under Section 257 and other applicable provisions, if any of the Companies Act, 1956, proposing his candidature for the office of a Director, be and is hereby appointed as Director of the Company."

9. AS A SPECIAL RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Sections 269, 309 & 311 read with Schedule XIII and other applicable provisions of the Companies Act, 1956, the consent of the members of the Company be and is hereby granted to the re-appointment of Shri S. K. Nevatia as Chairman & Managing Director of the Company for a period of 3 [Three] years with effect from 1st April, 2013 upon terms and conditions as detailed in the explanatory statement with liberty to the Board of Directors to alter or to vary the same so as not to exceed the limits set out in Section 198, 309 read with Schedule XIII of the Companies Act, 1956 or any amendment thereto as may be agreed to between the Board of Directors of the Company and Shri S. K. Nevatia."

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

THE INSTRUMENT APPOINTING A PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY DULY COMPLETED NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a Certified True copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. In case of joint holders attending the Meeting, only such joint holder who is higher in order of names will be entitled to vote.

4. Members / Proxies holding their shares in Physical mode are requested to fill the enclosed attendance slip and handover the same at the entrance with signature. In the absence thereof, they may not be admitted to the meeting venue.
5. 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.
6. In all correspondence with the Company, members are requested to quote their Folio Number and in case their shares are held in demat form; they must quote their DP ID and Client ID Number.
7. Members desirous of seeking any information concerning the Accounts of the Company are requested to address their queries in writing to the Company at least seven days before the date of the meeting so that the requested information can be made available at the time of the meeting.
8. Members / Proxies are requested to please bring their copies of the Annual Report to the meeting.
9. The Ministry of Corporate Affairs (MCA) under **"Green Initiative in the Corporate Governance"** allowed paperless compliances by the companies. MCA had issued circulars stating that service of notice / documents including Annual Report can be sent by e-mail to its members. Members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to fill the Form and hand over the same along with Attendance Form at the Registration Counter of venue of Annual General Meeting for registration of e-mail address for receiving notice / documents including Annual Report.
10. 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 Clause 49 of the Listing Agreement with Stock Exchanges in India, are provided in the annexure.
11. The Register of Members and the Share Transfer Books of the Company will remain closed from 06/08/2013 to 12/08/2013 (both days inclusive).
12. The dividend on Equity Shares as recommended by the Board of Directors of the Company, when approved at the Annual General Meeting of the Company will be paid on or after 12th August, 2013.
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their PAN details to the Company / Registrar.
14. Members are hereby informed that dividends which remain unclaimed / unencashed over a period of 7 years has to be transferred by the Company to the Investors Education & Protection Fund, constituted by the Central Government under Section 205(A) & 205(C) of the Companies Act, 1956.

Members should note that no claim can be made by the shareholders for the unclaimed dividends which have been transferred to the credit of the Investors Education & Protection Fund of the Central Government under the amended provisions of Section 205(B) of the Companies Act, 1956.

The details of dividend paid by the Company and the corresponding due dates for transfer of unencashed dividend to the aforementioned fund constituted by the Central Government are furnished hereunder:

Dividend for the year	Date of Declaration of Dividend	Due Date of transfer to the Investor Education and Protection Fund
2005 - 2006	30.08.2006	29.08.2013
2006 - 2007	28.07.2007	27.07.2014
2007 - 2008	25.08.2008	24.08.2015
2008 - 2009	10.09.2009	09.09.2016
2009 - 2010	12.08.2010	11.08.2017
2010 - 2011	05.08.2011	04.08.2018
2011 - 2012	07.08.2012	06.08.2019

Members who have not encashed the dividend warrant(s) so far in respect of the above financial years, are therefore, requested to make their claims to the Registrar of the Company or the Company at the Registered Office with full details.

Hirect

15. Members holding shares in physical form are requested to notify immediately any change in their address with PIN CODE to the Registrar and Transfer Agent 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 and not to the Company.

M/s. ADROIT CORPORATE SERVICES PVT. LTD.

[Unit : Hind Rectifiers Limited]

19, Jafarbhoj Industrial Estate, 1st Floor,
Makwana Road, Marol Naka,
Andheri (East), Mumbai - 400 059.

Tel No.: 2859 4060/ 2859 6060 Fax: 2850 3748 • E-mail: adroits@vsnl.net

16. (a) Members are informed that in order to avoid fraudulent encashment of dividend warrants they should send to the Registrar and Transfer Agent of the Company at the address given above under the signature of the Sole / First Joint holder the information relating to Name and Address of the Banker along with the Pin Code Number and Bank Account Number to print on the Dividend Warrants.
- (b) Members desirous of availing the facility of Electronic Credit of Dividend are requested to send ECS Form to the Registrar and Transfer Agent of the Company at the address given above.
- (c) Members holding shares in dematerialized form and desirous to change or correct the bank account details should send the same immediately to the concerned Depository Participant. Members are also requested to give MICR Code to the Depository Participant.
17. The Company has listed its shares on The Bombay Stock Exchange Limited & National Stock Exchange of India Limited.
18. 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 public holidays, between 11.00 a.m. and 1.00 p.m. up to the date of the Annual General Meeting.
19. Explanatory Statement u/s 173 of The Companies Act, 1956 is attached herewith in respect of special business.

Registered Office:

Lake Road, Bhandup (W),
Mumbai - 400 078.

Place: Mumbai
Date : 31st May, 2013

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

S. K. Nevatia
Chairman & Managing Director

INFORMATION REQUIRED TO BE FURNISHED UNDER THE LISTING AGREEMENT

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

1. Name : Shri Binod Kumar Patodia
Age : 68 years
No. of shares held in the Company : Nil
Brief Resume & Functional expertise : Shri Binod Patodia an Engineering Graduate from BITS, Pilani and he is working with M/s. GTN Textiles Ltd. as a Vice Chairman & Managing Director and has got total experience of 42 years.

Outside Directorships : GTN Textiles Ltd.
GTN Enterprises Ltd.
Patspin India Ltd.
The India Thermit Corporation Ltd.
Patspin Apparels Pvt. Ltd.
Patodia Exports & Investments Pvt. Ltd.
Umang Finance Pvt. Ltd.
Beekaypee Credit Pvt. Ltd.

Chairmanship / Membership of Board Committees : Nil
2. Name : Shri Pradeep Vedprakash Goyal
Age : 58 years
No. of shares held in the Company : Nil
Brief Resume & Functional expertise : Shri Pradeep Goyal, a Masters Engineering Graduate from MIT, USA and working with Pradeep Metals Ltd. as a Chairman & Managing Director and has got total experience of 34 years in different fields.

Outside Directorships : Pradeep Metals Ltd.
Uniphos Enterprises Ltd.
United Phosphorous Ltd.
Entegra Ltd.
Janakalyan Sahakari Bank Ltd.
S.V.Shah Construction Pvt. Ltd.
B.S.Metal Pvt. Ltd.

Chairmanship / Membership of Board Committees : Uniphos Enterprises Ltd.
United Phosphorus Ltd.
Entegra Ltd.

Hirect

3. Name : Shri Bharat Swaroop
Age : 60 years
No. of shares held in the Company : 15000
Brief Resume & Functional expertise : Shri Bharat Swaroop, a Commerce Graduate from Mumbai and working with L. H. Sugar Factories Ltd. as a Promoter Executive Director and having total experience of more than 36 years.

Outside Directorships : L. H. Sugar Factories Ltd.
Sushev Agricultural Pvt. Ltd.

Chairmanship / Membership of Board Committees : Nil
4. Name : Shri Parimal Merchant
Age : 53 Years
No. of shares held in the Company : Nil
Brief Resume & Functional expertise : Shri Parimal Merchant graduated from Mumbai with Bachelors in Commerce and Law and has completed ICWA. He has been associated with S. P. Jain Institute of Management & Research for the past 18 years. His professional career includes over 35 years work experience in Capital Markets, Consultancy and Teaching. At present, he is the Director of the Centre for Family Managed Business at the Institute.

Outside Directorships : Shrikant Consultants Pvt. Limited
Sunjewels Pvt. Limited
Dalal and Broacha Stock Broking Pvt. Limited

Chairmanship / Membership of Board Committees : Nil
5. Name : Shri S. K. Nevatia
Age : 81 years
No. of shares held in the Company : 1856138
Brief Resume & Functional expertise : Shri S. K. Nevatia, M.I.B.M. from London and associated with the Company for the last more than 54 years and earlier worked with Mukand Ltd. as Executive Director for a period of five years.

Outside Directorships : Nil
Chairmanship / Membership of Board Committees : Nil

Registered Office:
Lake Road, Bhandup (W)
Mumbai - 400 078

Place: Mumbai
Date : 31st May, 2013

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

S. K. Nevatia
Chairman & Managing Director

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956.

ITEM NO. 8:

Shri Parimal Merchant was appointed as an Additional Director of the Company with effect from 7th February, 2013 under Section 260 of the Companies Act, 1956 and Articles 116 of the Articles of Association of the Company. Shri Parimal Merchant holds office till the conclusion of 55th Annual General Meeting. The Company has received a notice in writing from a member together with requisite deposit under Section 257 of the Companies Act, 1956, signifying his intention to propose Shri Parimal Merchant as a candidate for the office of the Director. Shri Parimal Merchant has graduated from Mumbai with Bachelors in Commerce and Law and has completed ICWA. He has been associated with S. P. Jain Institute of Management & Research for the past 18 years. His professional career includes over 35 years work experience in Capital Markets, Consultancy and Teaching. At present, he is the Director of the Centre for Family Managed Business at the institute. It will be in the interest of the Company to draw on the valuable expertise and counsel of Shri Parimal Merchant by appointing him as a Director of the Company.

The Board recommends the resolution for approval of the members.

None of the Directors other than Shri Parimal Merchant is interested in the resolution.

ITEM NO. 9:

The present term of Shri S. K. Nevatia as Chairman & Managing Director has expired on March 31, 2013. The Board of Directors of the Company at their meeting held on March 23, 2013 have re-appointed Shri S. K. Nevatia as Chairman & Managing Director of the Company for a further period of 3 [Three] years with effect from 1st April, 2013 subject to approval of the members of the Company at General Body Meeting on the following terms:-

- 1) Salary: ₹ 2,00,000/- (Rupees Two Lakhs only) per month.
- 2) Benefits, Perquisites, Allowances:
 - a) Rent Free accommodation / House Rent Allowance(HRA) ₹ 1,00,000/- per month along with furniture.
 - b) Company's contribution to Provident Fund.
 - c) 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.
 - d) Reimbursement of actual travelling expenses for proceeding on leave from Mumbai to any place subject to ceiling of one month's basic.
 - e) Gratuity payable at a rate of half month's salary for each completed year of service.
 - f) 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 and 309 of the Companies Act.

In view of the inadequate profit re-appointment of Mr. S. K. Nevatia has been done as per Section B to PART II of Schedule XIII to the Companies Act, 1956.

Necessary disclosures as provided in SECTION B to PART II of Schedule XIII to the Companies Act, 1956 are as follows:

1. The above revision and change in terms have been approved by a Resolution passed by the 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.

Hirect

I. GENERAL INFORMATION:

1. Nature of Industry:
The Company is engaged in manufacturing and marketing of Semi Conductor Devices, Power Electronic Products and Loco Transformers.
2. Date of commencement of Commercial Production:
Not Applicable, as the Company is already in the manufacturing business. The Company commenced its commercial production in the year of foundation.
3. In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.
Not Applicable.
4. Financial Performance based on given indicators:

(₹ in lacs)

Sr. No.	Particulars	2012-13	2011-12	2010-11
1.	Turnover (net of taxes)	13,621.65	11,793.96	10,163.88
2.	Profit before tax	1,110.69	1,207.95	1,162.78
3.	Profit after tax	1,012.77	1,068.18	1,012.06
4.	Dividend paid (including tax)	281.87	280.01	262.51
5.	Rate of dividend %	80%	80%	75%

5. Export performance:

(₹ in lacs)

2012-13	2011-12	2010-11
174.49	55.57	43.84

6. Foreign Investments or Collaborations:
Company does not have any investment outside India. Company has Technical Collaboration for manufacturing of Inverters, Converters, Stacks etc.

II. INFORMATION ABOUT THE APPOINTEE:

Shri S. K. Nevatia aged about 81 years has got an experience of over 59 years to his credit. He is qualified as M.I.B.M. from London.

He started his career with Mukund Limited. He worked with them for 5 years and started this Company in April, 1958.

The entire over 59 years of work experience is in the line of Semi Conductor Devices, Power Electronic Products and Loco Transformers.

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.

Shri S. K. Nevatia is Chairman and Managing Director of the Company and his past remuneration for the last three years is as under:-

(₹ in lacs)

Particulars	2012-13	2011-12	2010-11
Remuneration (including Commission)	59.01	64.67	62.24

III. OTHER INFORMATION:

The Company is not a loss making Company but has inadequate Profits. Profitability has been adversely affected due to overall economic slowdown, increased competition, as well as increase in the cost without corresponding increase in sale price.

In years to come with increase in sales and favourable market conditions, performance of the Company is expected to improve.

IV. 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 part of the annual report.

The draft agreement entered into between the Company and Chairman & Managing Director is open for inspection at the Registered Office of the Company on any day during the business hours prior to the date of the meeting.

The Board recommends the resolution to be passed by the Shareholders.

Shri S. K. Nevatia is interested in the resolution as the same is for his own appointment. Smt. Uma S. Nevatia & Shri Pawan Kumar Golyan may be deemed to be interested in the resolution being relatives of Shri S. K. Nevatia.

