



- CORPORATE INFORMATION -

BOARD OF DIRECTORS

Bhavna H. Mehta
 Hasmukh J. Shah
 Manoj P. Mehta
 Kisan R. Choksey
 Pravin G. Shah
 Venkitaraman S. Iyer

MANAGEMENT TEAM

R. G. Trasi
 Mukesh Doshi
 E. K. Lalkaka
 A. S. Koranne

COMPANY SECRETARY

Hemant Joshi

SHARE REGISTRARS & TRANSFER AGENTS

Adroit Corporate Services Pvt. Ltd.
 19/20, Jaferbhoy Industrial Estate
 First Floor, Makwana Road, Marol Naka,
 Andheri (East) Mumbai – 400 059.

AUDITORS

Ajay Shobha & Co.
 Chartered Accountants

BANKERS

Union Bank of India
 State Bank of India

INTERNAL AUDITORS

Bhandarkar & Kale
 Chartered Accountants.

REGISTERED/CORPORATE OFFICE

139/141, Solaris I,
 'B' Wing, First Floor,
 Saki-Vihar Road, Powai
 Andheri (East), Mumbai – 400 072.
 Tel. No.022-28471956/57/58
 Fax No. (022)28471959
 E-mail – secretarial@ruttonsha.com ,
rirbom@ruttonsha.com

WORKS

International House.
 Plot No. 338 Baska.
 Taluka: Halol, Dist.: Panchmahal
 389 350 GUJARAT.

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ANNUAL GENERAL MEETING

Day & Date : Monday 23rd August, 2010
 Time : 11.30 a.m.
 Venue : Babasaheb Dahanukar Sabhagriha,
 Maharashtra Chambers of Commerce Trust,
 Oricon House, 6th floor, 12 K. Dubhash Marg,
 Fort, Mumbai - 400001.

**NOTICE**

NOTICE is hereby given that the **Forty First Annual General Meeting** of the members of **RUTTONSHA INTERNATIONAL RECTIFIER LIMITED** will be held on 23rd August 2010 at 11.30 a.m, at Babasaheb Dahanukar Sabhagriha of Maharashtra Chamber of Commerce Trust, Oricon House, 6th floor, 12 K. Dubhash Marg, Fort, Mumbai-400001, to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2010 and the Profit and Loss Account for the year ended on that date together with the report of Directors' and Auditors' thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in place of Ms. Bhavna H. Mehta who retires by rotation and being eligible offers herself for re-appointment.
4. To appoint a Director in place of Mr. Manoj P. Mehta who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint auditors and fix their remuneration.

To consider and if thought fit, to pass with or without modification the following resolution as an ORDINARY RESOLUTION –

“RESOLVED THAT, M/s. Ajay Shobha & Co., Chartered Accountants, be and are hereby re-appointed as auditors of the Company, who retire at this meeting in terms of section 224(1B) of the Companies Act, 1956 to hold office of auditors from the conclusion of this meeting to the conclusion of next Annual General Meeting of the Company on a remuneration as may be decided by the Board.”

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF, AND PROXY SO APPOINTED NEED NOT BE A MEMBER OF THE COMPANY. IN ORDER TO BE EFFECTIVE, PROXY FORM MUST BE LODGED WITH THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from 17th August, 2010 to 23rd August, 2010 (both days inclusive).
3. The dividend on Equity Shares if declared at the meeting, will be paid on or after 23rd August, 2010 to those members whose name appear on the Company's Register of Members on 16th August, 2010 In respective of the shares held in Dematerialised form the dividend will be paid to members whose names are furnished by NSDL and CDSL as beneficial owners as on that date.
4. Members holding shares in physical form are requested to notify/send the following quoting their Folio Number to the Company's Registrar and Transfer Agents **Adroit Corporate Services Pvt. Ltd.** (Unit: Ruttonsha International Rectifier Limited) at 19/20, Jaferbhoy Industrial Estate, First Floor, Makwana Road, Marol Naka, Andheri (East), Mumbai – 400 059, Tel Nos.022-28594060/6060.
 - Any change in their address/mandate/bank details; and
 - Particulars of their bank account, in case the same has not been sent earlier.Members holding shares in the electronic form are advised to inform changes in their address/bank mandate directly to their respective Depository Participants.
5. Members are requested to bring their copy of the Annual Report alongwith them as copies of the report will not be distributed at the meeting.
6. Members desirous of asking any questions at the Annual General Meeting are requested to send their questions so as to reach the Company at least 10 days before the Annual General Meeting so that the same can be suitably replied.
7. Members/Proxies are requested to produce the Attendance Slip at the entrance of the hall. For the convenience of Members, an attendance slip is annexed to the Proxy form.
8. The Members holding shares in dematerialized form may please note that while opening a depository account with participants, they may have given their bank account details, which will be printed on their dividend warrants. However, if Members want to change correct the bank account details, they should send the particulars to their respective depository participant with MICR code and not to the Company. The Company will not entertain any direct request from such Members for change of address, transposition of names, deletion/changes in the bank account details. The said details will be considered, as will be furnished by the NSDL / CDSL to the Company.
9. Members who are holding shares in identical order of names in more than one folio are requested to send to the Company or its Registrar and Transfer agents (RTA), the details of such folios together with the share certificates for consolidating their holdings in one folio.
10. The Company has entered into agreements with NSDL and CDSL. Members, therefore, now have the option of holding and dealing in the shares of the Company in electronic form i.e. Demat form through NSDL or CDSL.
11. In terms of circular no.MRD/DoP/Cir-05/2009 dated 20th May 2009 issued by Securities and Exchange Board of India (SEBI), it is now mandatory for the transferee of the physical shares to furnish copy of PAN card to the Company or its RTA for registration of transfer of shares. Shareholders are requested to furnish copy of PAN card at the time of transferring their physical shares.
12. Members holding shares in physical form may obtain the Nomination forms from the Company's Registrar and Share Transfer Agents (RTA). Members holding shares in electronic form may obtain the Nomination Forms from their respective Depository participants.

**NOTICE**

13. As required under Clause 49(VI) of the listing agreement the details of the Directors eligible to be re-appointed are as follows –

Sr. No.	Name	Age	Educational Qualification	Experience	Date of Appointment	Other Directorship/Membership
1	Ms. Bhavna H. Mehta	53	B.A.	15 years in Management	16 th August 2005	Nil
2	Mr. Manoj P. Mehta	50	Bsc., F.C.A.	23 years experience in accounts, Taxation,	16 th August 2005	Professional Practising Chartered Accountant Director in – Pure Life Science Pvt. Ltd. Pure Chem. Pvt. Ltd. Multi Era Trading & Mfg. Co. Pvt. Ltd. Plus Securities Management Pvt. Ltd.

The Board of Directors commends their respective re-appointments.

Mrs. Bhavna H. Mehta holds 47,09,958 equity shares of the Company.

Mr. Manoj P. Mehta is not directly holding any equity shares of the Company. However, his wife holds 1,00,000 Equity shares of the Company.

By the order of the Board of Directors

Place : Mumbai
Date : 23rd July, 2010

Hemant Joshi
Company Secretary



DIRECTORS' REPORT TO THE SHARE HOLDERS

Dear Members,

Your Directors have pleasure in presenting their forty first Annual Report on the business and operations of the Company and the financial accounts for the year ended 31st March, 2010.

FINANCIAL RESULTS AND OPERATIONS :

	(Rupees in Lacs)	
	Year ended 31-03-2010	Year ended 31-03-2009
Gross turnover	2179.53	2464.09
Operating Profit (before interest and depreciation)	412.93	454.33
Less : Interest	113.67	128.06
Depreciation	116.26	112.81
Profit before tax	183.00	213.46
Less : Provision for taxation	80.12	97.23
Profit after tax	102.88	116.23
Less/(Add): Prior period adjustments	0.51	(0.17)
Profit after prior period adjustments	102.37	116.40
Add : Balance brought forward from previous year	166.82	50.42
Profit available for appreciation	269.19	166.82
<i>Dividend – Proposed @ Rs.0.60 per equity share</i>	41.74	-
Tax on Dividend	6.93	-
Balance carried to Balance Sheet	220.52	166.82

OPERATIONS

The Year 2009-10 started with a lower turnover compared to last year owing to global slow down, exports were severally affected resulting in a lower gross turnover at Rs. 2179.53 lacs as against Rs. 2464.09 lacs for the previous year. Operating profit before depreciation and interest showed a proportional decline. The net profit before Tax for the year ended 31st March, 2010 stood at Rs. 183.00 lacs as against Rs. 213.46 lacs for the previous year. The provision for taxation includes provision for deferred taxation of Rs. 47.77 Lacs as against Rs. 70.75 Lacs in the previous year resulting in decline of net profit after tax to Rs.102.88 Lacs as against Rs. 116.23 lacs in the previous year. A detailed report on the performance is given in Management Discussion and Analysis section.

DIVIDEND

Your directors are pleased to recommend a dividend of Rs. 0.60 per equity shares of Rs. 10/- each. subject to your approval. This is the maiden dividend recommended by the present Board of Directors after the change in management.

The Board of Directors recommended the said dividend in their meeting held on 23rd July, 2010. Though, the accounts for the year were duly approved in their meeting held on 29th May, 2010, the board of directors agreed to re-approve the accounts on 23rd July, 2010 amending the same for the limited purpose of appropriation as a result of the proposed dividend and corresponding effect in the balance sheet. The auditors of the Company were also requested to give their report on the said amended accounts as a result of proposed dividend and appropriation.

DIRECTORS

Ms. Bhavna H. Mehta and Mr. Manoj P. Mehta were appointed as directors retiring by rotation on 16th August 2005. They are liable to retire by rotation and being eligible offer themselves for re-appointment.

None of the directors except the appointee are interested in the appointment.

DEPOSITS

The total amount of the Company's deposits as on 31.03.2010 was Rs.6.17 Lacs (previous year Rs.6.17 Lacs). There were no unclaimed deposits as on that date. The total deposits are within the limits specified in section 58A of the Companies Act, 1956.