This Explanatory Statement along with the notice is and shall be deemed to be an abstract under Section 302 of the Companies Act, 1956.

Registered Office:

Lake Road, Bhandup (W)
Mumbai - 400 078

Place: Mumbai
Date : 31st May, 2013

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

S. K. Nevatia
Chairman & Managing Director

DIRECTORS' REPORT TO THE MEMBERS

Your Directors have pleasure in presenting 55th Annual Report together with the Audited accounts for the year ended March 31, 2013.

(₹ In Lacs)

FINANCIAL RESULTS:	Year ended 31.03.2013	Year ended 31.03.2012
Gross Operational Income	14,539.64	12,653.29
Less: Excise Duty / Service Tax	917.99	859.33
Net Operational Income	13,621.65	11,793.96
Gross Profit	1,345.36	1,447.78
Less : Depreciation	234.67	239.83
Profit before tax	1,110.69	1,207.95
Less : Provision for Taxation - Current	222.50	244.00
- MAT Credit Entitlement	(125.00)	(88.00)
- Deferred	0.43	(16.85)
- For Earlier Years	(0.01)	0.62
	97.92	139.77
Profit after taxes	1,012.77	1,068.18
Add: Surplus of previous year	94.27	56.10
Profit available for appropriation	1,107.04	1,124.28
Appropriations :		
Transferred to General Reserve	400.00	400.00
Transferred to Reserve for Capital Expenditure	300.00	350.00
Proposed Dividend	240.93	240.93
Tax on Dividend	40.94	39.08
Surplus Carried to Balance Sheet	125.17	94.27

OPERATIONS:

The turnover of HIRECT was ₹ 136 crores during Financial Year 2012-13, 16% higher than the turnover in Financial Year 2011-12. This increase was primarily driven, albeit delayed by finalization of some tenders and orders from Indian Railways and certainly higher output from Dehradun.

The Financial results could have been better but for non-finalization of pending tenders by Indian Railways, lack of enquiries for Power plants due to the imbroglio caused regarding coal even though there is an acute shortage of power in many states, which also affected the enquiries for Electrochemical applications. Further, due to the sluggish American and European markets, Customers could not finalize the export projects and definitely the reduction in the demand of the Customer's products affected the finalization of new projects.

During Fiscal 2013, our profit margin decreased compared to the prior year due to considerable increase in the raw material cost, competitive pricing pressures and increased competition, which contributed to a decline in gross margin.

HIRECT faces a highly challenging next year. As we look ahead, we have to assume that the headwinds we've faced last year — will continue for the foreseeable future. There are no signs of improvement in the economy and there being

no improvement in the flow of enquiries, no improvements in prospects of business and more competitors entering the field. Even the pace and sustainability of further improvements are questionable.

We are therefore assuming modest improvement in our plans. The environment will continue to change, and we will always be confronted with new issues and challenges. The company is focusing on improving productivity, reducing cost of manufacturing by re-designing, re-engineering, and introducing new vendors with technical support. The Company expects with the implementation of above measures, modest results in the fiscal year 2014.

The prototype of new products namely 3x130 KVA Converter for WAP5, WAP7 & WAG9 and 3 Phase Transformer for WAP5, WAP7 & WAG9 for Indian Railways and Universal Controller for High Current Rectifiers for the non railway segments are undergoing extensive field trials. The Company expects to receive more orders for these products for execution for the next financial year.

DIVIDEND:

The Directors are pleased to recommend for consideration of the shareholders at the Annual General Meeting payment of dividend @ 80% (₹ 1.60 per share) amounting to ₹ 240.93 Lacs for the year ended 31st March, 2013 (previous year ₹ 240.93 Lacs).

TRANSFER TO RESERVE:

In view of the Proposed Capital Expenditure to increase the capacity / modernization of the various Plants, Board of Directors have decided that in addition to transfer a sum of ₹ 400.00 Lacs to General Reserve, a sum of ₹ 300.00 Lacs to be transferred to Reserve for Capital Expenditure from current year's profit.

DEPOSITS:

The Company has neither invited nor accepted deposits during the year ended March 31, 2013.

BOARD OF DIRECTORS:

As per the provisions of the Companies Act, 1956 and in terms of the Articles of Association of the Company, Shri Binod Patodia, Shri Pradeep Goyal and Shri Bharat Swaroop, Directors of the Company retire by rotation and being eligible, offer themselves for re-appointment.

DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors confirm that:

1. In the preparation of the annual accounts, the applicable Accounting Standards have been followed.
2. Appropriate policies have been selected and applied consistently and judgments and estimates wherever made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2013.
3. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The annual accounts have been prepared on a going concern basis.

SHAREHOLDER'S FACTORY VISIT:

Visit of the Mumbai Plant was arranged on February 7, 2013 for shareholders of the Company. 190 shareholders and 29 Joint shareholders participated in the visit.

AUDITORS:

M/s. Khandwala & Shah, Chartered Accountants, Auditors of the Company are retiring at the ensuing Annual General Meeting. They are eligible for re-appointment and have expressed their willingness to act as Auditors, if re-appointed. The Company has received a certificate from them that they are qualified under section 224 (1B) of the Companies Act, 1956, for re-appointment as Auditors of the Company. Members are requested to consider their re-appointment and fix their remuneration.

M/s. Daga & Chaturmutha, Chartered Accountants, Branch Auditors of the Company for Nashik Plant are retiring and eligible for re-appointment and have expressed their willingness to act as Branch Auditors of Company.

M/s. R. Gupta & Associates, Chartered Accountants, Branch Auditors of the Company for Dehradun Plants are retiring and eligible for re-appointment and have expressed their willingness to act as Branch Auditors of Company.

AUDITORS' OBSERVATIONS:

The observations of the auditors contained in their Report have been adequately dealt with in Other Notes on Financial Statements which are self explanatory and therefore, do not call for any further comments.

SECRETARIAL COMPLIANCE REPORT:

As required under the amended provisions of the Companies Act, 1956, the Company is required to obtain Secretarial Compliance Certificate from a firm of Practicing Company Secretaries. The same is enclosed and form part of this report.

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.

CORPORATE GOVERNANCE:

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by SEBI. The Company has also implemented several best Corporate Governance practices as prevalent globally. The Report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement forms part of the Annual Report. The requisite Certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance as stipulated under the aforesaid Clause 49, is attached to this Report.

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.

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

The information pursuant to section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 are given in Annexure "I" to this report.

PARTICULARS OF EMPLOYEES:

Particulars required under section 217(2A) of the Companies Act, 1956 read with the Companies (particulars of employees) Rules 1975 are not applicable as no employee of the Company was in receipt of the remuneration exceeding the limits prescribed therein.

LISTING:

The Company has listed its shares on The Bombay Stock Exchange Ltd. & National Stock Exchange of India Ltd. The Company is regular in payment of Listing Fees.

SAFETY, ENVIRONMENTAL CONTROL AND PROTECTION:

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

ACKNOWLEDGMENT:

The Directors wish to convey their appreciation to the Company's shareholders, customers, suppliers, bankers, distributors 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 for the commitment and dedication shown by them.

Registered Office:

Lake Road, Bhandup (W),
Mumbai - 400 078.

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

Place: Mumbai

Date : 31st May, 2013

S. K. Nevatia
Chairman & Managing Director

ANNEXURE "I" TO THE DIRECTORS' REPORT

Information under section 217(1)(e) of the Companies Act, 1956 with the Companies (Disclosures of particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors Report for the year ended 31st March, 2013.

I. CONSERVATION OF ENERGY

1. Regular audit is being conducted to identify areas of energy wastage.

II. TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION

1. 3 X 130 KVA Converters prototype tested successfully and supplied to Chittaranjan Locomotive Works (CLW).
2. Designed and supplied Rotating Diodes Wheel Assembly for BHEL & Railways.
3. Developed USB data download facilities required by Indian Railways for 25 KVA Inverters.
4. Production of 1st Unit of 3 Phase Transformers for supply to Indian Railways.
5. Universal Controller with inbuilt USB connectivity developed

III. FOREIGN EXCHANGE EARNING AND OUTGO

To avoid repetition, Members are kindly requested to refer Note Nos. xxi to xxiv to the Other Notes on Financial Statements where such information is furnished.

Registered Office:

Lake Road, Bhandup (W),
Mumbai - 400 078.

Place: Mumbai

Date : 31st May, 2013

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

S. K. Nevatia
Chairman & Managing Director

REPORT ON CORPORATE GOVERNANCE

CORPORATE GOVERNANCE AND STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Corporate Governance is a set of systems and practices to ensure that the affairs of the Company are being managed in a way which ensures accountability, transparency, and fairness in all its transactions in the widest sense and meets its stakeholder's aspirations and social expectations. Good Corporate Governance practices stem from the culture and mindset of the organization.

We are committed to meet the aspirations of all our stakeholders.

Hind Rectifiers Ltd. is committed to do business in an efficient, responsible, honest and ethical manner. The core values of the Company's Governance process include independence, integrity, accountability, transparency, responsibility and fairness.

The Company is focused towards its vision of:

- Inspiring, nurturing and empowering the next generation of professionals.
- Achieving continuous improvements through innovation and state of the art technology.
- Committing to highest standards in health, safety, security and environment.

The Corporate Governance structure specifies the distribution of rights, responsibilities and owners among different participants in the organization. All strategic decisions regarding investment, diversification, major decisions regarding procurement, commercial and finance are proceeded ahead after approval of the Board.

The Company is committed to enhance shareholder's value in the fair and transparent manner and has been in the forefront for bench marking itself with the best business practices globally.

Strong Governance has indeed helped the Company to deliver wealth to its shareholders in the form of uninterrupted dividends.

The Secretarial Audit Report placed before the Board is included in the Annual Report.

BOARD OF DIRECTORS:

The Company as on 31st March, 2013 consists of eleven Directors. There are two Executive Directors and the remaining nine directors are Non Executive Directors. The Executive Directors consist of one Chairman & Managing Director and the other as Executive Vice Chairperson. There are three Non Independent Non Executive Directors. The remaining six Non Executive Directors are Independent Directors and professionals with expertise and experience in general corporate management, finance and other allied fields.

As per clause 49 of the Listing Agreement, the Board should have an optimum combination of both Executive and Non Executive Directors. The Board of your Company has more than eighty percent of the Directors as Non Executive Directors. Six out of the Nine Non Executive Directors are Independent Directors which is more than fifty percent of the total size of the Board.

Composition of the Board of Directors has a healthy mix of Executive and Non Executive Directors and ensures the desired level of independence, functioning and decision making.

The details of composition of the Board, category, attendance of Directors at Board Meetings during the financial year and last Annual General Meeting, number of other Directorships and other Committee Memberships are given below:

Name of the Director	Category	No. of Other Directorships held as on 31.03.2013*		Outside Committee position held as on 31.03.2013**	
		Public	Private	Member	Chairman
Shri S. K. Nevatia (Chairman & Managing Director)	Non Independent Executive	—	—	—	—
Smt. Uma Nevatia (Executive Vice Chairperson)	Non Independent Executive	—	—	—	—
Shri D. R. Mehta	Independent non Executive	—	1	—	—

Hirect

Name of the Director	Category	No. of Other Directorships held as on 31.03.2013*		Outside Committee position held as on 31.03.2013**	
		Public	Private	Member	Chairman
Shri Niraj Ramkrishna Bajaj	Non Independent non Executive	10	9	1	—
Shri Bharat Swaroop	Non Independent non Executive	1	1	—	—
Shri Pawan Kumar Golyan	Non Independent non Executive	—	—	—	—
Shri V. K. Bhartia	Independent non Executive	1	1	—	—
Shri Binod Patodia	Independent non Executive	4	4	—	—
Shri Pradeep Goyal	Independent non Executive	4	3	4	3
Shri Akhil Marfatia	Independent non Executive	1	1	—	—
Shri Parimal Merchant	Independent non Executive	—	3	—	—

* Excluding Directorships in Foreign Companies and Companies registered under Sec 25 of the Companies Act 1956.

** Committee positions only of the Audit Committee and Shareholders' / Investors' Grievance Committees in Public Limited Companies have been considered.

BOARD MEETING:

The Board of Directors met 5 times during the financial year 2012 - 2013 i.e. on 30.05.2012, 07.08.2012, 06.11.2012, 07.02.2013 and 23.03.2013.

The maximum time gap between any two meetings is much less compared to the requirement of not more than four months as specified in clause 49. The dates and timings of the meetings were decided well in advance.

The details of attendance of Directors at Board Meetings held during the financial year 2012- 2013 and at the last Annual General Meeting held on 07.08.2012 are as follows:

NO. OF BOARD MEETINGS HELD - 5

Name of the Director	No. of Board Meetings held during the tenure of the Director in 2012 - 2013	No. of Board Meetings Attended	Whether attended last AGM
Shri S. K. Nevatia	5	5	Yes
Smt. Uma S. Nevatia	5	4	Yes
Shri D. R. Mehta	5	5	Yes
Shri Niraj Ramkrishna Bajaj	5	5	Yes
Shri Bharat Swaroop	5	3	Yes
Shri Pawan Kumar Golyan	5	4	Yes
Shri V. K. Bhartia	5	5	Yes
Shri Binod Patodia	5	4	Yes
Shri Pradeep Goyal	5	4	Yes
Shri Akhil Marfatia	5	2	Yes
*Shri Parimal Merchant	5	2	N.A.