AUDITORS

M/s. Ajay Shobha & Co., Chartered Accountants retire at the end of this Annual General Meeting and being eligible, offer themselves for re-appointment. A certificate has been received from them to the effect that their re-appointment as Statutory and Tax Auditors, if made, would be within the limits prescribed under section 224(1B) of the Companies Act, 1956 and they are not disqualified for the reappointment within the meaning of Section 226 of the said Act.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the listing agreement is presented in a separate section forming part of the Annual Report.

CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing agreement with the Stock Exchange, Corporate Governance Report and Auditors Certificate regarding compliance of the conditions of Corporate Governance are attached to the report.

Mr. Manoj P. Mehta, Director and Mr. R.G.Trasi, Chief Executive Officer, have given a certificate to the Board as required under Clause 49 of the Listing Agreement.

**DIRECTORS' REPORT TO THE SHARE HOLDERS (Cont'd...)****INFORMATION REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988.****ENERGY CONSERVATION, ABSORPTION OF TECHNOLOGY, RESEARCH AND DEVELOPMENT**

The provisions regarding Conservation of Energy as such do not apply to your Company.

As your Company has received complete technical know how for Silicon Rectifiers and Silicon Controlled Rectifiers upto 30mm devices from M/s. International Rectifier Corporation, California, U.S.A. The Export Oriented division of the Company (erstwhile Orient Semiconductors Pvt. Ltd., now amalgamated with the Company) received technical know from Silicon Power Corporation U.S.A (an ex. General Electric facility) for manufacturing semi-conductor devices upto 125 mm diameter. The Company has not established a separate Research and Development Department. However, routine research and development in the related field is being carried out by the Company as per customer requirements.

For effective treatment of effluents, your Company has constructed separate effluent treatment plants for both the units. There is adequate provision for the treatment of fumes resulting from the use of Sulphuric, Nitric, Hydrofloric and other acids required for production.

STATUTORY COMPLIANCE

Your Company gives highest importance to compliances with all applicable rules and regulations. The Company has systems in place to remain updated with the changes in various law, rules and regulations. An affirmation regarding the compliance of the status by senior executives is placed before the Board on quarterly basis for its review.

FOREIGN EXCHANGE EARNINGS AND OUTGO

Exports during the year were Rs. 428.85 lacs against Rs. 731.46 lacs previous year.

A) Foreign Exchange used –

- | | |
|---|--------------------|
| (1) Raw materials, components and consumables | – Rs. 768.14 lacs. |
| (2) Capital goods | – Rs. 0.24 lacs. |
| (3) Others | – Rs. 6.61 lacs. |

B) Foreign Exchange earned

– Rs. 428.85 lacs

PERSONNEL

Your Directors would like to place on record their appreciation for the dedicated efforts and services put in by the employees of the Company. During the year industrial relations continued to be cordial.

Information as per section 217(2-A) of the Companies Act, 1956, read with the Company's (Particulars of Employees) Rules, 1975 forms part of this Report. However, as per the provisions of section 219(1)(b)(iv) of the Companies Act, 1956, the Report and Accounts are being sent to all the shareholders of the Company excluding the aforesaid information, since no employee is drawing a total remuneration of Rs.24 lacs per annum.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956 with respect to the Directors responsibility statement, Board of Directors of your Company confirm that :

1. in preparation of the annual accounts for the year ended 31st March, 2010, the applicable accounting standards have been followed and that no material departures have been made from the same;
2. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company as at 31st March, 2010 and of the Profit and Loss Account for the year ended on that date;
3. they have taken proper and sufficient care 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. they have prepared the attached annual accounts on a 'going concern' basis.

ACKNOWLEDGEMENTS

The Directors wish to thank all customers, Company's Bankers, Vendors, Central and State Governments and members for their continued support to your Company's performance and growth. The Directors also wish to place on record their deep sense of appreciation for the committed services and contribution made by all the employees of the Company.

For and on behalf of the Board of Directors

Manoj P. Mehta
Director

Place : Mumbai
Date : 23rd July, 2010



DIRECTORS' REPORT TO THE SHARE HOLDERS (Cont'd...)

REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2009-2010

1. Company Philosophy and Corporate Governance :

We, at Ruttonsha firmly believe that fundamental objective of the Corporate Governance is in enhancing the interests and confidence of all the stakeholders and we continue to practice good corporate governance in its true sense. The Company's character is reflected by the very values of discipline, transparency, professionalism and accountability it strives to achieve in each and every activity. The Key elements in Corporate Governance are doing things timely, in the right way and with adequate disclosures. Establishing adequate internal control and high standards of accounting fidelity, product and service quality are the basic elements while taking business decisions and acting in a way that is ethical and is in compliance with the applicable legal requirements. Your Company also believes that good corporate governance practices help to enhance performance and valuation of the Company.

We keep corporate governance practices under continuous scanner and benchmark ourselves to the best governed companies. We have implemented the mandatory requirement of Corporate Governance as set out under clause 49 of the Listing Agreement with the Stock Exchange.

In terms of Clause 49 of the Listing agreement executed with the Stock Exchange, given below are the details of corporate governance compliances :

2. Board of Directors

- (a) The Board consists of six members with knowledge and experience in different fields viz. engineering, finance and business management. All the directors are non-executive directors and apart from Ms. Bhavna Mehta, Mr. Hasmukh J Shah and Mr. Manoj Mehta, directors, remaining are Independent Directors. The day to day management of the Company is done by key management team of executives and professionals subject to the supervision and control of the Board of Directors. The Management ensures that key timely and relevant information is made available to all the directors in order to enable them to contribute during meetings and discussions.
- (b) The information required under Clause 49 of the Listing Agreement with the BSE is made available to the Board. Adequate information and papers are circulated along with agenda of the Board meeting well in advance and also made available at the Board meeting to take informed decisions.
- (c) Following is the summary of attendance of the Directors at the 6 meetings of the Board of Directors held during the year and at the last Annual General Meeting (AGM) as under:

Name	Category	No. of Board meeting held during the year	No. of Board Meetings attended during the year	Attendance at last AGM held on 30/09/2009	Chairman/ Committee Membership in other Public Ltd. Companies
Mrs. Bhavna Mehta	Promoter	6	Nil	No	-
Mr. Hasmukh J. Shah	Alternate to Mrs. Bhavna Mehta	6	6	Yes	-
Mr. Manoj P. Mehta	Non-Executive (Professional)	6	6	Yes	-
Mr. Kisan R. Choksey	Non-Executive (Independent)	6	4	Yes	-
Mr. Pravin G. Shah	Non-Executive (Independent)	6	4	Yes	-
Mr. Venkitaraman S. Iyer	Non-Executive (Independent)	6	3	No	-

- (d) The Board meets frequently to discuss and decide on business policy and finalise strategy, among other routine agenda items. The Agenda for the Board/Committee meetings is generally accompanied by background material notes and other material information which is circulated among the directors in advance to facilitate discussion for taking informed decision.

Board of Directors met 6 times during the financial year 2009-10 and the gap between the meetings did not exceed 4 months as stipulated under clause 49 of the Listing Agreement.

The Company Secretary attends all the Board/Committee meetings and assures the Board on compliance of rules and regulations.

The dates of the meetings are – 29th June, 2009, 30th July, 2009, 30th September, 2009, 30th October, 2009, 28th January, 2010 and 18th March, 2010.

- (e) Disclosures regarding reappointment of Directors

Mrs. Bhavna H. Mehta and Mr. Manoj P. Mehta retire by rotation at the ensuing Annual General Meeting and being eligible offers themselves for reappointment. A brief resume and additional information required under Clause 49 (VI) (A) of the Listing Agreement is as under:

Mrs. Bhavna H. Mehta

She is holding arts degree and is having more than 15 years experience in Management and Human Resource Development.

Mr. Manoj P. Mehta

He is holding science degree and is a practicing Chartered Accountant having more than 25 years of experience in Finance, Management, Taxation and Allied Laws.



DIRECTORS' REPORT TO THE SHARE HOLDERS (Cont'd...)

3. Audit Committee

(i) The audit committee plays an important role in overseeing internal control and the financial reporting system. The Company has an independent audit committee which plays an important role in financial reporting of performance and review of internal control procedures. All the committee members have excellent financial and accounting knowledge. The operational head of the Organization is invited to the meetings of the audit committee.

The Audit Committee comprises of Mr. Kisan R. Choksey – Chairman, (Independent Director) having Finance and Accounting knowledge, Mr. Venkitaraman S. Iyer, Chartered Accountant (Independent Director) and Mr. Manoj P. Mehta, Chartered Accountant as members. Mr. Hemant Joshi Company Secretary acts as the secretary to the committee.

(ii) Role of Audit Committee :

- (a) Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- (b) Recommending the appointment and removal of external Auditor, fixation of audit fees and also approval of payment for any other services.
- (c) Reviewing with the management the annual financial statements before submission to the Board, focusing primarily on-
 - i) any changes in accounting policies and practices.
 - ii) major accounting entries based on exercise of judgment by management.
 - iii) adequacy and reliability of the internal control system.
 - iv) qualification in draft audit report.
 - v) significant adjustments arising out of audit.
 - vi) the going concern assumption.
- (d) Compliance with Stock Exchange and legal requirements concerning financial statement.
- (e) Any related party transactions. i.e. transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large.
- (f) Reviewing with the management the functioning of the Whistle Blower mechanism, in case same is existing.
- (g) Reviewing with the management the quarterly financial statements before submission to the Board.
- (h) Reviewing with the management, external and internal auditors and the adequacy of the internal control system.
- (i) Reviewing the adequacy of the internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- (j) Discussion with internal auditors on any significant findings and follow up thereon.
- (k) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularities or failure of internal control systems of a material nature and reporting the matter to the Board.
- (l) Discussion with the external auditors before the audit commences nature and scope of audit as well as have post audit discussion to ascertain any area of concern.
- (m) Reviewing the Company's financial and risk management policies.
- (n) To look into the reasons for substantial defaults in the payment to the depositors, shareholders (in case of non-payment of declared dividends) and creditors.

(iii) Attendance of each Member of Audit Committee meetings during the year.

Sr. No.	Name of Director	Category of Directorship	No. of Committee meetings
1.	Mr. Kisan R. Choksey	Non Executive Director	2
2.	Mr. Manoj P. Mehta	Non Executive Director	4
3.	Mr. Venkitaraman. S. Iyer	Non Executive Director	3

During the year 2009-10 four Audit Committee meetings were held on the following dates - 29th June 2009, 30th July 2009, 30th October 2009 and 28th January 2010.

4. Remuneration Committee

The Company has formed a Remuneration Committee even though it is a non-mandatory requirement. The remuneration Committee comprises of the following Directors-

Sr. No.	Name of Director	Category
1	Hasmukh J. Shah	Chairman (Non-Executive Director)
2	Manoj P. Mehta	Member(Professional Non-Executive Director)
3	Kisan R. Choksey	Member (Independent Director)
4	Pravin G. Shah	Member(Independent Director)



DIRECTORS' REPORT TO THE SHARE HOLDERS (Cont'd...)

The terms of reference of the Remuneration Committee are as mentioned below-

- Attraction and retention strategies for employees.
- Employees Development strategies.
- Compensation (including salaries and salary adjustments, incentives/benefits bonuses, stock options) and performance targets of Chief Operating Officer and other management personnels.
- All Human Resources related issue.
- Other key issues/matters as may be referred by the Board or as may be necessary in view of Clause 49 of the Listing Agreement or any statutory provisions.

During the year under review two meetings of the Committee were held and attended by all the members.

The Company has not appointed any Executive Director. The Company is managed by professional and experienced executives under the guidance and supervision of the Board of Directors.

The details of the remuneration paid to the Non Executive Directors during the financial year 2009-2010 are as follows:

The Non-Executive Directors Mr. Hasmukh J. Shah, Mr. Manoj P. Mehta, Mr. Kisan R. Choksey , Mr. Pravin G. Shah and Mr. Venkitaraman Iyer were paid sitting fees of Rs. 2000/- for each meeting attended by them. No sitting fees were paid to the Directors for attending Committee Meetings.

5. Share Transfer and Investors' Grievance Committee.

- (a) The committee specifically looks into redressing of investors' complaints with respect to transfer of shares, non-receipt of share certificate, ensure expeditious share transfer process. The committee also monitors and reviews the performance and services standards of the Registrar and Transfer Agents of the Company.
- (b) The Committee comprises of Mr. Pravin G. Shah as Chairman, Mr. Kisan R. Choksey and Mr. Hasmukh J. Shah as members. Mr. Hemant Joshi, Company Secretary acts as the secretary to the Committee. 4 complaints were received during the year, which were redressed/answered to the satisfaction of the shareholders.
- (c) All shares received for transfer were registered in favour of transferee and certificates despatched within a month's time, wherever the documents received were in order.
- (d) All valid transfers received during the year ended 31.03.2010 have been acted upon.
- (e) During the year 15 meetings of the Share Transfer and Investor Grievance Committee were held.
Year 2009– 15/04, 29/04, 15/05, 15/07, 31/07, 14/08, 31/08, 15/09, 23/09, 30/09, 15/10, 30/10, 14/11, 30/11, 15/12.
Year 2010 – 15/01, 30/01, 15/02, 15/03, 31/03.
- (f) In order to expedite the redressal of the complaints, the investors are requested to send all their shares, change of address related complaints to secretarial@ruttonsha.com./ rirbom@ruttonsha.com.

6. General Body Meetings

Location, date and time of General Meetings of the Company held during last three years:

Year	AGM/EGM	Venue	Date &Time	Special Resolution Passed
2007-08	39 th AGM	Maharashtra Chamber of Commerce, Industry and Agriculture, Orion House, 6 th floor, 12 K. Dubhash Marg, Fort, Mumbai - 400001.	27 th September 2008 at 11.30 a.m.	0
2007-08	High Court convened Meeting– for Amalgamation	Maharashtra Chamber of Commerce, Industry and Agriculture, Orion House, 6 th floor, 12 K. Dubhash Marg, Fort, Mumbai - 400001.	27 th September 2008 at 1.00 p.m.	3*
2009	40 th AGM	Maharashtra Chamber of Commerce, Industry and Agriculture, Orion House, 6 th floor, 12 K. Dubhash Marg, Fort, Mumbai-400001.	30 th September 2009 at 11.30 a.m.	0

* The resolutions were passed with requisite majority.

7. Disclosures

- (a) There were no instances of non-compliance or penalty structures imposed on the Company by the Stock Exchange or Securities and Exchange Board (SEBI) during the last 3 years.
- (b) Company has drafted "Whistle Blower Policy". The Company has not denied any personnel of the Company access to the Audit Committee (in respect of matters involving alleged misconduct) and that it has provided protection to "Whistle Blower" if there is any, from unfair termination and other unfair prejudicial employment practices.



DIRECTORS' REPORT TO THE SHARE HOLDERS (Cont'd...)

- (c) Secretarial Audit – Statutory Auditors have carried out Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued capital and listed capital. As per records, as on 31st March, 2010, the Secretarial Audit Report confirms that the total issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held in NSDL and CDSL.
- (d) There are no significant related party transactions of material nature during the year with the promoters, Directors or the Management or relatives, etc. potentially conflicting the Company's interest at large. Related party transactions are disclosed in the notes to the accounts forming part of this Annual Report.

8. Code of Conduct

Senior Management of the Company has affirmed compliance with the code of conduct set out in the Company manual.

9. Means of Communications

- (a) The quarterly results of the Company are published in two English daily newspapers (Economic Times and Free Press Journal) circulating in the country and in Marathi Newspaper Nav Shakti and Economic Times in Gujarati daily news papers published from Mumbai. As the results of the Company are published in newspapers, half-yearly reports are not sent to each shareholder.
- (b) The Company has not made any presentation to the institutional investors or to the analysts.
- (c) Management Discussion and Analysis Report forms part of this Annual Report.

10. General Information for Shareholders

- i) Annual General Meeting : 23rd August, 2010
- ii) Financial Calendar : 1st April to 31st March.
- iii) Dates for approval of Quarterly Results for the Year 2010-2011 : 1st Quarter: 4th week of July 2010
: 2nd Quarter: 4th week of October 2010
: 3rd Quarter: 4th week of January 2011
: 4th Quarter/Annual Results: 4th week of June 2011
- (Note – The above dates are indicative)
- iv) Book closure : 17th August, 2010 to 23rd August, 2010
(both days inclusive)
- v) Dividend Payment date : On or After 23rd August, 2010
- vi) Listing on Stock Exchange : The Bombay Stock Exchange Ltd. (BSE)
- vii) Stock Code :

Stock Exchange Code	517035 – BSE
Demat ISIN Numbers for NSDL & CDSL	INE302D01016

- viii) Market Price date- (High/Low during each month of the financial year : 2009-2010)

Month		Company's share price		BSE Sensex	
		High (Rs.)	Low (Rs.)	High	Low
April	2009	8.40	8.25	11492.10	9546.29
May	2009	10.20	8.82	14930.54	11621.30
June	2009	11.55	10.71	15600.30	14016.95
July	2009	17.71	11.41	15732.81	13219.99
August	2009	23.10	17.00	16002.46	14684.45
September	2009	17.85	14.75	17142.52	15356.72
October	2009	21.80	16.25	17493.17	15805.20
November	2009	20.45	15.00	17290.48	15330.56
December	2009	18.05	15.30	17530.94	16577.78
January	2010	21.45	15.40	17790.33	15982.08
February	2010	17.20	14.40	16669.25	15651.99
March	2010	15.12	12.50	17600.87	16438.45



DIRECTORS' REPORT TO THE SHARE HOLDERS (Cont'd...)

ix) **Share Transfer System:**

Share transfers received in physical form are registered within 30 days from date of receipt.

- x) **Registrar and Transfer Agents :** Adroit Corporate Services Pvt. Ltd.
19/20, Jaferbhoy Industrial Estate.
1st floor, Makwana Road,
Marol Naka, Andheri (E)
Mumbai – 400 059
Tel. No.:28596060 / 28594060

xi) **Distribution of Shareholding as on 31st March 2010.**

(Nominal value of each share/unit Rs.10/-)

No. of shareholders	% to total	Shareholding of Nominal value of Rs.	Number of shares	Amount (Rs.)	% to total capital
3560	86.46%	Upto 5000	891112	8911120.00	12.81%
377	9.15%	5001 to 10000	286226	2862260.00	4.11%
115	2.79%	10001 to 20000	172480	1724800.00	2.48%
36	0.87%	20001 to 30000	91300	913000.00	1.31%
7	0.17%	30001 to 40000	23900	239000.00	0.34%
4	0.10%	40001 to 50000	18600	186000.00	0.27%
10	0.24%	50001 to 100000	75080	750800.00	1.08%
9	0.22%	100001 & Above	5398542	53985420.00	77.60%
4118	100%	TOTAL	6957240	69572400.00	100.00%

xii) **Category of shareholders as on 31st March 2010**

Sr. No.	Classes of shareholders	No. of shares held	% to total capital
1	Promoters*1	5087958	73.14%
2	Financial Institutions	Nil	Nil
3	Insurance Companies	Nil	Nil
4	Banks	1400	0.02%
5	Mutual Funds	Nil	Nil
6	FII / OCB*2	Nil	Nil
7	Bodies Corporate	19090	0.27%
8	Non-Resident shareholders	2820	0.04%
9	Resident shareholders*3	1845972	26.53%
	TOTAL	6957240	100.00

*1 Promoters include shares held by Mrs.Bhavna Mehta and other shareholders of erstwhile Orient Semiconductors Private Limited.

*2 FII – Foreign Institutional Investors / OCB – Overseas Corporate Bodies

*3 Resident shareholders include shares held by 'Ruttonsha International Rectifier Limited – Equity Trust.

xiii) **Dematerialization of Shares and Liquidity :**

- (a) No. of Equity shares that have been dematerialized upto 31st March, 2010 are 57,33,277 i.e.82.41% of the total paid-up Equity share capital. The Company has received permission from NSDL and CDSL for dematerialization of its shares.
- (b) Shareholders are advised to avail the demat option for holding their shares. As per BSE letter addressed to the Company 50% of the non-promoter share holding should be in demat form and only then the shares of the Company will be removed from Trade for Trade segment.