* Appointed w.e.f. 07.02.2013

INFORMATION SUPPLIED TO THE BOARD:

The Board has complete access to all information 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 update 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 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.
- 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 materially, significant effluent or pollution problem.
- 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.
- Details of transactions with Related Parties.

The Board is routinely presented with all information under the above heads whenever applicable and materially significant.

As mandated by the revised Clause 49, the Independent Directors on the Board of the Company.

- Apart from receiving Director's fees, do not have any material pecuniary relationships or transactions with the Company, its Promoters, its Directors, its Senior Management or its holding Company, its subsidiaries and associates that may affect independence of the Director.
- Are not related to promoters or persons occupying management positions at the Board level or at one level below the Board.
- Have not been an executive of the Company in the immediately preceding three financial years.

Hirect

- Are not partners of the firm or executives of the Company or were not partners of the firm or executives of the Company during the preceding three years.
- Statutory audit firm or the internal audit firm that is associated with the Company.
- Legal firm(s) and consulting firm(s) that have a material association with the Company.
- Are not material suppliers, service providers or customers or lessors or lessees of the Company, which may affect independence of the Director.
- Are not substantial shareholders of the Company i.e. do not own two percent or more of the block of voting shares.
- Are not less than 21 years of age.

COMMITTEES OF DIRECTORS:

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 Clause 49 of the Listing Agreement with the Stock Exchange and Companies Act, 1956.

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

AUDIT COMMITTEE:

The Company has an Audit Committee at the Board level with the powers and the role that are in accordance with Clause 49 II [C] and [D] of the Listing Agreement.

The broad terms of reference of the Audit Committee are in consonance with the provisions of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement. The Audit Committee comprises of FOUR Independent Directors.

The Committee acts as a link between the Management, the Statutory Auditors and the Board of Directors of the Company. The Committee focuses its attention on monitoring the financial reporting system within the Company, considering Quarterly & Annual Financial Results of the Company and submitting its observations to the Board of Directors before its adoption by the Board, review of the internal audit report & internal control system, audit methodology and process, major accounting policies and practice, compliance with accounting standards. Committee also reviews the legal compliance reporting system.

Shri S. K. Nevatia, Chairman & Managing Director, Shri R. C. Chandan, C.E.O. and 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 & Internal Auditors and other executives as are considered necessary attend these meetings.

The Committee met Four times during the year on 30.05.2012, 07.08.2012, 06.11.2012 and 07.02.2013.

Attendance record at the meetings of the Audit Committee of Directors during financial year 2012 - 2013:

NO. OF MEETINGS HELD - 4

Name of Committee Members	Position	No. of Meetings held	Meetings attended
Shri V. K. Bhartia, Chairman	Independent Non Executive	4	4
Shri D. R. Mehta	Independent Non Executive	4	4
Shri Pradeep Goyal	Independent Non Executive	4	3
*Shri Parimal Merchant	Independent Non Executive	—	—

* Appointed w.e.f. 23.03.2013

REMUNERATION COMMITTEE:

The Company has constituted Remuneration Committee (being a non-mandatory requirement) on 30th August, 2003 and has been reconstituted from time to time. The Committee reviews and approves the Salaries, Commission, Perks and other employment conditions for the Directors.

Present composition of the Remuneration Committee is as under:

Name of Committee Members	Position
Shri V. K. Bhartia, Chairman	Independent Non Executive
Shri Binod Patodia	Independent Non Executive
Shri D. R. Mehta	Independent Non Executive

During the year ended March 31, 2013, one meeting of the Committee was held on 23.03.2013 and all members were present.

SHAREHOLDERS' & INVESTORS' GRIEVANCE COMMITTEE:

The Company has constituted a Shareholders' & Investors' Grievance Committee on April 18, 2007 at Board level to strengthen the investor relations and to inter-alia look into issues relating to Shareholder Grievances pertaining to transfer of shares, non receipt of declared dividends, non receipt of Annual Report, issues concerning de-materialisation etc.

Shri A. K. Nemani, Chief Financial Officer, is designated as the Compliance Officer.

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 i.e. www.hirect.com

The following table shows the nature of complaints received from the shareholders during the year 2012-13.

Nature of complaints	No. of complaints received during the year 2012 - 2013
Non receipt of Dividend Warrant	3
Non receipt of Annual Report	3
Non receipt of Share Certificate	0

There were no complaints pending as on 31st March, 2013.

Attendance record at the meetings of the Shareholders' Grievance Committee of Directors during financial year 2012 - 2013:

NO. OF MEETINGS HELD - 2

Name of Committee Members	Position	No. of Meetings held	Meetings attended
Shri V. K. Bhartia, Chairman	Independent Non Executive	2	2
Shri D. R. Mehta	Independent Non Executive	2	2
Shri Pradeep Goyal	Independent Non Executive	2	1
*Shri Parimal Merchant	Independent Non Executive	—	—

* Appointed w.e.f. 23.03.2013

REMUNERATION OF DIRECTORS :

The Managing / Executive Directors are paid remuneration as per their respective terms of appointment as approved by the Shareholders.

Non Executive Directors do not draw any remuneration from the Company except the Sitting Fees for attending the meetings of the Board / Board Committee.

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The details of remuneration / sitting fees paid during the financial year 2012-2013 to the Directors of the Company are as under:

(₹ in lacs)

Name of the Director	Salary	Benefits	Bonus / Commission	Sitting Fees	Total
Shri S. K. Nevatia	24.00	12.98	22.03	—	59.01
Smt. Uma S. Nevatia	13.80	5.81	—	—	19.61
Shri D. R. Mehta	—	—	—	0.72	0.72
Shri Niraj Ramkrishna Bajaj	—	—	—	0.38	0.38
Shri Bharat Swaroop	—	—	—	0.23	0.23
Shri Pawan Kumar Golyan	—	—	—	0.30	0.30
Shri V. K. Bhartia	—	—	—	0.72	0.72
Shri Binod Patodia	—	—	—	0.35	0.35
Shri Pradeep Goyal	—	—	—	0.50	0.50
Shri Akhil Marfatia	—	—	—	0.15	0.15
Shri Parimal Merchant	—	—	—	0.15	0.15

The tenure of office of the Shri S. K. Nevatia, Chairman & Managing Director ended on March 31, 2013 and was re-appointed for a period of three years. Smt. Uma S. Nevatia, Executive Vice Chairperson was re-appointed for a period of five years w.e.f. April 01, 2013. There is no provision for payment of severance fees.

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

SHAREHOLDING OF NON EXECUTIVE DIRECTORS :

The shareholding in the Company by the Non Executive Directors are as under:

Sr. No.	Name of the Director	No. of shares held
1.	Shri D. R. Mehta	430
2.	Shri Niraj Ramkrishna Bajaj	61230
3.	Shri Bharat Swaroop	15000
4.	Shri Pawan Kumar Golyan	—
5.	Shri V. K. Bhartia	—
6.	Shri Binod Patodia	—
7.	Shri Pradeep Goyal	—
8.	Shri Akhil Marfatia	—

CODE OF CONDUCT:

The Company has adopted a Code of Conduct for the Directors and Senior Management of the Company. The members of the Board and Senior Management of the Company have submitted their affirmation on compliance with the code for the effective period. The Declaration by the Chairman and Managing Director to that effect forms part of this Report.

MANAGEMENT DISCUSSIONS & ANALYSIS:

Management discussion and analysis report is given in a separate section forming part of the Directors' Report in this annual report.

STEPS FOR PREVENTION OF INSIDER TRADING:

In compliance of the SEBI (Prevention of insider Trading) Regulations as amended in 2002, the Company has issued comprehensive guidelines advising and cautioning management staff and other relevant business associates on the

procedure to be followed while dealing in equity shares of Hind Rectifiers Ltd. and disclosure requirements in this regard. Company believes that "The Code of Internal Procedure and Conduct" and "The Code of Corporate Disclosures Policies" framed by it in this regard will help in ensuring compliance of the amended SEBI regulations.

DISCLOSURES:

The necessary disclosures regarding the transactions entered into with the related parties are given in the Other Notes on Financial Statements. There were no transactions of the material value with related parties viz., Promoters, Directors or the Management or Relatives having any potential conflict with the interest of the Company.

NON-COMPLIANCES:

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 last three years.

DETAILS OF COMPLIANCE WITH MANDATORY REQUIREMENT AND ADOPTION OF NON MANDATORY REQUIREMENT.

The Company has complied with all mandatory requirement of Clause 49 of the Listing Agreement with the Stock Exchange and has implemented the following non mandatory requirements:

1. Remuneration Committee:

The Company has a Remuneration Committee to review and approve the salary, commission, perks and other employment conditions for the Directors.

2. 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.

3. Training of Board Members:

Directors are fully briefed about all business related matters, risks assessment, market conditions of the product manufactured by the Company, competition and new initiative proposed by the Company.

MEANS OF COMMUNICATION:

1. Quarterly results are published in prominent daily newspapers in English and Regional Language.
2. The Company has its own website i.e www.hirect.com. All the vital information relating to the Company including the Quarterly & Annual financial results and its products are displayed on the web site.

CEO / CFO CERTIFICATION:

As required under Clause 49 of the Listing Agreement, a Certificate duly signed by Shri S. K. Nevatia, Chairman & Managing Director (CMD) & Shri A. K. Nemani, Chief Financial Officer (CFO) has been obtained. The certificate is annexed to this report.

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 Clause 49 of the listing agreement with the Stock Exchanges. This certificate is annexed to the report.

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

Place: Mumbai
Date : 31st May, 2013

S. K. Nevatia
Chairman & Managing Director

SHAREHOLDER INFORMATION:

55th ANNUAL GENERAL MEETING:

DAY & DATE : Monday, 12th August, 2013
 TIME : 3.30 P. M.
 VENUE : Kamalnayan Bajaj Hall & Art Gallery,
 Ground Floor, Bajaj Bhavan,
 Nariman Point, Mumbai - 400 021.

GENERAL BODY MEETINGS:

The last three Annual General Meetings were held as under:

AGM	Financial Year	Date	Time	Venue
52 nd AGM	31.03.2010	12.08.2010	3.30 P.M.	Kamalnayan Bajaj Hall & Art Gallery, Gr. Floor, Bajaj Bhavan, Nariman Point, Mumbai - 400 021.
53 rd AGM	31.03.2011	05.08.2011	3.30 P.M.	M. C. Ghia Hall, 4th Floor, Bhogilal Hargovindas Building, 18/20, K. Dubhash Marg, Kala Ghoda, Mumbai - 400 001.
54 th AGM	31.03.2012	07.08.2012	3.30 P.M.	-- As above --

All the matters as set out in the respective notices were passed by the shareholders. The summary of the special resolution and other important resolutions passed at the last three Annual General Meeting and status of implementation thereof is reproduced below. No special resolution was required to be put through postal ballot last year.

52nd AGM

Sr. No.	Subject matter of the Resolutions	Type of Resolution	Status of implementation
1.	Re-appointment of Shri S. K. Nevatia as Chairman & Managing Director of the Company	Special	Implemented
2.	Re-appointment of Smt. Uma S. Nevatia as Executive Vice Chairperson of the Company	Special	Implemented

53rd AGM

Sr. No.	Subject matter of the Resolutions	Type of Resolution	Status of implementation
1.	Appointment of Shri Akhil Marfatia as a Director of the Company	Ordinary	Implemented
2.	Creation of Mortgage	Ordinary	Implemented
3.	Appointment of Shri Suramya Nevatia as an Assistant General Manager	Special	Implemented

FINANCIAL CALENDAR:

* Financial year 2013 - 2014 : April 1, 2013 to March 31, 2014
 * Financial reporting for the quarter ended June 30, 2013 : Before August 15, 2013.
 * Financial reporting for the quarter ended Sept.30, 2013 : Before November 15, 2013.
 * Financial reporting for the quarter ended Dec. 31, 2013 : Before February 15, 2014.
 * Financial reporting for the year ended March 31, 2014 : Audited Results by end of May, 2014.

DATE OF BOOK CLOSURE: 06/08/2013 to 12/08/2013 [Both days inclusive].

DIVIDEND PAYMENT DATE: On or after 12th August, 2013.

PAYMENT OF DIVIDEND:

Dividend will be paid by "Account Payee" / Non negotiable instrument or through Electronic Clearing Service (ECS) as notified by the SEBI through Stock Exchanges. The Company had already written to all the shareholders setting out in details, the procedure to be followed for availing this facility. In view of the advantage of receiving dividend through ECS, shareholders are requested to opt for this mode. The declared dividend is usually paid by the Company within 3 working days.

SHARE TRANSFER SYSTEM:

Share Transfer Requests are received at the registered office of the Company as well as directly at RTA's office. RTA does the verification and processing of documents. In order to comply with the requirement of SEBI circular No. SMD/POLICY/CIR-10/02 dated May 7, 2002 to effect transfer of shares within 15 days, the Share Transfer Committee has been authorised to process, approve and effect transfer of shares on behalf of the Company at fortnightly intervals. The share certificates duly endorsed for transfer are returned to shareholders within stipulated time of 15 days.