- xiv) Outstanding GDR's/ADR's/Warrants/Convertible Instruments and their impact on equity: Not issued.

**DIRECTORS' REPORT TO THE SHARE HOLDERS (Cont'd...)****xv) Plant Location :**

338, International House, Baska, Halol, Panchmahals, Pin-389 350, Gujarat.

xvi) Address for Correspondence :

(a) Shareholders correspondence should be addressed to the Company's Registrar and share Transfer agents at the address mentioned above.

(b) Shareholders may also contact the Secretarial Department at the registered office of the Company for any assistance.

Ruttonsha International Rectifier Ltd.,

139/141, Solaris I, 'B' Wing, First Floor, Saki-Vihar Road,

Powai, Andheri (E) Mumbai 400 072

Tele Nos. +91-22-28471956-7-8 Fax No. +91-22-28471959

xvii) Other useful information for shareholders**a) ECS Facility**

The Company shall use "Electronic Clearing Service" (ECS) facility for remitting dividend to its shareholders wherever available.

1) In terms of a notification issued by the Reserve Bank of India, with effect from 1st October, 2009, remittance of dividend through ECS is replaced with "National Electronic Clearing Service" (NECS). Banks have been instructed to move to the NECS platform. The advantages of NECS over ECS include faster credit of remittance to the beneficiary's account, coverage of more bank branches and ease of operations.

2) To enable remittance of dividend through NECS, Members are requested to provide their new account number allotted to them by their respective bankers after implementation of CBS. The account number must be provided to the Company in respect of shares held in physical form and to the Depository Participants in respect of shares held in electronic form.

3) Shareholders holding shares in physical form are requested to provide details of their bank account for availing ECS facility in the form enclosed with the Annual Report. However, if the shares are held in dematerialized form, the ECS mandate has to be communicated to the respective Depository Participant (DP). Changes, if any, in the details furnished earlier may also be communicated to the Company or DP as the case may be.

b) General Information

1. In terms of the regulations of NSDL & CDSL, bank account details of beneficial owners of shares in demat form will be printed on the dividend warrants as furnished by the Depository Participant. The Company will not entertain requests for change of such bank details printed on their dividend warrants. In case of any changes in your bank details, please inform to your DP now/immediately.

2. Shareholders holding shares in physical form are requested to notify to the Company, change in their address/Pin Code number and Bank Account details promptly by written request under the signatures of sole/first joint holder. Beneficial Owners of shares in demat form are requested to send their instructions regarding change of name, change of address, bank details, nomination, power of attorney, change in email address, etc. directly to their DP as the same are maintained by DPs.

3. To prevent fraudulent encashment of dividend warrants, members are requested to provide their Bank Account Details (if not provided earlier) to the Company (if shares are held in physical form) or to DP (if shares are held in demat form), as the case may be, for printing of the same on their dividend warrants.

4. In case of loss/misplacement of shares, investors should immediately lodge a FIR/ Complaint with the police and inform to the Company along with original or certified copy of FIR/Acknowledged copy of Police complaint.

5. For expeditious transfer of shares, shareholders should fill in complete and correct particulars in the transfer deed. Wherever applicable, registration number of Power of Attorney should also be quoted in the transfer deed of the appropriate place.

6. Shareholders are requested to keep record of their specimen signature before lodgement of shares with the Company to obviate possibility of difference in signature at a later date.

7. Shareholders of the Company who have multiple accounts in identical name(s) or holding more than one Share Certificate in the same name under different Ledger Folio(s) are requested to apply for consolidation of such Folio(s) and send the relevant Share Certificates to the Company.

8. Section 109A of the Companies Act, 1956 extends nomination facility to individuals holding shares in physical form in companies. Shareholders, in particular, those holding shares in single name, may avail the above facility by furnishing the particulars of their nomination in the prescribed Nomination Form, which can be downloaded from the website of the Company or obtained from the Share Department of the Company by sending written request through any mode including email on secretarial@ruttonsha.com.

9. Shareholders are requested to provide their email address so as to enable the Company to update them on the Company's performance.

10. Shareholders are requested to give us their valuable suggestions for improvement of our investor services.



DIRECTORS' REPORT TO THE SHARE HOLDERS (Cont'd...)

11. Nomination facility

Section 109A of the Companies Act, 1956 provides *inter alia*, the facility of nomination to shareholders. This facility is mainly useful for all holders holding the shares in single name. In case where the securities are held in joint names, the nomination will be effective only in the event of the death of all the holders. Investors are advised to avail of this facility, to avoid the process of transmission of shares by law. Nomination form is available with the Company and its Registrar and Transfer Agents.

TO

**THE MEMBERS OF
RUTTONSHA INTERNATIONAL RECTIFIER LIMITED**

I, Manoj P. Mehta, Director of the Company declare that all the Members of the Board of Directors have affirmed compliance with the Code of Conduct for the year ended 31st March 2010.

Manoj P. Mehta
Director

Place : Mumbai
Date : 23rd July, 2010

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of Ruttonsha International Rectifier Ltd.

We have examined the compliance of the conditions of Corporate Governance by Ruttonsha International Rectifier Limited for the year ended 31st March 2010 as stipulated in clause 49 of the listing agreement of the said Company with the Mumbai Stock Exchange.

The compliance of the conditions of Corporate Governance is the responsibility of the Management of the Company. Our examination was limited to the procedures and implementation thereon, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of an 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, and based on the representations made by the Board of Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the listing agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India we have to state that no investor grievances were pending for a period of one month against the Company as per the records maintained by the Shareholder and Investors' Grievance Committee.

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

For Ajay Shobha & Co.
Chartered Accountants

Ajay Gupta
Partner
Membership No.053071

Place : Mumbai
Date : 23rd July, 2010



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

OVERVIEW : The Growth of the Indian Economy in the year 2009-10 is estimated at 7.4%, matched only by a few other countries in the world. Probably India took least time to come out of recession, due its inherent strength and resilience and fighting power of its people. All sectors of the economy showed a healthy growth rates. The year 2009-10 was a moderate year for the Company. All the sectors except Exports showed a growth. Company was successful in getting itself technically qualified for handling prestigious projects of Indian Railways alongside the big wig of the Industry viz. Siemens. But for exports, which took longer than expected to improve, the Company would have ended this year as well on a growth path.

BUSINESS REVIEW

Company Outlook : Your Company, probably the only company in private sector to manufacture Semiconductor Devices from diffusion stage, is a pioneer in manufacturing Diodes, Thyristors modules, Rectifier assemblies, Traction rectifiers, Electrochemical rectifiers and Battery charger rectifiers. These devices and the components are used by the manufacturers of Welding machines, DC Drives, Railway Alternators, UPS, Battery Chargers, Defence Department and Power Generation Industries. The Company is recognized for its capabilities and quality which has been successfully proved in all the fields it operates.

Review of Performance : As the Company faces stiff competition in the Devices Business from the unorganised sectors and other big players in the said sector being hitherto catered to by the Company, this move of entering the niche market has started paying dividend and is contributing significantly not only to the top line but to the bottom line as well.

In the past the Company had strategically decided to re-enter semi-conductors based equipments, modules and capsule business as a forward integration in a phased manner to climb up the value chain and be a known and significant player in the related sector. The Company has successfully entered the business hitherto being controlled and dominated by other major players of the industries. The Company bagged orders, amidst stiff competition, from Railways for supply of equipments. During the year, the Company achieved a turnover of Rs.160.72 Lacs in the Equipment Division as against Rs.120.08 Lacs in the year 2008-09 showing a growth of 33.5%.

Opportunities and Threats : With the recessionary markets showing signs of recovery, the Government of India has resumed its infrastructure building activities in all major areas, viz. Railways, Public Sector manufacturing enterprises, etc. A stable government at the centre augurs well for the fast pace in execution of all the projects. Large private OEMs, who had put their expansion plans on hold or on slow pace, are also expected to release their plans, expecting robust growth and to gear up for a better tomorrow. Railways is modernising and electrifying its net work in a big way and it opens up good opportunity for the Company since it has all the qualifications and registrations in place. The power industry is now on major expansion path, thanks to the power shortage in several states. Our marketing team has undertaken aggressive programmes to satisfy the increasing demands of the industry. Day by day the unorganized sector is throwing bigger challenges and the increase in pace of cheap imports are posing threats to the organized sector. Rapid change in technology also affects the Company's business plans.

SEGMENTWISE PERFORMANCE : Segment reporting as per Accounting Standard AS-17 is not applicable as the Company operates only in one segment i.e. electronics.

OUTLOOK : India is emerging as one of the largest electronics markets in the world, with an estimated 11 percent global market share by 2015. The Indian Railways is planning to invest US\$ 50 billion and your Company has already taken steps to increase Company's presence. The Indian Government is encouraging investment in non-conventional energy resources like wind, solar power, etc and the demand for power semiconductors, being one the essential items will increase tremendously. The outlook for Power Semiconductor industries for the year 2010-11 appears to be better than previous years.

INTERNAL CONTROL SYSTEMS AND OTHER ADEQUACY : The Company's internal control systems are well designed to provide reasonable assurance that assets are safeguarded, transactions are properly recorded in accordance with Management authorization and accounting records are adequate for preparation of financial statements and other financial information. The Audit Committee formed under the clause 49 of the listing agreement with the Stock Exchange looks after adequacy, relevance and effectiveness of the internal control systems along with compliance of Company strategies as well as formalities as required under various statutory laws/rules etc.