REGISTRAR & 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]
19, Jafarbhoy Industrial Estate, 1st Floor,
Makwana Road, Marol Naka,
Andheri (East), Mumbai - 400 059
Tel : 28594060 / 28596060 Fax : 28503748
Email : adroits@vsnl.net

COMPLIANCE OFFICER:

Shri A.K.Nemani, Chief Financial Officer

ADDRESS FOR CORRESPONDENCE:

HIND RECTIFIERS LIMITED
Lake Road,
Bhandup (West), Mumbai - 400 078.
E-mail: corporate@hirect.com
Telephone No. 25696789

LISTING ON STOCK EXCHANGES:

The Equity Shares of the Company are listed on Bombay Stock Exchange Limited, Mumbai and National Stock Exchange of India Limited.

Listing fees has been paid to above Stock Exchanges for the year 2013 - 2014.

STOCK CODE:

Bombay Stock Exchange Limited, Mumbai	:	504036
National Stock Exchange of India Ltd.	:	HIRECT
Demat ISIN	:	INE835D01023.

DEMATERIALISATION OF SHARES:

As on March 31, 2013, 1,18,49,500 Shares representing 78.69% of total Equity Shares were held in dematerialised form with NSDL and CDSL.

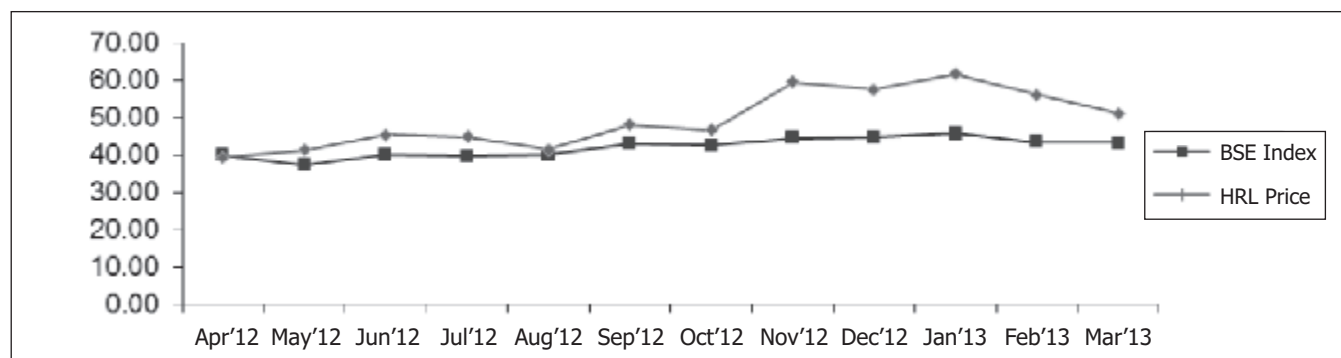
Member can hold shares in electronic forms and trade the same in Depository System. However, they may hold the same in physical form also.

STOCK PRICE DATA:

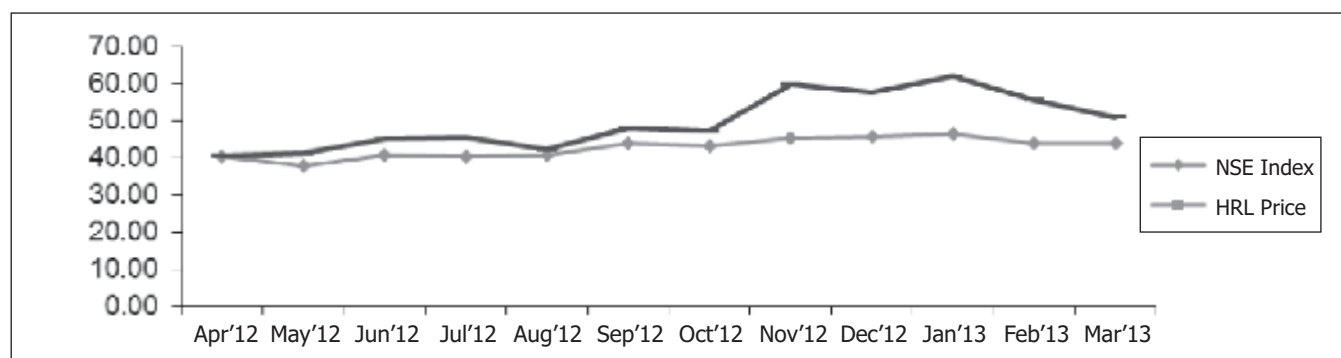
Monthly High / Low Market Price of Equity Shares of Hind Rectifiers Ltd., during the Financial Year 2012 - 2013:

Month	BSE		NSE	
	High	Low	High	Low
April, 2012	43.50	37.65	43.00	37.75
May, 2012	43.00	36.00	43.35	36.15
June, 2012	46.00	40.50	47.00	40.10
July, 2012	50.80	43.50	50.85	43.65
August, 2012	48.00	41.00	50.00	40.40
September, 2012	49.15	40.00	49.00	40.60
October, 2012	55.00	46.00	53.95	45.70
November, 2012	60.75	46.55	60.80	46.10
December, 2012	63.90	55.00	64.00	54.50
January, 2013	69.00	58.00	69.00	58.20
February, 2013	70.00	55.55	70.50	55.00
March, 2013	61.35	50.00	64.00	50.50

RELATIVE PERFORMANCE OF HIND RECTIFIERS SHARES VERSUS BSE SENSEX:



RELATIVE PERFORMANCE OF HIND RECTIFIERS SHARES VERSUS NSE SENSEX:



SHAREHOLDING PATTERN AS ON MARCH 31, 2013:

Category	No. of shares held	% of shareholding
Promoters & Associates	67,05,117	44.53
Mutual Funds & UTI	1,500	0.01
Banks / Financial Institutions	10,500	0.07
Private Bodies Corporate	3,85,228	2.56
NRI / OCBs	25,37,035	16.85
Others	54,18,550	35.98
Total	1,50,57,930	100.00

DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2013:

No. of Equity Shares held	No. of Shareholders	No. of Shares held	% of Equity Capital
Upto 500	5511	8,65,009	5.74
501-1000	703	5,62,168	3.73
1001-2000	478	7,27,978	4.83
2001-3000	194	5,31,197	3.53
3001-4000	45	1,57,671	1.05
4001-5000	44	2,03,223	1.35
5001-10000	78	5,40,225	3.59
10001 & above	78	1,14,70,459	76.18
Total	7,131	1,50,57,930	100.00

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 shareholder/s. 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 & CDSL.

PLANT LOCATIONS:

- Lake Road, Bhandup (W), Mumbai - 400 078. Maharashtra
- Plot No.110/111, M.I.D.C., Satpur, Nashik - 422 007. Maharashtra
- New Khasra.No.64-67 & 74, Village Charba, Vikas Nagar, Dehradun - 248 197. Uttarakhand
- New Khasra.No.295, 296 & 301, Village Charba, Vikas Nagar, Dehradun - 248 197. Uttarakhand

DECLARATION:

I, Sushil Kumar Nevatia, Chairman & Managing Director of Hind Rectifiers Limited hereby affirm and declare, to the best of my knowledge and belief, and on behalf of the Board of Directors of the Company and Senior Management personnel, that:

The Board of Directors has laid down a code of conduct for all Board members and Senior Management of the Company.

The code of conduct has been complied with.

Registered Office:

Lake Road, Bhandup(W)
Mumbai - 400 078.

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

Place: Mumbai
Date : 31st May, 2013

S. K. Nevatia
Chairman & Managing Director

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

Auditors' Certificate regarding compliance of conditions of Corporate Governance under Clause 49 of the Listing Agreement

To the Members of **Hind Rectifiers Limited**

We have examined the compliance of conditions of Corporate Governance by Hind Rectifiers Limited ('the Company'), for the year ended 31st March, 2013, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the "Guidance Note on Certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement)", issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company, for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the abovementioned Listing Agreement.

We further 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 and on behalf of
KHANDWALA & SHAH,
Chartered Accountants,
(Registration No.105069W)

(UDAY J. SHAH)

Partner

Membership No. 033038

Place: Mumbai

Date : 31st May, 2013

CEO / CFO CERTIFICATION:

The Board of Directors
Hind Rectifiers Limited,
Mumbai

Re: Financial Statements for the year 2012 - 2013 - Certification by CEO & CFO

We, Sushil Kumar Nevatia, Chairman & Managing Director and A. K. Nemani, Chief Financial Officer of Hind Rectifiers Ltd., hereby certify that:

- (a) We have reviewed Financial Statements and the Cash Flow Statement for the financial year ended March 31, 2013 and to the best of our knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) They are, to the best of our knowledge and belief, no transactions entered into by the Company during the period, which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the 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 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 that:
 - i. there have been no significant changes in internal control over financial reporting during the year;
 - ii. there have been no significant changes in accounting policies during the year; and
 - iii. there have been no instances of significant fraud, of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Mumbai
Date : 31st May, 2013

S. K. Nevatia
Chairman & Managing Director

A. K. Nemani
Chief Financial Officer

MANAGEMENT DISCUSSION AND ANALYSIS

RISKS, OPPORTUNITIES & THREATS:

HIRECT aims to address the opportunities offered and threats posed by its business environment strategically by maintaining sustainable and robust business models and further improving on them.

Hirect's response to its risks, opportunities and threats is discussed in the sections below.

GROWTH STRATEGY:

Since financial Year 2010, HIRECT has added new products that have substantial market opportunities, in India particularly, which is in line with core industries and for Customer's like Indian Railways and for Customer's to support them in anti pollution thereby creating a healthy and a green environment.

HIRECT's installed capacity in Dehradun is sufficient to address the demand.

Further, growth is planned to take place via technical innovation and diversified product offerings to identified market sectors. Initiatives supporting this include a strategic review of business specific improvement plans and securing access to cost effective raw materials.

INDUSTRY CYCLICALITY:

HIRECT is subject to cyclical swings arising from factors such as tenders from Indian Railways, availability of coal for Power Plants, imbalances due to policy changes and volatile swings in market demand and prices, more recently exacerbated by swings in input prices as well as the issues due to the imbroglio.

HIRECT continued to calibrate its production at levels consistent with market demand, besides continuing efforts to prioritize capex and manage working capital.

RAW MATERIALS SECURITY AND PRICE VOLATILITY:

During the financial year 2012-13, volatile raw material prices have only reinforced the validity of the strategic objective to achieve greater raw material security to insulate Hirect from swings in prices and the resultant impact on profitability.

HEALTH, SAFETY AND ENVIRONMENTAL RISKS:

Regarding Health and Safety, Hirect's philosophy is that all injuries can be prevented. Due to the nature of the operations, extra efforts are being taken to ensure workplace safety.

TECHNOLOGY RISKS:

A key challenge for Hirect is to ensure that its plants are equipped with updated technologies in order to serve clients, secure cost competitiveness and maintain R & D leadership.

To that effect, HIRECT's R & D efforts have continued to be geared at improving existing processes to advance HIRECT's cost competitive position and the Company's leadership position in the Indian industry to serve its customers with innovative & upgraded products and services.

RISK MANAGEMENT & CONCERNS:

A structured process has been evolved for risk analysis, evaluation and mitigation measures encompassing all the project facets like engineering, procurement, fabrication, construction, logistics, contractual & commercial issues and customer-specific risks for enabling us to undertake complex projects on diversified pan India basis.

FOCUS ON COMPETITIVENESS:

The year 2012-2013 witnessed a significant drive in the implementation of strategic initiatives to improve our competitiveness against multinational competitors with much wider experience.

These initiatives include:

- Cost reduction through wider sourcing,
- Focus on new technology areas to expand business reach and
- Strengthening front-end engineering & design capabilities.

We have been enhancing cost effectiveness and building customer relationships through our business operations.

UTILIZING INFORMATION TECHNOLOGY:

To compress cost, cycle time and distance, a number of information technology oriented initiatives have been implemented. These include:

Integrated ERP management system for Mumbai plant and web based Integrated ERP management system for real time working at Dehradun plant. In the next phase we intend to integrate Nasik plant similar to Dehradun plant.

HUMAN RESOURCE DEVELOPMENT:

Continuous efforts are being made to upgrade the HIRECT personnel by continuous training, coaching and mentoring. We have taken a major step towards capability and competency building with a focus on leadership development.

FUTURE OUTLOOK:

On the national scene, HIRECT is geared upto fully exploit emerging opportunities coming up in the immediate future in Indian Railways and in the anti-pollution segment.

On the international front the main focus is on the South East countries and a few select opportunities in other African countries.

Initiatives like appointing of agents in target countries would enhance the abilities to capture international business opportunities.

SIGNIFICANT INITIATIVES:

HIRECT had anticipated the problems arising due to the delay / postponement of tenders from Indian Railways due to fund problems.

HIRECT has developed a long term plan with the following strategic directions to counter the situation:

- Reduce dependence on Indian Railways
- Significantly enhance the marketing efforts on non-railway equipments.
- Focus on the emerging businesses

Several steps have already been initiated towards implementation of the above strategies with fairly good success.

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

Place: Mumbai
Date : 31st May, 2013

S. K. Nevatia
Chairman & Managing Director

SECRETARIAL COMPLIANCE CERTIFICATE

COMPANY NO. 11-11077.

AUTHORISED SHARE CAPITAL : Rs.10,00,00,000/-

PAID UP SHARE CAPITAL: Rs. 3,01,15,860/-

The Members,

M/s. **HIND RECTIFIERS LIMITED**

Lake Road,

Bhandup (West),

MUMBAI - 400 078.