FINANCIAL REVIEW :

Profits and Profitability : During the year, the Company showed a decline in turnover from Rs. 2464.09 Lacs in 2008-09 to Rs. 2179.53 Lacs in 2009-10. The said decline was mainly attributed to fall in export turnover due to overall economic scenario world over. The Company also showed a lesser profit after tax at Rs.102.37 Lacs during the year as against Rs. 116.40 Lacs in the year 2008-09. Earning before depreciation, interest and tax (EBDIT) showed a decline in absolute terms at Rs. 412.93 Lacs as against Rs.454.33 Lacs in the earlier year, EBDIT/NET SALES showed a marginal improvement from 20.68% to 20.82%.

Capital Expenditure : In keeping with its policy of pursuing investment in a phased manner for immediate growth potential, the Company invested in creating manufacturing facilities for manufacture of products viz. power semi conductor based equipments and catering to the requirements of the Railways, Public Sector undertakings and Large Companies involved in infrastructure projects. The Company invested approx. Rs. 45.00 Lacs on creating such facilities, resulting in a higher depreciation during the year compared to earlier year.

Interest Cost : Plough back of funds, inspite of capital expenditure from internal accruals, proper utilisation of working capital and repayment of term loan resulted in savings in interest cost from Rs. 128.06 Lacs to Rs.113.67 Lacs.

RIR-Equity Trust : Arising out of the amalgamation of Orient Semi Conductors Pvt. Ltd. with the Company in 2009, the RIR Equity Trust was vested with 2,10,584 Equity Shares of the Company to be disposed of by the Trustees at the most appropriate price and in the best interest of the Company.

HUMAN RESOURCES : The Directors express their appreciation for the contribution made by the employees to the significant improvement in the operations of the Company.

CAUTIONARY NOTE : The statement in the Management Discussion and Analysis describing the Company's objectives, projections and estimates may be forward looking within the meaning of applicable laws and regulations. Actual results may differ from those expressed. Important factors affecting the Company's operation include global and domestic supply and demand conditions affecting the selling prices of finished goods, input availability and prices, changes in Government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

FOR AND ON BEHALF OF THE BOARD

Place : Mumbai
Date : 23rd July, 2010

(Manoj P. Mehta)
Director

**AUDITORS' REPORT**

TO THE MEMBERS OF RUTTONSHA INTERNATIONAL RECTIFIER LIMITED

1. We have audited the attached Balance Sheet of **Ruttonsha International Rectifier Limited** as at 31st March, 2010 and also the Profit and Loss account and the Cash Flow Statement for the year ended on that date annexed thereto. 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 the 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 the 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 section (4A) of Section 227 of the Companies Act, 1956, we enclose 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 in paragraph 3 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 purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company, so far as appears from our examination of those books;
 - (c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in compliance with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
 - (e) On the basis of written representations received from the directors, as on 31st March, 2010 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
 - (f) In our opinion and to the best of our information and according to explanations given to us, the said accounts read together 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, 2010;
 - (ii) in the case of the Profit and Loss account, of the profit for the year ended on that date; and
 - (iii) in the case of the Cash Flow Statement, of the cash flow for the year ended on that date.

For AJAY SHOBHA & Co.
Chartered Accountants
(Registration No. 317031E)

Place : Mumbai
Date : 23rd July, 2010

(Partner)
Membership No.053071

ANNEXURE TO THE AUDITORS' REPORT

Referred to in Para (3) of our Report of even date)

1. In respect of fixed assets:
 - (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
 - (b) All the assets have not been physically verified by the management during the year but, according to the information and explanations given to us, there is a phased programme of verification which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us, we are of the opinion that fixed assets disposed off during the year though substantial has not affected the going concern status of the Company.
2. In respect of inventories:
 - (a) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.

**ANNEXURE TO THE AUDITORS' REPORT (Cont'd...)**

- (b) In our opinion, the procedures of physical verification of stocks 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 has maintained proper records of inventories. The discrepancies noticed on verification between the physical stock and the book records were not material in relation to the operations of the Company.
3. The Company has not granted or taken any loans, secured or unsecured to or from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956 except for deposit taken from a Director of the Company. In our opinion, the rate of interest and other terms and conditions are prima facie not prejudicial to the interests of 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 purchases of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
5. (a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that all the transactions that need to be entered in the register in pursuance of Section 301 of the Act have been so entered.
(b) These transactions have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time, in the opinion of the management.
6. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public.
7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
8. The order made by the Central Government for the maintenance of cost records vide section 209 (1)(d) of the Companies Act, 1956 is not applicable to the Company.
9. (a) According to the records of the Company, the Company is regular in depositing with appropriate authorities any undisputed statutory dues including Investor Education and Protection Fund, Income Tax, Wealth Tax, Custom Duty, Excise Duty, Cess, Sales tax and any other statutory dues applicable to it.
(b) According to the records of the Company, there is no disputed dues pending in any forum in India for any disputed amount of Income Tax, Wealth Tax, Custom Duty, Excise Duty, Cess, Sales tax etc.
10. The company has no accumulated losses as at year-end and 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 a financial institution or bank.
12. Based on our examination of the records and 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. In our opinion, the Company is not a chit fund or a nidhi /mutual benefit fund/ society. Therefore, the provisions of clause (xiii) of paragraph 4 of the Companies (Auditors Report) Order, 2003 are not applicable to the Company.
14. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4 (xiv) of the Companies (Auditors Report) Order, 2003 are not applicable to the Company.
15. 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, the terms and conditions whereof are prima facie prejudicial to the interest of the Company.
16. In our opinion, the term loans have been applied for the purpose for which they were raised.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
18. The Company has not issued any secured Debentures. Hence the requirements of clause (xix) of paragraph 4 of the Companies (Auditors Report) Order, 2003 is not applicable to the Company.
19. The Company has not raised any money by way of public issue during the year.
20. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

For AJAY SHOBHA & Co.
Chartered Accountants
(Registration No. 317031E)

Place : Mumbai
Date : 23rd July, 2010

(Partner)
Membership No.053071



BALANCE SHEET AS AT 31ST MARCH, 2010

	Schedule	Rs.	As at 31st March, 2010 Rs.	Rs.	As at 31st March, 2009 Rs.
SOURCES OF FUNDS :					
1	SHAREHOLDERS' FUNDS :				
	(a) Share Capital	" A "	110,072,400	110,072,400	
	(b) Reserves and Surplus	" B "	29,237,525	23,872,788	
			139,309,925		133,945,188
2	LOAN FUNDS :				
	(a) Secured Loans	" C "	65,808,052	67,944,145	
	(b) Unsecured Loans	" D "	20,330,925	25,045,434	
			86,138,977		92,989,579
3	Deferred Tax Liability (Refer note no 2(ix) in Schedule 'Q')		15,947,291		11,170,404
			241,396,193		238,105,171
APPLICATION OF FUNDS :					
4	FIXED ASSETS	" E "			
	(a) Gross Block		218,013,611	212,869,352	
	(b) Less : Depreciation		77,205,580	65,941,986	
	(c) Net Block		140,808,031	146,927,366	
	(d) Capital Work in Progress		493,781	54,712	
			141,301,812		146,982,078
5	INVESTMENTS	" F "		847,665	847,665
6	CURRENT ASSETS, LOANS AND ADVANCES				
	(a) Inventories	" G "	56,802,557	32,742,459	
	(b) Sundry Debtors	" H "	63,435,091	63,235,538	
	(c) Cash and Bank Balances	" I "	15,291,198	12,500,265	
	(d) Loans and Advances	" J "	15,723,589	12,581,663	
			151,252,435	121,059,925	
7	CURRENT LIABILITIES AND PROVISIONS	" K "			
	(a) Current Liabilities		37,690,780	22,456,178	
	(b) Provisions		14,314,939	8,328,319	
			52,005,719	30,784,497	
8	NET CURRENT ASSETS [(6) less (7)]		99,246,716		90,275,428
			241,396,193		238,105,171
	NOTES ON ACCOUNTS	" Q "			

As per our attached Report of even date

For AJAY SHOBHA & CO.
Chartered Accountants

(AJAY GUPTA)
Partner
Membership No. 053071

Place : Mumbai
Date : 23rd July, 2010

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

(Hasmukh J Shah)
Director

(Pravin G Shah)
Director

(Manoj P Mehta)
Director

(Kisan R Choksey)
Director

(Venkitaraman Iyer)
Director

(Hemant Joshi)
Company Secretary



PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2010

	Schedule	Rs.	2009-2010 Rs.	Rs.	2008-2009 Rs.
INCOME					
Gross Sales		217,953,415		246,409,269	
Less : Excise Duty		13,987,526		19,036,889	
Less : VAT and CST		5,643,604		7,633,114	
Net Sales			198,322,285		219,739,266
Other Income	" L "		2,057,824		868,383
TOTAL			200,380,109		220,607,649
EXPENDITURE					
Raw Materials Consumed	" M "		128,949,419		134,420,101
Variation in Stocks	" N "		(15,225,553)		(4,637,896)
Manufacturing and Other Expenses	" O "		45,362,766		45,249,385
Financial Charges	" P "		11,367,087		12,806,374
Depreciation [(Net of transfer from Revaluation Reserve Rs. 4530/- (P.Y. Rs. 5206/-)]			11,626,062		11,280,982
Miscellaneous Expenditure written off)		-		142,622	
TOTAL			182,079,781		199,261,568
PROFIT BEFORE TAXATION			18,300,328		21,346,081
Less : Provision for Taxation					
(a) Current Tax		3,235,000		2,450,000	
(b) Fringe Benefit Tax		-		197,402	
(c) Deferred Tax Liability		4,776,887		7,075,644	
			8,011,887		9,723,046
PROFIT AFTER TAXATION			10,288,441		11,623,035
Less/ (Add): Prior Period Adjustments (Net)			51,524		(17,279)
PROFIT FOR THE YEAR			10,236,917		11,640,314
Add: Balance Brought Forward from Previous Year			16,682,515		5,042,201
PROFIT AVAILIABLE FOR APPROPRIATION			26,919,432		16,682,515
APPROPRIATIONS					
Proposed Dividend		4,174,344		-	
Tax On Proposed Dividend		693,306		-	--
			4,867,650		
BALANCED CARRIED TO BALANCE SHEET			22,051,782		16,682,515
Earnings per share-Basic and diluted (Refer note no.2 (xv) in Schedule 'Q')			1.47		1.67

NOTES ON ACCOUNTS

" Q "

As per our attached Report of even date

For **AJAY SHOBHA & CO.**
Chartered Accountants

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

(**Hasmukh J Shah**)
Director

(**Pravin G Shah**)
Director

(**AJAY GUPTA**)
Partner
Membership No. 053071

(**Manoj P Mehta**)
Director

(**Kisan R Choksey**)
Director

Place : Mumbai
Date : 23rd July, 2010

(**Venkitaraman Iyer**)
Director

(**Hemant Joshi**)
Company Secretary



CASH FLOW STATEMENT ANNEXED TO THE BALANCE SHEET FOR THE YEAR ENDED 31ST MARCH, 2010

	2009-2010	2008-2009
	Rs. in Lacs	Rs. in Lacs
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and extraordinary items	183.00	213.46
Adjusted for :		
Depreciation	116.26	112.81
Bad Debt written off	8.04	10.46
Preliminary Expenses	-	1.43
Payment of Taxes	(23.32)	1.87
Prior Period adjustment	(0.51)	0.17
Profit / (Loss) on Sales of Assets	(0.14)	2.47
Sundry Balance written off	2.86	1.00
Deferred Tax Liability-On Amalgamation	-	(70.76)
	<u>103.19</u>	<u>59.45</u>
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	286.19	272.91
(Increase)/Decrease in Receivables and advance	(19.31)	(73.34)
(Increase)/Decrease in Inventories	(240.60)	(99.37)
(Increase)/Decrease in Current Liabilities and Provisions	131.54	(14.10)
Cash Used in Operating Activities	(128.37)	(186.81)
(Cash Generated from Operations)	157.82	86.10
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase/Sale of Fixed Assets (Net)	(61.41)	(173.83)
Increased in Gross Block on Amalgamation	-	(1,174.55)
Investment	-	(8.47)
	<u>(61.41)</u>	<u>(1,356.85)</u>
C CASH FLOW FROM FINANCIAL ACTIVITIES		
Increase/(Decrease) in Unsecured Loan	(47.14)	32.96
Increase in Share Capital and Reserves on Amalgamation	-	845.84
Deferred Tax Liability	-	(40.95)
Secured Loan from Bank	(21.36)	551.00
	<u>(68.50)</u>	<u>1,388.85</u>
Net Increase in Cash and cash Equivalents (A+B+C)	27.91	118.10
Cash and Cash Equivalents as at 01-04-2009	125.00	6.90
Cash and Cash Equivalents as at 31-03-2010	152.91	125.00

Note : Previous year's figures have been regrouped / rearranged wherever necessary.

As per our attached Report of even date

For AJAY SHOBHA & CO.
Chartered Accountants

(AJAY GUPTA)
Partner
Membership No. 053071

Place : Mumbai
Date : 23rd July, 2010

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

(Hasmukh J Shah)
Director

(Manoj P Mehta)
Director

(Venkitaraman Iyer)
Director

(Pravin G Shah)
Director

(Kisan R Choksey)
Director

(Hemant Joshi)
Company Secretary


SCHEDULES FORMING PART OF THE BALANCE SHEET

	Rs.	As at 31st March, 2010 Rs.	Rs.	As at 31st March, 2009 Rs.
SCHEDULE "A"				
SHARE CAPITAL :				
AUTHORISED :				
(1) 1,00,00,000 Equity Shares of Rs. 10 each		100,000,000		100,000,000
(2) 40,50,000 2% Redeemable Optionally Convertible Cumulative Preference Shares of Rs. 10/- each		<u>40,500,000</u>		<u>40,500,000</u>
TOTAL		<u>140,500,000</u>		<u>140,500,000</u>
ISSUED, SUBSCRIBED AND PAID UP :				
(1) 14,71,420 Equity shares allotted as fully paid up in cash		14,714,200		14,714,200
(2) 4,200 Equity shares allotted as fully paid up for consideration other than cash		42,000		42,000
(3) 17,31,620 Equity shares allotted as fully paid up Bonus Shares by capitalisation of reserves		17,316,200		17,316,200
(4) 37,50,000 Equity Shares allotted as fully paid-up issued to the erstwhile shareholders of Orient Semiconductors Pvt. Ltd. on amalgamation.		37,500,000		37,500,000
(5) 40,50,000 2% Redeemable optionally cumulative preference shares of Rs. 10/- each issued to erstwhile shareholders of Orient Semi conductors Pvt. Ltd. on amalgamation.		40,500,000		40,500,000
TOTAL		<u>110,072,400</u>		<u>110,072,400</u>
SCHEDULE "B"				
RESERVES AND SURPLUS				
(1) Capital Reserve on re-valuation of assets Balance as per last account	110,381		115,587	
Less : Depreciation on revalued assets for the year	<u>4,530</u>	<u>105,851</u>	<u>5,206</u>	110,381
(2) Capital reserve Created on acquisition of 100 % E.O.U. by the erstwhile Orient Semiconductors Pvt. Ltd.		2,396,456		2,396,456
(3) Cash subsidy reserve		323,500		323,500
(4) Amalgamation reserves. Addition from the appointed date i.e. 01.04.2007		4,359,936		4,359,936
(5) Profit and loss account Balance as per Profit and Loss Account	22,051,782		19,303,604	
Add: Balance in Profit and Loss account of erstwhile OSPL transferred on amalgamation	<u>-</u>		<u>1,473,671</u>	
	<u>22,051,782</u>		<u>20,777,275</u>	
Less: Deferred tax liabilities of earlier years	<u>-</u>	<u>22,051,782</u>	<u>4,094,760</u>	<u>16,682,515</u>
TOTAL		<u>29,237,525</u>		<u>23,872,788</u>
SCHEDULE "C"				
SECURED LOANS				
(1) From Union Bank of India				
(a) On cash credit account		24,803,344		17,839,536
(b) On vehicle loan account		600,136		800,774
(c) On term loan account		1,573,814		2,757,016
(2) From State Bank of India				
(a) On cash credit account		3,468,586		5,083,792
(b) On export packing credit account		3,526,128		3,532,806
(c) On term loan account		31,836,044		37,930,221
(All the above loans are secured by assets mentioned under item No. 2(ii) in Schedule - 'Q')				
TOTAL		<u>65,808,052</u>		<u>67,944,145</u>



SCHEDULES FORMING PART OF THE BALANCE SHEET

	Rs.	As at 31st March, 2010 Rs.	Rs.	As at 31st March, 2009 Rs.
SCHEDULE "D"				
UNSECURED LOANS				
(1) Fixed deposits / loans (Including Interest accrued and due) (Including due to a Director Rs. 196.98 Lacs) (Previous Year Rs. 234.28 lacs))		20,330,925		24,045,434
(2) Inter corporate deposit		-		1,000,000
TOTAL		20,330,925		25,045,434
SCHEDULE "F"				
INVESTMENT				
(1) 2,10,584 Equity Shares of Rs.10/- each of the Company held in trust Pursuant to the scheme of amalgamation of which Company is the sole beneficiary.		847,665		847,665
TOTAL		847,665		847,665
SCHEDULE "G"				
INVENTORIES				
(As valued and certified by the management)				
(1) Raw materials		25,886,729		17,052,184
(2) Semi finished goods		27,955,169		13,706,235
(3) Finished goods		2,960,659		1,984,040
TOTAL		56,802,557		32,742,459
SCHEDULE "H"				
SUNDRY DEBTORS				
(Unsecured, considered good)				
(1) Outstanding for more than six months (Refer note no.2(iv) in Schedule -'Q') Less : Provision for doubtful debts	7,411,852		8,853,125	
	5,681,222		4,976,862	
(2) Others debts		1,730,630		3,876,263
TOTAL		61,704,461		59,359,275
		63,435,091		63,235,538
SCHEDULE "I"				
CASH AND BANK BALANCES				
(1) Cash on hand		195,678		77,929
(2) Balances with scheduled banks				
(a) In current accounts		653,301		1,457,307
(b) In fixed deposit accounts		14,442,219		10,965,029
TOTAL		15,291,198		12,500,265
SCHEDULE "J"				
LOANS AND ADVANCES				
(Unsecured, considered good)				
(1) Advances recoverable in cash or in kind for or for value to be received		6,291,245		4,410,437
(2) Payment of taxes		2,875,381		3,073,101
(3) Sundry deposits		5,904,436		4,493,354
(4) Advances to staff		184,703		251,289
(5) Pre-paid expenses		467,824		353,482
TOTAL		15,723,589		12,581,663



SCHEDULE FORMING PART OF THE BALANCE SHEET

SCHEDULE "E"
FIXED ASSETS

Sr. No.	Particulars	* GROSS BLOCK (AT COST)				DEPRECIATION **				* NET BLOCK	
		As at 01.04.2009 Rs.	Additions during the year Rs.	Deductions during the year Rs.	As at 31.03.2010 Rs.	Upto 31st March 2009 Rs.	Deduction during the year Rs.	For the year Rs.	Upto 31st March 2010 Rs.	As at 31.03.2010 Rs.	As at 31.03.2009 Rs.
1	LAND	3,309,535	280,415	-	3,589,950	-	-	-	-	3,589,950	3,309,535
2	BUILDING	18,199,353	1,594,545	-	19,793,898	7,861,378	763,073	8,624,451	8,624,451	11,169,447	10,337,975
3	PLANT AND MACHINERIES	170,752,721	1,951,485	-	172,704,206	43,944,685	9,421,553	53,366,238	53,366,238	119,337,968	126,808,036
4	DIES AND MOULDS	4,254,391	38,998	-	4,293,389	3,667,038	111,579	3,778,617	3,778,617	514,772	587,353
5	ELECTRICAL INSTALLATION AND FITTINGS	3,262,361	630,573	-	3,892,934	2,425,309	136,396	2,561,705	2,561,705	1,331,229	837,052
6	AIR CONDITIONERS AND WATER COOLER	1,967,494	30,075	-	1,997,569	1,000,850	143,845	1,144,695	1,144,695	852,874	966,644
7	VEHICLES	2,211,951	306,319	503,106	2,015,164	723,909	411,278	768,190	768,190	1,246,974	1,488,042
8	OFFICE EQUIPMENTS	3,258,633	777,999	-	4,036,632	2,561,954	361,761	2,923,715	2,923,715	1,112,917	696,679
9	FURNITURE AND FIXTURES	5,652,913	36,956	-	5,689,869	3,756,863	281,107	4,037,969	4,037,969	1,651,900	1,896,050
	TOTAL	212,869,352	5,647,365	503,106	218,013,611	65,941,986	(366,997)	77,205,580	77,205,580	140,808,031	146,927,367
	PREVIOUS YEAR	57,890,067	155,520,045	540,760	212,869,352	55,057,986	408,178	65,941,986	65,941,986		
	CAPITAL WORK IN PROGRESS									493,781	54,712
	GRAND TOTAL									146,927,366	146,982,078