We have examined the registers, records, books and papers of M/s. HIND RECTIFIERS LIMITED [the Company] as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the year ended on March 31, 2013. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company and its officers, we certify that in respect of the aforesaid financial year:

- 1) The Company has kept and maintained all registers as stated in ANNEXURE - 'A' to this certificate, as per the provisions and the rules made there under and all entries therein have been duly recorded.
- 2) The Company has duly filed the forms and returns as required with the Registrar of Companies or other authorities as prescribed under the Act and the rules made hereunder wherever applicable as per - ANNEXURE - 'B'.
- 3) The Company being a Limited Company, Comments not required.
- 4) The Board of Directors duly met 5 [FIVE] times during the aforesaid Financial Year i.e. on 30/05/2012, 07/08/2012, 06/11/2012, 07/02/2013 and 23/03/2013 and in respect of each meeting proper notices were given and proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
- 5) The Company closed its Register of Members during the financial year.
- 6) The Company held its Annual General Meeting during the year in time i.e. on AUGUST 7, 2012 and in respect of which proper notice was given and proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
- 7) No Extra Ordinary General Meeting was held during the financial year.
- 8) The Company has complied with the provisions of Section 293 (1) (d) of the Act.
- 9) The Company has not entered into contracts falling within the purview of Section 297 of the Act.
- 10) The Company has entered necessary particulars in the register maintained under Section 301 of the Companies Act, 1956.
- 11) Wherever necessary, the Company has obtained necessary approval from the Board of Directors / Shareholders under Section 314 of the Companies Act, 1956.
- 12) The Company has issued duplicate share certificates during the financial year and necessary compliances of the Act were made.
- 13) The Company has:
 - i) delivered all the certificates on allotment of Shares in accordance with the provisions of the Companies Act, 1956.
 - ii) duly complied with the requirements of Section 217 of the Act.
 - iii) other clauses are not applicable.
- 14) The Board of Directors of the Company is duly constituted.

- 15) There was no appointment of Managing Director and Executive Director during the financial year.
- 16) The Company has not appointed any Sole Selling Agents during the financial year.
- 17) The Company was not required to obtain any approvals of the Company Law Board, Regional Director, Registrar and / or such authorities prescribed under the various provisions of the Act during the financial year.
- 18) The Directors have disclosed their interest in other firms / companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
- 19) The Company has not issued or allotted any Equity Shares during the financial year and hence no compliances of the Act were required to be made.
- 20) The Company has not bought back any shares during the financial year.
- 21) The Company has not issued any preference shares / debentures and hence the question of redemption of preference shares / debentures does not arise during the financial year under review.
- 22) There were no transactions necessitating the Company to keep in abeyance the rights of dividend, rights shares and bonus shares pending registration of transfer of shares.
- 23) The Company has not accepted deposits during the financial year within the meaning of provisions of Section 58A of the Companies Act, 1956.
- 24) The Company has complied with the provisions of Section 293 (1) (a) of the Act.
- 25) The Company has not made any loans or advances or given any guarantees or provided securities to other bodies corporate.
- 26) The Company has not altered the provisions of the Memorandum with respect to situation of the Company's Registered Office from the one state to another during the year under scrutiny.
- 27) The Company has not altered the provisions of the Memorandum with respect to the Object of the Company during the year under scrutiny.
- 28) The Company has not altered the provisions of the Memorandum with respect to Name of the Company during the year under scrutiny.
- 29) The Company has not altered the provisions of the Memorandum with respect to Share Capital of the Company during the year under scrutiny.
- 30) The Company has not altered its Articles of Association during the year.
- 31) There was no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment has imposed on the Company during the financial year, for offences under the Act.
- 32) The Company has not received any money as security from its employees during the financial year.
- 33) The Company was regular in depositing the Provident Fund dues during the year.

For **GMJ & ASSOCIATES**
Company Secretaries

[MAHESH SONI]
Partner
FCS : 3706 ; COP : 2324.

Place : Mumbai.
Date : 31st May, 2013.

ANNEXURE - 'A' TO THE SECRETARIAL COMPLIANCE CERTIFICATE :

Name of the Company: M/s. HIND RECTIFIERS LIMITED.

DETAILS OF REGISTERS MAINTAINED:

Sr. No.	Section Number	Name of Register
1.	108	Share Transfer Register
2.	150	Register of Members
3.	193	Minutes of all meetings of Board of Directors
4.	193(1)	Minutes of General Meetings
5.	209	Books of Accounts
6.	301	Register of Contracts.
7.	303	Register of Directors
8.	307	Register of Directors Shareholdings
9.	125/143	Register of Charge
10.	-	Register of Board Meeting and General Meeting Attendance Register

ANNEXURE - 'B' TO THE SECRETARIAL COMPLIANCE CERTIFICATE :

Name of the Company: M/s. HIND RECTIFIERS LIMITED.

DETAILS OF FORMS FILED WITH THE REGISTRAR OF COMPANIES:

Sr. No.	Document / Under Section	Filed on	Whether filed in time	Whether additional fee paid
1.	Form 17	15/06/2012	Yes	No
2.	Form 62 Return of Deposit u/s. 58A	18/06/2012	Yes	No
3.	Form 66 Secretarial Compliance Certificate u/s.383A	16/08/2012	Yes	No
4.	Form 1 u/s. 205 [IEPF]	23/08/2012	Yes	No
5.	Form 5 u/s. 205 [IEPF] (for the year ended 31/03/2011)	23/08/2012	Yes	N.A.
6.	Form 23B	23/08/2012	Yes	N.A.
7.	DIN3	29/08/2012	Yes	No
8.	Form 32	29/08/2012	Yes	No
9.	Form 5 INV u/s. 205 [IEPF] (as on the 31/03/2012)	06/09/2012	Yes	N.A.
10.	Form 20B Annual Return. u/s. 159	06/09/2012	Yes	No
11.	Form 23 AC- XBRL & 23 ACA -XBRL Balance Sheet & Profit & Loss Account u/s. 220	28/12/2012	Yes	No
12.	Form 23C u/s.233B(2)	28/12/2012	No	Yes
13.	Form A-XBRL u/s. 209(1)(d), 600(3)(b)	28/02/2013	Yes	N.A.
14.	Form 32	28/02/2013	Yes	No

For **GMJ & ASSOCIATES**
Company Secretaries

[MAHESH SONI]

Partner

FCS : 3706 ; COP : 2324.

Place : Mumbai.

Date : 31st May, 2013

AUDITORS' REPORT

TO THE MEMBERS OF HIND RECTIFIERS LIMITED

1. We have audited the attached Balance Sheet of HIND RECTIFIERS LIMITED as at 31st March, 2013, the Statement of Profit and Loss and the Cash Flow Statement of the Company for the year ended on that date annexed thereto. The financial statements of the branches audited by other Auditors are incorporated in the annexed Balance Sheet and the Statement of Profit and Loss. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 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 the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
 - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company, so far as appears from our examination of those books and proper financial statements adequate for the purposes of our audit have been received from the branches not visited by us. The Branch Auditor's Reports have been forwarded to us and have been appropriately dealt with;
 - (c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account and with the audited financial statements from the Branches;
 - (d) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
 - (e) On the basis of the written representations received from the directors of the company as on March 31, 2013 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on March 31, 2013 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
 - (f) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements read with the Significant Accounting Policies and Notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013;
 - (ii) in the case of the Statement of Profit and Loss, of the Profit of the Company for the year ended on that date;
 - and
 - (iii) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For and on behalf of
KHANDWALA & SHAH,
Chartered Accountants,
(Registration No.105069W)

(UDAY J. SHAH)

Partner

Membership No. 033038

Place : Mumbai
Date : 31st May, 2013

ANNEXURE TO AUDITORS' REPORT

(Referred to in paragraph 3 of the Auditors' Report of even date to the members of Hind Rectifiers Limited on the financial statements for the year ended March 31, 2013)

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets;
(b) As informed the fixed assets have been physically verified by the management at reasonable intervals; and discrepancies noticed on such verification were not material and the same have been properly dealt with in the books of account;
(c) The disposal of fixed assets during the year cannot be regarded as substantial and do not affect the going concern assumption;
2. (a) As explained to us, Inventories (except stock lying with third parties, for which confirmations obtained in respect of such inventory) have been physically verified during the year by the management;
(b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business;
(c) In our opinion, the Company is maintaining proper records of inventory. Discrepancies noticed on physical verification were not material, and the same have been properly dealt with in the books of account;
3. According to information and explanations given to us, the Company has neither granted nor taken loans, secured or unsecured, from parties covered in the register maintained under section 301 of the Act. Therefore, the provisions of clause 4(iii) of the Order, are not applicable to the Company.
4. In our opinion, and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventories and fixed assets and for sale of goods & services. We have not come across any major weakness in internal control;
5. (a) In our opinion, and according to the information and explanations given to us, the particulars of contracts or arrangements that need to be entered in the register maintained under Section 301 of the Companies Act, 1956 have been so entered;
(b) According to the information and explanations given to us, there are no transactions of purchase of goods and materials and sale of goods, materials and services exceeding ₹ 5,00,000/- during the year in respect of each party made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956;
6. According to the information and explanations given to us, the Company has not accepted any deposits from the public. Therefore, the provisions of Clause (vi) of paragraph 4 of the Order are not applicable to the Company.
7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business;
8. According to the information and explanations given to us, the Company is in the process of preparing the Cost Records pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under section 209(1) (d) of the Companies Act, 1956.
9. (a) According to the records of the Company, the Company is regular in depositing undisputed statutory dues including Provident Fund (PF), Investor Education & Protection Fund, Employees' State Insurance (ESI), Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess and other statutory dues with the Appropriate Authorities. According to the information and explanation given to us, there are no undisputed amounts payable in respect of such statutory dues which have remained outstanding as at 31st March, 2013 for a period of more than six months from the day they become payable;

- (b) The disputed statutory dues aggregating ₹ 113.87 lacs, that have not been deposited on account of disputed matters pending before Appropriate Authorities are as under:

Forum where dispute is pending	Amount (₹ in lacs)
CEGAT - Central Excise & Gold (Control) Appellate Tribunal	94.80 (Net of Deposit of ₹ 4.00 lacs)
Commissioner (Appeals) - Service Tax	0.59
Income Tax before the C.I.T. (Appeals), Mumbai	18.48

10. The Company does not have accumulated losses. The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year;
11. In our opinion, and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks;
12. According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities;
13. The provisions of any special statute applicable to Chit Funds, Nidhis or Mutual Benefit Funds / Societies are not applicable to the Company;
14. As the Company is not dealing or trading in shares, securities, debentures and other investments, the provisions of Clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company;
15. In our opinion, and according to the information and explanations given to us, the Company has not given guarantees for loans taken by others from banks or financial institutions;
16. The Company has not taken any term loans during the year;
17. According to the Cash Flow Statement and other records examined by us and on the basis of information and explanations given to us, on and overall basis, funds raised on short term basis have, prima facie, not been used during the year for Long Term Investment;
18. The Company has not made any preferential allotment of shares during the year;
19. The Company has not issued any debentures during the year;
20. The Company has not raised any money by way of public issue during the year;
21. As per the information and explanations given to us, no material fraud on or by the Company has been noticed during the year.

For and on behalf of
KHANDWALA & SHAH,
Chartered Accountants,
(Registration No.105069W)

(UDAY J. SHAH)

Partner

Membership No. 033038

Place : Mumbai
Date : 31st May, 2013

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BALANCE SHEET AS AT 31ST MARCH, 2013

(₹ in lacs)

Particulars	Note		As at March 31, 2013	As at March 31, 2012
I. EQUITY AND LIABILITIES				
(1) Shareholders' Funds				
(a) Share Capital	1	301.16		301.16
(b) Reserves and Surplus	2	6,747.74		6,016.84
			7,048.90	6,318.00
(2) Non-current Liabilities				
(a) Long-term Borrowings	3	25.08		20.10
(b) Other Long-term Liabilities	4	19.26		19.26
(c) Long-term Provisions	5	176.52		163.25
			220.86	202.61
(3) Current Liabilities				
(a) Short-term Borrowings	6	1,877.60		1,459.96
(b) Trade Payables	7	1,456.28		1,590.13
(c) Other Current Liabilities	8	497.94		396.32
(d) Short-term Provisions	9	318.76		328.21
			4,150.58	3,774.62
TOTAL			11,420.34	10,295.23
II. ASSETS				
(1) Non-current Assets				
(a) Fixed Assets	10			
(i) Tangible Assets		1,582.12		1,486.09
(ii) Intangible Assets		145.13		106.09
(b) Deferred Tax Assets (Net)	11	59.50		59.93
(c) Long-term Loans and Advances	12	212.98		285.82
(d) Other Non-current Assets	13	267.00		142.00
			2,266.73	2,079.93
(2) Current Assets				
(a) Inventories	14	2,603.05		1,915.71
(b) Trade Receivables	15	5,722.21		5,907.53
(c) Cash and Cash Equivalents	16	440.35		121.62
(d) Short-term Loans and Advances	17	388.00		270.44
			9,153.61	8,215.30
TOTAL			11,420.34	10,295.23
Other Notes on Financial Statements	25			

The accompanying notes form integral part of the financial statements.

As per our report attached
For **KHANDWALA & SHAH**
Chartered Accountants
(Registration No. 105069W)

Uday J. Shah
Partner
Membership No. 033038

Place : Mumbai
Date : 31st May, 2013

For and on behalf of the Board of Directors
S. K. NEVATIA, Chairman & Managing Director
PARIMAL MERCHANT, Director

Place : Mumbai
Date : 31st May, 2013

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2013 (₹ in lacs)

Particulars	Note		Year ended March 31, 2013	Year ended March 31, 2012
I. Revenue from Operations	18			
Gross Operational Income		14,539.64		12,653.29
Less: Excise Duty / Service Tax		917.99		859.33
Net Operational Income			13,621.65	11,793.96
II. Other Income	19		24.25	24.10
III. Total Revenue (I + II)			13,645.90	11,818.06
IV. Expenses				
Cost of Materials Consumed	20	9,734.45		7,630.42
Purchases of Stock-in-Trade		355.38		210.69
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	21	(545.55)		74.00
Employee Benefits Expense	22	1,583.19		1,388.49
Finance Costs	23	95.38		158.30
Depreciation and Amortization Expense		234.67		239.83
Other Expenses	24	1,077.69		908.38
Total Expenses			12,535.21	10,610.11
V. Profit Before Taxes (III - IV)			1,110.69	1,207.95
VI. Tax Expenses				
(1) Current Tax		222.50		244.00
(2) Mat Credit Entitlement		(125.00)		(88.00)
(3) Deferred Tax		0.43		(16.85)
(4) (Excess) / Short Provision of Taxation for Earlier Years		(0.01)		0.62
			97.92	139.77
VII. Profit / (Loss) for the year (V - VI)			1,012.77	1,068.18
VIII. Basic & Diluted Earnings Per Share of face value of ₹ 2/- each. (Refer Note No. (xiv) of Other Notes on Financial Statements)			6.73	7.09
Other Notes on Financial Statements	25			

The accompanying notes form integral part of the financial statements.

As per our report attached
For **KHANDWALA & SHAH**
Chartered Accountants
(Registration No. 105069W)

Uday J. Shah
Partner
Membership No. 033038

Place : Mumbai
Date : 31st May, 2013

For and on behalf of the Board of Directors
S. K. NEVATIA, Chairman & Managing Director
PARIMAL MERCHANT, Director

Place : Mumbai
Date : 31st May, 2013

CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2013

(₹ in lacs)

Particulars	Year ended March 31, 2013	Year ended March 31, 2012
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit / (Loss) Before Tax & Extra-Ordinary Items	1,110.69	1,207.95
Adjusted for		
Depreciation	234.67	239.83
Investment Income	(20.07)	(10.04)
Interest Charged	95.38	158.30
Operating Profit before Working Capital Changes	1,420.67	1,596.04
Changes in		
Trade & Other Receivables	182.89	(1,866.70)
Inventories	(687.32)	(125.74)
Trade & Other Payables	4.19	565.80
	(500.24)	(1,426.64)
Cash Generated from Operations	920.43	169.40
Direct Taxes Paid	(294.49)	(248.17)
Cash Flow before Extra-Ordinary Items	625.94	(78.77)
Extra-Ordinary Items	—	—
Net Cash from Operating Activities	625.94	(78.77)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchases of Fixed Assets	(375.43)	(281.61)
Sale / Disposal of Fixed Assets	6.89	9.73
Purchases of Investments	—	—
Sale of Investments	—	—
Interest Received	16.00	9.53
Dividend Received	—	—
Net Cash used in Investing Activities	(352.54)	(262.35)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of Share Capital	—	—
Proceeds from Borrowings	422.61	778.15
Interest Paid	(97.27)	(160.71)
Dividend Paid	(240.93)	(225.87)
Tax on Distributed Profit	(39.08)	(36.64)
Net Cash used in Financing Activities	45.33	354.93
Net Changes in Cash & Cash Equivalents (A+B+C)	318.73	13.81
Cash & Cash Equivalents - Opening Balance	121.62	107.81
Cash & Cash Equivalents - Closing Balance	440.35	121.62

As per our report attached

For **KHANDWALA & SHAH**
Chartered Accountants
(Registration No. 105069W)

Uday J. Shah

Partner

Membership No. 033038

Place : Mumbai

Date : 31st May, 2013

For and on behalf of the Board of Directors

S. K. NEVATIA, Chairman & Managing Director
PARIMAL MERCHANT, Director

Place : Mumbai

Date : 31st May, 2013

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

1. SHARE CAPITAL

(₹ In lacs)

Particulars	As at March 31, 2013	As at March 31, 2012
Authorised Capital 5,00,00,000 Equity Shares of ₹ 2/- each	1,000.00	1,000.00
Issued Capital 1,50,57,930 Equity Shares of ₹ 2/- each	301.16	301.16
Subscribed and Paid up 1,50,57,930 Equity Shares of ₹ 2/- each	301.16	301.16
TOTAL	301.16	301.16

- a. 75,28,965 Shares out of Issued Subscribed and Paid-up Share Capital were allotted as bonus shares in the last five years by capitalisation of General Reserve
- b. The details of shareholders holding more than 5% shares

Name of Shareholder	As at March 31, 2013		As at March 31, 2012	
	No of shares	% held	No of shares	% held
Shri. Sushil Kumar Nevatia	18,56,138	12.33	17,60,901	11.69
Smt. Uma Nevatia	15,43,959	10.25	15,23,100	10.12
Shri. Saurabh Nevatia	13,53,300	8.99	13,48,300	8.95
Westing House Brake & Signals Holdings Ltd.	24,00,000	15.94	24,00,000	15.94

- c. Reconciliation of number of shares

Particulars	Equity Shares	
	Number	(₹ in lacs)
Equity Shares at the beginning of the year	1,50,57,930	301.16
Add: Shares Issued during the year	—	—
Less: Shares bought back during the year	—	—
Equity Shares at the end of the year	1,50,57,930	301.16

2. RESERVES AND SURPLUS

(₹ in lacs)

Particulars	As at March 31, 2013	As at March 31, 2012
General Reserve		
Opening Balance	5,572.57	5,172.57
Add: Transferred from Reserve for Capital Expenditure	250.00	—
Add: Transferred from Statement of Profit & Loss	400.00	400.00
Closing Balance	6,222.57	5,572.57
Reserve for Capital Expenditure		
Opening Balance	350.00	—
Less: Transferred to General Reserve	250.00	—
Add: Transferred from Statement of Profit & Loss	300.00	350.00
Closing Balance	400.00	350.00
Profit and Loss Account		
Opening balance	94.27	56.10
Add: Profit for the year	1,012.77	1,068.18
Less: Appropriations		
Transferred to Reserve for Capital Expenditure	300.00	350.00
Transferred to General Reserve	400.00	400.00
Proposed Dividend	240.93	240.93
[Dividend per Share ₹ 1.60 (Previous Year ₹ 1.60)]		
Tax on Dividend	40.94	39.08
	981.87	1,030.01
Closing Balance	125.17	94.27
GRAND TOTAL	6,747.74	6,016.84

3. LONG-TERM BORROWINGS

(₹ in lacs)

Particulars	As at March 31, 2013	As at March 31, 2012
SECURED		
Vehicle Loan from ICICI Bank Ltd.*	25.08	20.10
TOTAL	25.08	20.10

* Secured against hypothecation of Motor Car Nos. MH-03-AZ-6558, MH-03-AZ-6559, MH-03-AZ-6560, MH-03-AZ-6561, TN-01-AP-8368, MH-03-AZ-6531, MH-03-AZ-6589, MH-03-AZ-6590, MH-03-AZ-6724, MH-03-AZ-6725, MH-03-AZ-6726, MH-03-BH-0341, MH-03-BH-1218, MH-03-BH-1225, MH-03-BH-1223, MH-03-BH-1217, MH-03-BH-1219, WB-02-AB-4068, WB-02-AB-3840, UK-07-AT-5290 and UK-07-AT-5321.

4. OTHER LONG-TERM LIABILITIES

(₹ in lacs)

Particulars	As at March 31, 2013	As at March 31, 2012
Dealership Deposit	19.26	19.26
TOTAL	19.26	19.26

5. LONG-TERM PROVISIONS

(₹ in lacs)

Particulars	As at March 31, 2013	As at March 31, 2012
Provision for Employee Benefits		
Gratuity	95.93	101.44
Leave Encashment	80.59	61.81
TOTAL	176.52	163.25

6. SHORT-TERM BORROWINGS

(₹ in lacs)

Particulars	As at March 31, 2013	As at March 31, 2012
SECURED		
Loan from Consortium Banks (*)		
i) Cash Credit	1,537.17	1,459.96
ii) Foreign Currency Loans - Buyer's Credit	340.43	—
TOTAL	1,877.60	1,459.96

(*) 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. and Union Bank of India.

7. TRADE PAYABLES

(₹ in lacs)

Particulars	As at March 31, 2013	As at March 31, 2012
Micro, Small and Medium Enterprises	163.11	106.18
Others	1,293.17	1,483.95
TOTAL	1,456.28	1,590.13

8. OTHER CURRENT LIABILITIES

(₹ in lacs)

Particulars	As at March 31, 2013	As at March 31, 2012
Current maturities of long term debt (*)	30.51	31.01
Advance from Customers	81.37	33.15
Interest accrued but not due	—	1.89
Unclaimed Deposits	—	2.25
Unclaimed Dividend	23.19	20.91
Other payables (**)	362.87	307.11
TOTAL	497.94	396.32

(*) Includes

i) Loan for vehicles ₹ 30.51 lacs (Previous year ₹ 15.30 lacs)

ii) Fixed Deposits ₹ NIL lacs (Previous year ₹ 15.71 lacs)

(**) Includes statutory dues and outstanding expenses

9. SHORT-TERM PROVISIONS

(₹ in lacs)

Particulars		As at March 31, 2013	As at March 31, 2012
Provision for Employee Benefits			
Provision for Gratuity	22.72		0.76
Provision for Leave encashment	13.69		14.37
		36.41	15.13
Others			
Provision for Taxation	—		32.43
Provision for Wealth Tax	0.48		0.64
Proposed Dividend	240.93		240.93
Tax on Proposed Dividend	40.95		39.08
		282.36	313.08
TOTAL		318.76	328.21

10. FIXED ASSETS

(₹ in lacs)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 01-04-2012	Since Added	Deduction/ Adjusted	As on 31-03-2013	As on 01-04-2012	For the Year	Recouped, sold or Adjusted	As on 31-03-2013	As on 31-03-2013	As on 31-03-2012
Tangible Assets										
Land - Owned	161.41	68.58	—	229.99	—	—	—	—	229.99	161.41
Land - Leasehold	21.01	—	—	21.01	7.37	0.22	—	7.59	13.42	13.64
Roads	54.24	—	—	54.24	14.36	1.99	—	16.35	37.89	39.88
Buildings	757.11	109.25	—	866.36	183.99	55.05	—	239.04	627.32	573.12
Plant & Machinery	1,015.56	50.42	—	1,065.98	547.34	74.05	—	621.39	444.59	468.22
Motor Cars & Vehicles	218.26	48.85	33.21	233.90	96.70	37.68	27.51	106.87	127.03	121.56
Furniture & Fixtures	309.31	10.43	—	319.74	220.01	16.11	—	236.12	83.62	89.30
Computers	156.72	8.97	—	165.69	137.76	9.67	—	147.43	18.26	18.96
Total	2,693.62	296.50	33.21	2,956.91	1,207.53	194.77	27.51	1,374.79	1,582.12	1,486.09
Previous Year	2,438.82	276.32	21.52	2,693.62	1,018.93	199.08	10.48	1,207.53	1,486.09	—
Intangible Assets										
Technical Knowhow & Licence Fees	319.11	56.00	—	375.11	230.95	29.42	—	260.37	114.74	88.16
Computer software	37.56	22.94	—	60.50	19.63	10.48	—	30.11	30.39	17.93
Total	356.67	78.94	—	435.61	250.58	39.90	—	290.48	145.13	106.09
Previous Year	351.38	5.29	—	356.67	209.83	40.75	—	250.58	106.09	—

11. DEFERRED TAX ASSET (NET)

(₹ in lacs)

Particulars	As at March 31, 2013	As at March 31, 2012
Deferred Tax Assets		
Disallowance under the Income Tax Act, 1961	76.53	75.91
Deferred Tax Liability		
Related to Fixed Assets	17.03	15.98
TOTAL	59.50	59.93

12. LONG-TERM LOANS AND ADVANCES

(₹ in lacs)

Particulars	As at March 31, 2013	As at March 31, 2012
Unsecured, Considered Good		
Capital Advances	126.41	196.99
Security Deposits	29.39	28.62
Earnest Money Deposits	49.58	50.25
Staff Loans	7.39	9.84
Others	0.21	0.12
TOTAL	212.98	285.82

13. OTHER NON-CURRENT ASSETS

(₹ in lacs)

Particulars	As at March 31, 2013	As at March 31, 2012
MAT Credit Entitlement	267.00	142.00
TOTAL	267.00	142.00

14. INVENTORIES

(₹ in lacs)

Particulars	As at March 31, 2013	As at March 31, 2012
Raw Materials and Components	1,529.81	1,416.12
Work-in-Progress	783.79	242.45
Finished Goods	145.22	123.20
Stock-In-Trade	87.35	96.56
Stores and Spares	1.35	2.64
Loose Tools and Instruments	34.63	33.28
Scrap	20.90	1.46
TOTAL	2,603.05	1,915.71

(Refer Note No. (i) (e) of Other Notes on Financial Statements)

15. TRADE RECEIVABLES

(₹ in lacs)

Particulars	As at March 31, 2013	As at March 31, 2012
Trade receivables outstanding for a period less than six months		
Secured, considered good	6.42	7.77
Unsecured, considered good	4,951.18	5,185.83
Total	4,957.60	5,193.60
Trade receivables outstanding for a period exceeding six months		
Secured, considered good	2.67	2.73
Unsecured, considered good	761.94	711.20
Total	764.61	713.93
TOTAL	5,722.21	5,907.53