* Includes revaluation of assets done as on 30-05-1986 Rs. 20,29,839/-
** Refer Note No. 2(xi) in Schedule 'Q'



SCHEDULE FORMING PART OF THE BALANCE SHEET

	Rs.	As at 31st March, 2010 Rs.	Rs.	As at 31st March, 2009 Rs.
SCHEDULE "K"				
CURRENT LIABILITIES AND PROVISIONS				
(I) CURRENT LIABILITIES				
(1) Sundry creditors				
(a) Due to small scale industrial undertakings	8,862,324		4,515,809	
(b) Others	20,278,437		13,145,453	
(2) Other current liabilities	4,604,694		4,318,384	
(3) Advances and deposits from customers	3,945,325		476,532	
		37,690,780		22,456,178
(II) PROVISIONS				
(1) Current Income-tax	3,235,000		2,450,000	
(2) Fringe benefit tax	-		22,736	
(3) Employees' leave encashment	1,089,062		1,001,297	
(4) Employees' Gratuity	5,123,227		4,854,286	
(5) Proposed Dividend	4,174,344		-	
(6) Tax on Proposed Dividend	693,306		-	
		14,314,939		8,328,319
TOTAL		52,005,719		30,784,497


SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT

	Rs.	2009-2010 Rs.	Rs.	2008-2009 Rs.
SCHEDULE "L"				
OTHER INCOME				
(1) Interest [Tax deducted at source Rs.165,199/- (Previous year Rs. 88,396/-)]		1,529,996		458,553
(2) Profit on sale of assets		13,891		249,991
(3) Labour charges		4,263		52,835
(4) Other income		509,674		107,004
TOTAL		2,057,824		868,383
SCHEDULE "M"				
RAW MATERIALS CONSUMED				
Opening Stock	17,052,184		20,335,431	
Add : Purchases	137,783,964		131,136,854	
	<u>154,836,148</u>		<u>151,472,285</u>	
Less : Closing Stock	25,886,729		17,052,184	
TOTAL		128,949,419		134,420,101
SCHEDULE "N"				
VARIATION IN STOCKS				
OPENING STOCK OF				
(a) Semifinished goods	13,706,235		10,724,451	
(b) Finished goods	1,984,040		327,928	
		<u>15,690,275</u>		<u>11,052,379</u>
CLOSING STOCK OF				
(a) Semifinished goods	27,955,169		13,706,235	
(b) Finished goods	2,960,659		1,984,040	
		<u>30,915,828</u>		<u>15,690,275</u>
Net Change		(15,225,553)		(4,637,896)
SCHEDULE "O"				
MANUFACTURING AND OTHER EXPENSES				
(A) PAYMENTS TO AND PROVISIONS FOR EMPLOYEES				
(1) Salaries, wages and other benefits	18,593,554		17,409,545	
(2) Gratuity paid/provided	809,965		929,018	
(3) Contribution to provident and other funds	1,783,097		1,750,227	
(4) Welfare expenses	571,298		804,274	
		<u>21,757,914</u>		<u>20,893,064</u>
(B) OPERATING EXPENSES				
(1) Power and fuel	5,570,580		5,688,534	
(2) Rent, rates and taxes	1,536,566		1,120,508	
(3) Repairs and maintenance to				
(a) Buildings	279,426		1,027,839	
(b) Machinery	310,372		457,246	
(c) Others	187,537		392,663	
(4) Insurance	380,507		376,760	
		<u>8,264,988</u>		<u>9,063,550</u>
Carried Forward		30,022,902		29,956,614



SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT

	Rs.	2009-2010 Rs.	Rs.	2008-2009 Rs.
SCHEDULE "O" -(CONT'D)				
MANUFACTURING AND OTHER EXPENSES				
Brought Forward		30,022,902		29,956,614
(C) ADMINISTRATIVE AND OTHER EXPENSES				
(1) Packing, forwarding and postage	2,074,672		2,746,719	
(2) Travelling and conveyance	2,981,341		2,429,781	
(3) Advertisement and sales promotion	1,422,554		552,018	
(4) Printing and stationery	540,369		461,962	
(5) Telephone charges	582,737		617,851	
(6) Commission	528,191		419,739	
(7) Vehicle expenses	860,516		1,102,806	
(8) Legal and professional charges	1,970,030		2,647,346	
(9) Services and security charges	1,795,721		1,671,253	
(10) General expenses	1,381,584		1,351,464	
(11) Loss on sales of assets	-		2,573	
(12) Bad debts written off	285,789		99,675	
(13) Provision for doubtful debts	804,360		1,045,584	
(14) Auditors' remuneration				
(a) Audit fees	47,000		67,000	
(b) Tax audit fees	19,000		19,000	
(15) Directors' sitting fees	46,000		58,000	
		<u>15,339,864</u>		<u>15,292,771</u>
TOTAL		<u>45,362,766</u>		<u>45,249,385</u>
SCHEDULE "P"				
FINANCIAL CHARGES				
(1) Interest				
(a) to banks	8,128,638		9,409,878	
(b) on fixed deposits	2,134,020		2,230,220	
(c) to others	101,061	10,363,719	31,961	11,672,059
(2) Bank charges and commission		<u>1,003,368</u>		<u>1,134,315</u>
TOTAL		<u>11,367,087</u>		<u>12,806,374</u>

Signatures to Schedule "A" to "Q"

As per our attached Report of even date

For AJAY SHOBHA & CO.
Chartered Accountants

(AJAY GUPTA)
Partner
Membership No. 053071

Place : Mumbai
Date : 23rd July, 2010

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

(Hasmukh J Shah)
Director

(Pravin G Shah)
Director

(Manoj P Mehta)
Director

(Kisan R Choksey)
Director

(Venkitaraman Iyer)
Director

(Hemant Joshi)
Company Secretary



SCHEDULE 'Q' NOTES ON ACCOUNTS

1. Significant Accounting Policies :

- (i) Basis of Preparation of Financial Statements
- a. The financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 1956, as adopted consistently by the Company, except for certain fixed assets, which have been revalued in the past.
 - b. The Company generally follows mercantile system of accounting and recognises all significant items of income and expenditure on accrual basis.
- (ii) Fixed Assets :
- a. Fixed assets are stated at cost except land, building and machineries at Baska, (other than Land, Bldg, Machinery, except those of erstwhile Orient Semiconductors Pvt. Ltd.,) which had been revalued on 30th May, 1986.
 - b. Depreciation:
Depreciation for the year is provided on written down value method, at the rates specified under Schedule XIV of the Companies Act, 1956, as amended vide Notification No. GSR 756 (E) dt.16.12.1993 except for depreciation on the fixed assets acquired on amalgamation, which is provided on straight line method basis in accordance with section 205(2)(b) of the Companies Act, 1956.
Depreciation on revalued assets has been adjusted against Capital Reserves on Revaluation of Assets. Individual fixed assets having cost of Rs.5,000/- or below have been written off during the year.
- (iii) Borrowing Costs: Borrowing costs are charged to revenue.
- (iv) Inventories :
- a. Raw materials, stores and spares are valued at cost on first in first out method basis. Stock in the case of work in process is determined on the basis of cost of manufacturing, which includes material, labour, and overhead cost on an average basis as certified by the management. There has been no significant variation in the method of valuation during the year.
 - b. Finished Goods are valued at lower of cost or net realisable value.
 - c. The method of valuation is in line with Accounting Standard 2 regarding Valuation of Inventory, issued by the Institute of Chartered Accountants of India.
- (v) Sundry Debtors, Loans and Advances :
- All sundry debtors, loans and advances are considered good and realisable at the value stated in the normal course of business though unconfirmed excepting cases where legal proceedings for recovery have been initiated.
- (vi) Sales and Service :
- Sales are recognised when goods are supplied and are net of trade discounts, rebates, sales tax and excise duty. Sales tax liability and set off are accounted on mercantile basis.
- (vii) Interest Income :
- Interest income is accounted for on accrual basis.
- (viii) Retirement Benefits :
- (also refer note no.2(v) below)
- Defined Contribution Plans
- a. Provident Fund
In accordance with law, all the eligible employees of the Company are entitled to receive benefits under the provident fund. The Company's contribution to provident fund is charged to profit and loss account each year.
 - b. Leave Encashment
The Company provides for the leave encashment based on actuarial valuation at the balance sheet date determined every year by Life Insurance Corporation of India (LIC).
 - c. Gratuity
The Company provides for the gratuity liability on actuarial valuation at the balance sheet date and contributes to Life Insurance Corporation(LIC) under LIC's Group Gratuity Scheme determined every year using the projected Unit Credit Method. The Company has created a Trust administered by the trustees and managed under the Scheme of Group Gratuity with LIC.
- (ix) Foreign Currency Transactions:
- a. Transaction in Foreign Currencies are recognized at the original rate of exchange in force at the time of occurrence of transactions.
 - b. Transactions in foreign currency are accounted for at the rates prevailing on the date of transaction. Monetary items denominated in foreign currencies at the year end are translated at the relevant exchange rates prevailing at the year end and are recognized in the Profit and Loss account and reflected in the Balance Sheet.
- (x) Taxation :
- a. Provision for Income Tax is made on the basis of taxable income for the current accounting year in accordance with the Income Tax Act, 1961 and the Rules framed there under.