16. CASH AND CASH EQUIVALENTS

(₹ in lacs)

Particulars	As at March 31, 2013	As at March 31, 2012
Balances with banks		
In Current Account *	46.14	36.01
In Margin Account **	89.95	77.87
In Fixed Deposit	300.00	3.50
Total	436.09	117.38
Cash on hand	4.26	4.24
TOTAL	440.35	121.62

* Balance with banks in current account includes Unclaimed Dividend of ₹ 23.19 lacs (Previous year ₹ 20.91 lacs)

** Balance in Margin money towards security for Letter of Credit and Letter of Guarantee

17. SHORT-TERM LOANS AND ADVANCES

(₹ in lacs)

Particulars	As at March 31, 2013	As at March 31, 2012
Unsecured, considered good		
Advances recoverable in cash or kind or for value to be received	182.36	146.51
Earnest Money Deposits	44.89	34.49
Balance with Excise, Customs and Port Trust	100.19	71.18
Taxes Paid in Advance / Deducted at Source (Net of Provision for Tax)	51.68	12.25
Interest Income accrued but not due	8.88	6.01
TOTAL	388.00	270.44

18. REVENUE FROM OPERATIONS

(₹ in lacs)

Particulars	Year Ended March 31, 2013	Year Ended March 31, 2012
Gross Sales	13,452.09	11,861.14
Less: Excise Duty	820.42	810.73
	12,631.67	11,050.41
Gross Reconditioning, Repairing & Servicing Income	1,087.55	792.15
Less: Excise Duty / Service Tax	97.57	48.60
	989.98	743.55
TOTAL	13,621.65	11,793.96

19. OTHER INCOME

(₹ in lacs)

Particulars	Year Ended March 31, 2013	Year Ended March 31, 2012
Interest Income	18.87	11.35
Credit Balances Written Back	2.63	12.49
Profit on Sale of Assets	1.19	—
Miscellaneous Receipts	—	0.10
Duty Drawback	1.56	0.16
TOTAL	24.25	24.10

20. COST OF MATERIALS CONSUMED

(₹ in lacs)

Particulars		Year Ended March 31, 2013	Year Ended March 31, 2012
Opening Stock of Raw Materials		1,416.12	1,223.25
Add: Purchases of Raw Materials	9,505.03		7,520.78
Add: Conversion and Processing Charges	343.11		302.51
Total		9,848.14	7,823.29
Less: Closing Stock of Raw Materials		1,529.81	1,416.12
TOTAL		9,734.45	7,630.42

21. CHANGES IN INVENTORY OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

(₹ in lacs)

Particulars		Year Ended March 31, 2013	Year Ended March 31, 2012
Opening Inventory			
Finished Goods	123.20		113.29
Work-In-Progress	242.45		341.66
Stock-In-Trade	96.56		74.98
		462.21	529.93
Closing Inventory			
Finished Goods	145.22		123.20
Work-In-Progress	783.79		242.45
Stock-In-Trade	87.35		96.56
		1,016.36	462.21
Add / (Less) Excise duty on Finished Goods		8.60	6.28
(INCREASE) / DECREASE		(545.55)	74.00

22. EMPLOYEE BENEFITS EXPENSE

(₹ in lacs)

Particulars		Year Ended March 31, 2013	Year Ended March 31, 2012
Salaries, Wages, Gratuity and Bonus etc.		1,364.18	1,189.21
Contribution to Provident Fund, Superannuation, Employees State Insurance Scheme		108.90	101.87
Staff Welfare Expenses		110.11	97.41
TOTAL		1,583.19	1,388.49

23. FINANCE COSTS

(₹ in lacs)

Particulars	Year Ended March 31, 2013	Year Ended March 31, 2012
Interest on Bank Borrowings	57.83	112.35
Interest on Deposits & Loans	0.71	2.78
Other Interest	11.14	7.12
Bank Charges	25.70	36.05
TOTAL	95.38	158.30

24. OTHER EXPENSES

(₹ in lacs)

Particulars	Year Ended March 31, 2013	Year Ended March 31, 2012
Consumable Stores, Tools and Instruments	28.40	26.36
Electricity, Water and Fuel Charges	175.13	135.27
Packing	97.77	73.70
Repairs		
To Machinery	8.89	10.78
To Building	36.29	12.35
To Other Assets	19.00	16.09
Repairing and Servicing Expenses	3.98	1.38
Rent	15.33	20.47
Rates and Taxes	8.75	3.98
Insurance	11.07	10.25
Travelling, Conveyance and Vehicle Expenses	186.29	175.11
Director's Travelling, Conveyance and Sitting Fees	7.70	6.85
Printing and Stationery	22.72	23.24
Postage, Telegram and Telex	38.06	37.46
Advertisement and Publicity	9.13	8.48
Liquidity Damages	31.28	40.07
Commission	53.94	25.25
Legal and Professional Charges	74.21	46.71
Payment to Auditors	4.07	3.95
Transit Insurance and Freight	115.23	112.75
Bad Debts	24.22	29.74
Exchange Rate Fluctuation	5.42	1.47
Miscellaneous Expenses	100.81	86.67
TOTAL	1,077.69	908.38

25. OTHER NOTES ON FINANCIAL STATEMENTS AS AT, AND FOR THE YEAR ENDED 31ST MARCH, 2013

i) Significant Accounting Policies

a) Basis of Preparation of Financial Statements

The financial statements are prepared and presented under the historical cost convention, on the accrual basis of accounting and in accordance with the provisions of the Companies Act, 1956 ('the Act'), and the accounting principles generally accepted in India and comply with the accounting standards prescribed in the Companies (Accounting Standards) Rules, 2006 issued by the Central Government, in consultation with the National Advisory Committee on Accounting Standards, to the extent applicable.

The financial statements are prepared and presented in the form set out in Part I and Part II of Revised Schedule VI of the Act, so far as they are applicable thereto.

b) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles in India (Indian GAAP) requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent liabilities on the date of the financial statements. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of financial statements which in management's opinion are prudent and reasonable. Actual results may differ from the estimates used in preparing the accompanying financial statements. Any revision to accounting estimates is recognised prospectively in current and future periods.

c) Fixed Assets / Intangible Assets

- i) Fixed assets are carried at cost of acquisition less depreciation. Cost of fixed assets includes interest of directly related loans upto the date of commissioning / installation.
- ii) Expenditure during construction period incurred on the projects under implementation are treated as pre-operative expenses pending allocation to the assets and are included under "Capital Work in Progress". These expenses are apportioned to fixed assets on commencement of commercial production. Capital Work in Progress is stated at the amount expended upto the date of Balance Sheet.
- iii) Intangible assets are recognized if it is probable that the future economic benefits that are attributable to the assets will flow to the Company and cost of the assets can be measured reliably.

d) Depreciation

- i) Depreciation on fixed assets is provided on written down value in the manner and at the rates as per schedule XIV of the Companies Act, 1956.
- ii) Technical know-how is amortized from the year in which commercial production commences on the written down value method.
- iii) Leasehold Land is amortised over the period of lease.

e) Valuation of 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.

f) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Sales

Net operational income comprises of sale of goods and reconditioning, repairing and servicing income. Sale of goods is recognised on despatch to customers. Sales are stated net of Sales Tax. Sales excludes captive consumption of materials.

Other Income

Interest income is accounted on accrual basis.

g) Foreign Currency Transactions

- 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.

h) Research and Development

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

i) Retirement and Other Employee Benefits

- i) Provident Fund is a defined contribution scheme established under State Plan. The contributions to the scheme are charged to the Statement of 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 Statement of 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 Vice Chairperson, 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 Profit & Loss account in the year on actual basis.
- vii) Actuarial gains / losses are recognised immediately to the Statement of Profit & Loss account.

j) 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.

- ii) Estimated amount of contract remaining to be executed on account of Technical Know-How not provided for ₹ 152.95 lacs (Previous Year ₹ 150.03 lacs).

iii) Contingent Liabilities in respect of the following:

(₹ in lacs)

Particulars	As at March 31, 2013	As at March 31, 2012
Letters of credit opened by the bankers of the Company in favour of the third parties	90.74	91.69
Guarantee given by the banks to the third parties on behalf of the Company	817.77	702.44
Letter of Credit discounted with bank	—	68.27
Claims of Excise disputed by the Company	99.39	45.45
Claims of Sales Tax disputed by the Company	13.75	—
Claims of Income Tax disputed by the Company	18.48	27.61
Non-performance of Export obligation	4.96	4.96

iv) Payment to Auditors:

(₹ in lacs)

Particulars	As at March 31, 2013	As at March 31, 2012
As Auditor	2.25	2.25
For Tax Audit	0.60	0.60
For Certification etc.	0.88	0.80
For out of pocket expenses	0.34	0.30
TOTAL	4.07	3.95

v) Employee Benefits:

Consequent upon adoption of Accounting Standard on "Employee Benefits" (AS 15) (Revised 2005) issued by the Institute of Chartered Accountants of India, as required by the Standard, the following disclosures are made.

Defined Contribution Plan:

Contribution for Defined Contribution Plan, recognised as expense for the year are as under:

(₹ in lacs)

Particulars	2012-2013	2011-2012
Employer's Contribution to Provident Fund	50.08	43.71
Employer's Contribution to Superannuation Fund	22.41	19.68
Employer's Contribution to Pension Fund	20.26	20.47

Defined Benefit Plan:

(₹ in lacs)

	Gratuity		Leave Encashment	
	2012-2013	2011-2012	2012-2013	2011-2012
i) <u>Reconciliation of opening and closing balances of Defined Benefit obligation</u>				
Defined Benefit obligation at beginning of the year				
Funded	389.05	445.10	—	—
Non-Funded	91.92	80.33	76.19	60.37
	480.97	525.43	76.19	60.37
Current Service Cost				
Funded	21.85	4.73	—	—
Non-Funded	4.43	4.52	27.00	22.88
	26.28	9.25	27.00	22.88
Interest Cost				
Funded	30.33	36.72	—	—
Non-Funded	2.86	2.01	5.24	4.72
	33.19	38.73	5.24	4.72
Actuarial (gain) / loss				
Funded	16.60	5.92	—	—
Non-Funded	(5.64)	5.06	22.55	23.56
	10.96	10.98	22.55	23.56
Benefits paid				
Funded	64.50	103.42	—	—
Non-Funded	0.91	-	36.70	35.35
	65.41	103.42	36.70	35.35
Defined Benefit obligation at year end				
Funded	393.33	389.05	—	—
Non-Funded	92.66	91.92	94.28	76.18
	485.99	480.97	94.28	76.18
ii) <u>Reconciliation of opening and closing balances of fair value of plan assets (Funded)</u>				
Fair value of plan assets at beginning of the year	378.77	396.88	—	—
Expected return on plan assets	32.03	33.49	—	—
Actuarial (gain) / loss	(2.40)	1.98	—	—
Employer contribution	18.64	53.80	—	—
Benefits paid	64.50	103.42	—	—
Fair value of plan assets at year end	367.34	378.77	—	—
Actual return on plan assets	34.43	31.51	—	—

		Gratuity		Leave Encashment	
		2012-2013	2011-2012	2012-2013	2011-2012
iii)	<u>Expense recognised during the year</u>				
	Current Service Cost				
	Funded	21.85	4.73	—	—
	Non-Funded	4.43	4.52	27.00	22.88
		26.28	9.25	27.00	22.88
	Interest Cost				
	Funded	30.33	36.72	—	—
	Non-Funded	2.86	2.01	5.24	4.72
		33.19	38.73	5.24	4.72
	Expected return on plan assets				
	Funded	32.03	33.49	—	—
	Non-Funded	—	—	—	—
		32.03	33.49	—	—
	Actuarial (gain) / loss				
	Funded	14.20	7.90	—	—
	Non-Funded	(5.64)	5.06	22.55	23.56
		8.56	12.96	22.55	23.56
	Net Cost				
	Funded	34.35	15.86	—	—
	Non-Funded	1.65	11.59	54.79	51.16
		36.00	27.45	54.79	51.16
		As at 31 st March		As at 31 st March	
		2013	2012	2013	2012
iv)	<u>Reconciliation of fair value of assets and obligations</u>				
	Fair value of plan assets				
	Funded	367.34	378.77	—	—
	Non-Funded	—	—	—	—
		367.34	378.77	—	—
	Present value of obligation				
	Funded	393.33	389.05	—	—
	Non-Funded	92.66	91.92	94.28	76.18
		485.99	480.97	94.28	76.18
	Amount recognised in Bal. Sheet				
	Funded	25.99	10.28	—	—
	Non-Funded	92.66	91.92	94.28	76.18
		118.65	102.20	94.28	76.18

v) Investment Details

vi) Actuarial assumptions

Mortality Table (LIC)

Discount rate (per annum)

Expected rate of return on plan assets (per annum)

Rate of escalation in salary (per annum)

Gratuity		Leave Encashment	
As at 31 st March		As at 31 st March	
2013	2012	2013	2012
Insurer Managed Funds		N.A.	
1994-96 (Ultimate)		1994-96 (Ultimate)	
8%	8.50%	8%	8.50%
9%	9%	—	—
8%	8%	8%	8%

- vi)** Trade Receivables over six months comprises of ₹ 599.49 lacs (Previous year ₹ 624.89 lacs) due from Government concerns and ₹ 165.12 lacs (Previous year ₹ 89.04 lacs) due from commercial parties.
- vii)** In the opinion of the Management, the current assets, loans and advances are approximately of the values stated if realised in the ordinary course of business and all provisions for liabilities are adequate and not in excess of the amount considered necessary.
- viii)** In view of the deductions available under section 80 IC of the Income Tax Act, 1961 to the Company, provision for Income Tax of ₹ 222.50 lacs has been computed on the basis of Minimum Alternative Tax (MAT) in accordance with section 115JB of the Income Tax Act, 1961. Considering the future profitability and taxable position in the subsequent years, the Company has recognised MAT Credit Entitlement of ₹ 125.00 lacs as an asset by crediting the Statement of Profit & Loss Account for an equal amount and disclosed the same under the head Other Non-Current Assets in accordance with the Guidance Note on "Accounting for Credit available in respect of Minimum Alternative Tax under the Income Tax Act, 1961" issued by the Institute of Chartered Accountants of India.
- ix)** In the opinion of the Management, no provision is required against contingent liabilities referred hereinabove.
- x)** Balance of Trade Receivables and Trade Payables are subject to confirmation.
- xi)** The details of amounts outstanding to Micro, Small and Medium Enterprises based on available information with the company is as under:

(₹ in lacs)

Particulars	As at March 31, 2013	As at March 31, 2012
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	—	—

- xii)** The recurring expenditure of ₹ 39.38 lacs (Previous year ₹ 28.06 lacs) spent in respect of Research and Development during the year have been debited to respective expense account.
- xiii)** At each balance sheet date, the management reviews the carrying amounts of its assets included in each cash generating unit to determine whether there is any indication that those assets were impaired. However, in the opinion of the management, there is no impairment of assets as on the balance sheet date.

xiv) Earnings per Share :

(₹ in lacs)

Particulars	Year Ended March 31, 2013	Year Ended March 31, 2012
Profit after taxation as per Statement of Profit & Loss	1,012.77	1,068.18
Weighted average number of equity shares outstanding	1,50,57,930	1,50,57,930
Basic and diluted earnings per share	6.73	7.09

xv) Segment Information :

The Company has identified its Business Segments as its Primary Segments comprising of Electronic Components and Equipments.

Primary Segment Information :

(₹ in lacs)

Particulars	Year Ended March 31, 2013	Year Ended March 31, 2012
A. Segment Revenue		
Electronic Components	2,150.37	1,593.72
Equipments	12,338.00	10,672.26
Total	14,488.37	12,265.98
Less : Inter-Segment Revenue	866.72	472.02
Net Sales / Income from Operations	13,621.65	11,793.96
B. Segment Results - Profit / (Loss)		
Electronic Components	189.19	170.32
Equipments	1,432.23	1,567.26
Total	1,621.42	1,737.58
Less : Interest & Financial Charges	95.38	158.30
Other Unallocable Expenditure (Net of unallocable Income)	415.35	371.33
Profit Before Tax	1,110.69	1,207.95
C. Capital Employed		
Electronic Components	519.60	610.58
Equipments	5,068.92	4,770.28

xvi) Related Party disclosures under Accounting Standard-18:

a) List of related parties

Name of Related Party	Relationship
Shri S. K. Nevatia	Key Management Personnel
Smt. Uma Nevatia	Key Management Personnel
Shri Saurabh Nevatia	Relative of Key Management Personnel
Smt. Surabhi Golyan	Relative of Key Management Personnel
Shri Bharat Swaroop	Relative of Key Management Personnel

b) Transactions during the year

(₹ in lacs)

S.No.	Nature of transaction	Key Management	Relative of Key Management	Total
Expenditure				
i.	Remuneration	78.62 (81.82)	27.80 (20.83)	106.42 (102.65)
ii.	Directors Sitting Fees	— —	0.23 (0.25)	0.23 (0.25)
iii.	Rent	— —	3.90 (3.90)	3.90 (3.90)

(*) Figures in bracket represent previous year's amount.

xvii) Particulars of Sales:

(₹ in lacs)

Particulars	Year Ended March 31, 2013	Year Ended March 31, 2012
a) Manufactured Goods		
Rectifier Stacks & Apparatus	2,569.93	1,735.05
Discrete Semi conductor Devices	674.17	742.89
Silicon Rectifier Apparatus	4,268.42	4,496.00
Convertor & Invertor Equipments	4,366.38	3,526.92
Others	257.40	258.94
Total	12,136.30	10,759.80
b) Traded Goods		
Fuses and Microswitches	9.50	7.79
Semiconductor Devices	—	—
Capacitors	481.59	277.46
Others	4.28	5.36
Total	495.37	290.61
TOTAL	12,631.67	11,050.41

xviii) Particulars of Purchase of Stock-In-Trade: (*)

(₹ in lacs)

Particulars	Year Ended March 31, 2013	Year Ended March 31, 2012
Fuses and Microswitches	9.45	6.92
Semiconductor Devices	—	20.13
Capacitors	364.03	193.76
Others	2.95	3.54
TOTAL	376.43	224.35

(*) Includes purchases for manufacturing ₹ 21.05 lacs (Previous year ₹ 13.66 lacs)

xix) Particulars of Consumption of Raw Materials: (*)

(₹ in lacs)

Particulars	Year Ended March 31, 2013	Year Ended March 31, 2012
Non-ferrous metals	1,851.78	1,824.76
CRGO lamination	469.21	468.42
Electrical accessories and semi conductor components	4,168.33	2,581.42
Others	3,245.13	2,755.82
TOTAL	9,734.45	7,630.42

* Raw materials consumed:

i) Includes material used for service activities.

ii) Excludes sale and stock of scrap.

iii) Include Conversion and Processing charges ₹ 343.11 lacs (Previous Year ₹ 302.51 lacs)

xx) Consumption of Imported Raw Materials, Components and Spare Parts:

(₹ in lacs)

Particulars	Year Ended March 31, 2013		Year Ended March 31, 2012	
	Amount	Percentage	Amount	Percentage
Imported	2,087.91	21.45	1,356.67	17.78
Indigenous	7,646.54	78.55	6,273.75	82.22
TOTAL	9,734.45	100.00	7,630.42	100.00

xxi) Value of Imports on C.I.F Basis:

(₹ in lacs)

Particulars	Year Ended March 31, 2013	Year Ended March 31, 2012
Raw Materials & Components	1,991.58	1,847.19
Capital goods	—	—
TOTAL	1,991.58	1,847.19

Hirect

xxii) Expenditure in foreign currency (on payment basis):

(₹ in lacs)

Particulars	Year Ended March 31, 2013	Year Ended March 31, 2012
Travelling Expenses	7.53	6.94
Technical Know-How, Licence Fee (shown under Capital advance)	—	43.08
Royalty	—	—
Others	0.03	—
TOTAL	7.56	50.02

xxiii) Earnings in foreign currency:

(₹ in lacs)

Particulars	Year Ended March 31, 2013	Year Ended March 31, 2012
Export on F.O.B. basis	227.05	55.57
Others	—	—
TOTAL	227.05	55.57

xxiv) Dividend paid abroad:

Particulars	Year Ended March 31, 2013	Year Ended March 31, 2012
Remittance of foreign exchange on account of dividend (₹ in lacs)	38.40	36.00
Number of non-resident shareholders	1	1
Number of shares on which remittance was made	24,00,000	24,00,000
Year for which the dividend was remitted	2011-2012	2010-2011

xxv) Previous year's figures has been re-classified and re-grouped to confirm to this year.

As per our report attached

For **KHANDWALA & SHAH**
Chartered Accountants
(Registration No. 105069W)

Uday J. Shah

Partner

Membership No. 033038

Place : Mumbai

Date : 31st May, 2013

For and on behalf of the Board of Directors

S. K. NEVATIA, Chairman & Managing Director
PARIMAL MERCHANT, Director

Place : Mumbai

Date : 31st May, 2013

HIND RECTIFIERS LIMITED

Registered Office : Lake Road, Bhandup (W), Mumbai 400 078

ATTENDANCE SLIP

To be handed over at the entrance at the Meeting Hall.

I hereby record my presence at the FIFTY FIFTH ANNUAL GENERAL MEETING held at Kamalnayan Bajaj Hall & Art Gallery, Bajaj Bhavan, Ground Floor, Nariman Point, Mumbai - 400 021 (India) on Monday, 12th August 2013 at 3.30 p.m.

Folio/DPID No. _____

Name of the Shareholder (in Block Letters)

Name of the Proxy (in Block Letters)
(To be filled in if the proxy attends instead of the member)

SIGNATURE OF THE SHAREHOLDER OR PROXY

HIND RECTIFIERS LIMITED

Registered Office : Lake Road, Bhandup (W), Mumbai 400 078

PROXY FORM

I/We _____ of _____
being a Members of Hind Rectifiers Ltd. hereby appoint _____
of _____ or failing him _____
of _____ or failing him _____
of _____ as my / our proxy to attend and vote for me / us and on
my / our behalf at the FIFTY FIFTH ANNUAL GENERAL MEETING of the said Company to be held at
3.30 p.m. on Monday, 12th August, 2013 and at any adjournment thereof.

Signature this _____ day of _____ 2013

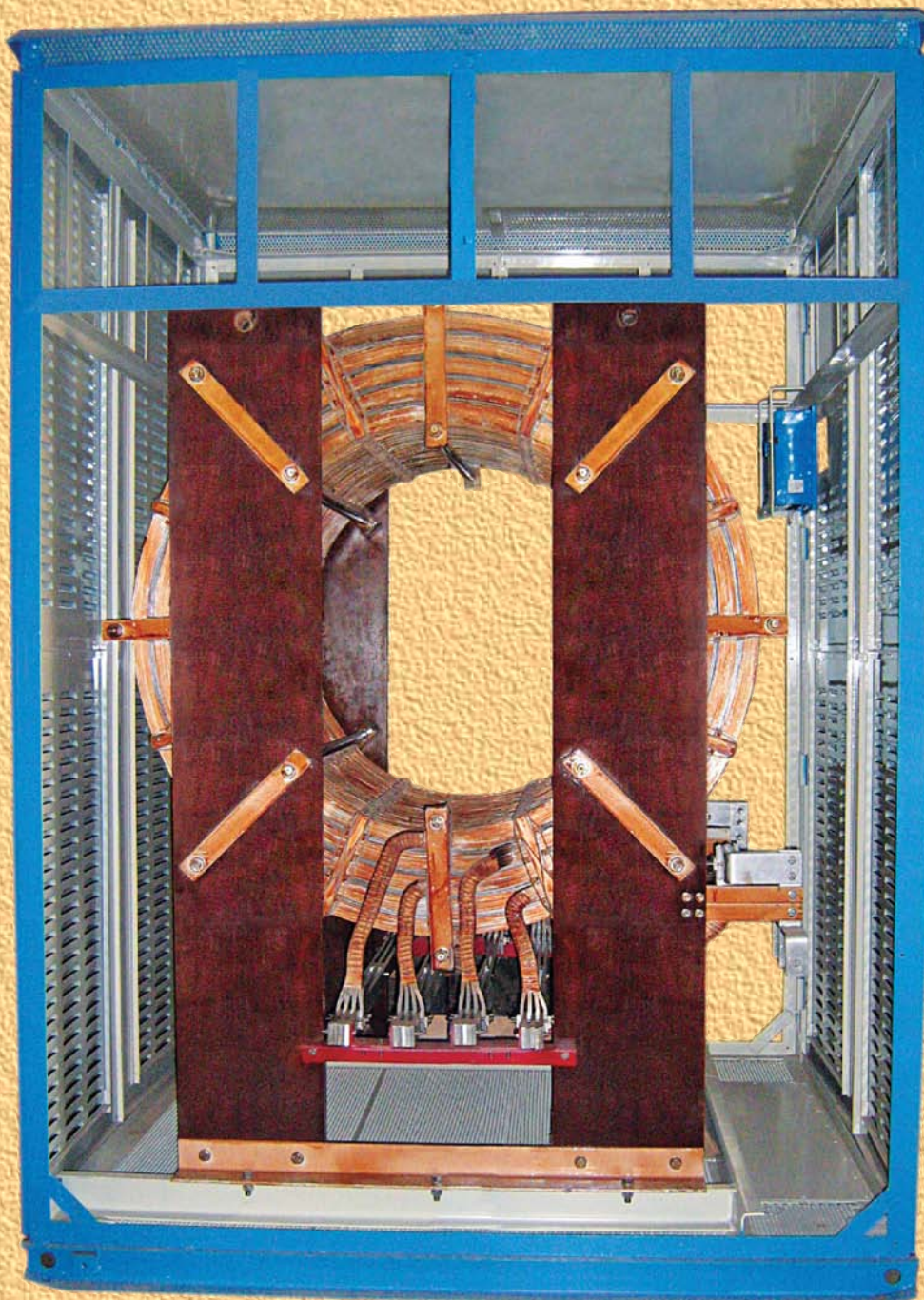
Signature (s) of the Shareholder(s)

Affix
Revenue
Stamp

- N.B.: (i) THIS FORM MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT
LATER THAN FORTYEIGHT HOURS BEFORE THE TIME OF THE MEETING.
(ii) A PROXY NEED NOT BE A MEMBER



SHAREHOLDER'S FACTORY VISIT ON 7th FEBRUARY, 2013



**AIR CORE DC LINK REACTOR 30mH, 800A FOR 600MW
THERMAL POWER PLANT FOR VARIABLE FREQUENCY DRIVE**