SCHEDULE 'Q' NOTES ON ACCOUNTS (Cont'd..)

- b. Deferred Tax asset/liability is recognised at the applicable rate of tax on the basis of timing differences between book profits and taxable income.
- (xi) Provisions, Contingent Liabilities and Contingent Assets :
- Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made. Contingent liability is disclosed for
- possible obligation which will be confirmed by future events not wholly within the control of the Company or
 - Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or where a reliable estimate of the amount of the obligation cannot be made. Contingent assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.
- (xii) Segment Accounting :
- The segment of the Company has been identified in line with the Accounting Standard 17 on "Segment Reporting" issued by The Institute of Chartered Accountants of India. However, during the year under review the company was operating in single segment of manufacturing Power Semi-conductors related business, hence Segment reporting is not applicable.
- (xiii) Impairment of Assets :
- The carrying amounts of assets are reviewed at each Balance Sheet date to determine whether there is any indication of impairment of the carrying amounts of the Company's fixed assets. An impairment loss is recognized whenever the carrying amount of the asset exceeds the recoverable amount, if any indication of impairment exists.

2. Notes to Accounts

	Current Year	(Fig. in Rs.) Previous Year
(i) Contingent liabilities in respect of :-		
(a) Guarantees issued by Banks towards Bond given by the Company to the Development Commissioner of Kandla in respect of EOU Unit.	158.77	158.77
(b) Letter of Credit	25.00	—
(ii) (a) Cash Credit Advances		
(I) From Union Bank of India is secured by hypothecation of stocks and current assets and by first charge on Land and Building under Survey Nos. 338/P2, 338 /P3 and 338 / P4 situated at Baska, Taluka Halol, District Panchmahal and hypothecation of entire plant and machinery and other fixed assets both present and future, installed therein as collateral security to the bank. The said facility is further secured by lien on STDR of Rs.75 Lacs kept with the bank.		
(II) From State Bank of India is secured by hypothecation of stocks and current assets and by first charge on land and building under Survey Nos. 338/1 situated at Baska, Taluka Halol, District Panchmahal and hypothecation of entire plant and machinery and other fixed assets both present and future, of the EOU Unit, installed therein as collateral security to the bank. The said facility is further secured by lien on STDR of Rs. 50.00 Lacs kept with the bank.		
(b) Term Loan Advances		
(I) From Union Bank of India is secured by hypothecation of plant and machinery purchased and by first charge on land and building under Survey Nos. 338/P2, 338 /P3 and 338 / P4 situated at Baska, Taluka Halol, District Panchmahal and hypothecation of entire plant and machinery and other fixed assets both present and future, installed therein as collateral security to the bank. The said facility is further secured by lien on STDR of Rs.75.00 Lacs kept with the bank.		
(II) From State Bank of India is secured by Hypothecation plant and machinery purchased and by first charge on land and building under Survey Nos. 338/1 situated at Baska, Taluka Halol, District Panchmahal and hypothecation of entire plant and machinery and other fixed assets both present and future, of the EOU Unit, installed therein as collateral security to the Bank. The said facility is further secured by lien on STDR of Rs.50.00 Lacs kept with the bank.		
(c) Vehicle Loans From Union Bank of India is secured by hypothecation of the vehicles purchased.		
(iii) During the year 1999 - 2000 the Government of Gujarat vide notice issued under Land Acquisition Act 1984 had acquired 15000 Sq. ft. of land belonging to the Company for purpose of widening of Vadodara - Halol road and had awarded compensation of Rs. 46,309/- towards acquisition. The Company had filed an application against the Govt. of Gujarat, with the Deputy Collector, Godhra Region claiming inadequacy of compensation towards the above-mentioned acquisition of land. The case is pending to be heard.		
(iv) Confirmations have been received from most of the Debtors and Creditors. The letters sent to the parties containing a note to the effect that the correctness would be presumed if not contested. Debtors outstanding for more than 180 days amount to Rs. 74.12 Lacs (Previous year Rs.88.53 Lacs) are considered recoverable as per management. During the year Rs. 2.86 Lacs (Previous year Rs. 1.00 Lacs) was considered bad and written off and a further provision for bad and doubtful debts has been made for Rs. 8.04 Lacs (Previous Year: Rs.10.45 Lacs) during the year. The same also includes dues from three state Government undertakings against whom legal proceedings have been initiated for recovery amounting to Rs. 39.31 Lacs towards which provision has been made as mentioned above. The earnest money deposits received from customers are also not confirmed.		


SCHEDULE 'Q' NOTES ON ACCOUNTS (Cont'd..)

(v) Employee Benefits

Disclosure as required by Accounting Standard 15

a) The amount recognised in the statement of Profit and Loss Account are as follows:

	Gratuity	
Defined Benefit Plan	Current Year Rs.	Previous Year Rs.
Current service cost	809,965	929,018
Included under the head payments to and provisions for employees in Schedule 'O' Manufacturing and Other Expenses.		

	Leave encashment on retirement	
Defined Benefit Plan	Current Year Rs.	Previous Year Rs.
Current service cost	230,422	269,179
Included under the head payments to and provisions for employees in Schedule 'O' Manufacturing and Other Expenses.		

	Provident fund	
Defined Benefit Plan	Current Year Rs.	Previous Year Rs.
Current service cost	1,196,137	11,76,104
Included under the head payments to and provisions for employees in Schedule 'O' Manufacturing and Other Expenses.		

b) The amount recognised in the Balance Sheet are as follows

	Gratuity	
	Current Year Rs.	Previous Year Rs.
Opening defined benefits	4,854,286	4,617,749
Current service cost	809,965	929,018
Benefits paid during the year	541,024	692,481
Closing defined benefit obligation (as per actuarial valuation)	5,123,227	4,854,286

	Leave encashment on retirement	
	Current Year Rs.	Previous Year Rs.
Opening defined benefits	1,001,297	8,27,442
Current service cost	230,422	2,69,179
Benefits paid during the year	142,657	95,324
Closing defined benefit obligation (as per actuarial valuation)	1,089,062	10,01,297



SCHEDULE 'Q' NOTES ON ACCOUNTS (Cont'd..)

During the year, the Company has contributed Rs. 31.25 Lacs under the Scheme of Group Gratuity with Life Insurance Corporation of India (LIC) as per the deferred plan of contribution sanctioned by LIC against the total fund requirements worked out by LIC at Rs. 46.00 Lacs to administer the total Gratuity Liability of the Company.

(vi) In accordance with the accounting standard – 18 'Related Party Disclosures' issued by the Institute of Chartered Accounts of India, the Company has complied the required table as under :

Name	Relationship	Transactions	(Rs. In Lacs)	
			Current year	Previous year
Bhavna Mehta	Director	Interest on Loan	20.72	21.69
		Compensation for Office Premises	6.00	6.00

(vii) In accordance with Accounting Standard - 28 'Impairment of Assets' the Company has not written off any assets during the year. There are no other assets of this nature. Hence no future liability.

(viii) Income tax assessments have been completed up to the Assessment Year 2007-08 and adjustments in the accounts have been made up to the Assessment year 2007-08.

(ix) During the year, the Company has made provision for Deferred tax liability relating to the current year of Rs. 47.48 Lacs (Previous Year: Rs.111.70) as per AS-22 on Accounting for Taxes on Income, issued by the Institute of Chartered Accountants of India.

(x) As on the date of the balance sheet Sales-tax assessments have been completed up to 31st March, 2007.

(xi) Depreciation on revalued assets amounting to Rs. 4,530/- has been directly adjusted against Capital Reserve on revaluation of assets.

(xii) As on the date of the balance sheet there are no unclaimed/unpaid deposits as per the Companies (Acceptance of Deposits) Rules, 1975.

(xiii) Sundry creditors include Rs. 88.62 Lacs due to small-scale industrial undertakings (SSI) to the extent such parties have been identified from the available documents/information. The names of SSI units to whom amounts are due for more than 30 days are furnished below.

1. M. M. Associates	2. Shree Ambica Steel Industries	3. Dinbond Engg.Works
4. McCom Industries(I) PvtLtd.	5. S. P. Rubber Industries	6. Ganesh Industries
7. Sri Ram Fluxes	8. Shri Ram Industries	9. Sahjanand Engg.Works
10. Aseem Technologies Pvt.Ltd.	11. Western Rubber Industries India Pvt.Ltd.	12. Shree Tulja Industry
13. Hylite Cables Pvt.Ltd.	14. Gujarat Engg.Works Pvt.Ltd.	15. Samir Tech-Chem Pvt. Ltd.
16. Shreejee Electricals	17. Silica Scientific Works	

(xiv) There are no unclaimed amounts due against interest and dividend payable by the Company. As such no amount is due to be transferred to the Investor Education and Protection Fund in terms of section 205 C (1) of the Companies Act, 1956 vide notification dated October 1, 2001.

(xv) The Board of Directors recommended a dividend of Rs.0.60 per equity share for the year ended 31st March, 2010 in their meeting held on 23rd July, 2010. Though, the accounts for the year were duly approved in their meeting held on 29th May, 2010, for the limited purpose of appropriation as a result of the proposed dividend, the accounts were amended to show the appropriation and corresponding effect in the balance sheet.

(xvi) Earnings per share

Particular	2009-2010	2008-09
Net Profit for the year (Rs. in Lacs)	102.37	116.41
Average no. of shares	6957240	6957240
Earning per share basic and diluted (Rs.)	1.47	1.67
Face value per equity share (Rs.)	10	10

(xvii) Figures of previous year have been regrouped/rearranged wherever necessary.

As per our attached Report of even date

For AJAY SHOBHA & CO.
Chartered Accountants

(AJAY GUPTA)
Partner
Membership No. 053071

Place : Mumbai
Date : 23rd July, 2010

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

(Hasmukh J Shah)
Director

(Manoj P Mehta)
Director

(Venkitaraman Iyer)
Director

(Pravin G Shah)
Director

(Kisan R Choksey)
Director

(Hemant Joshi)
Company Secretary



SCHEDULE OF ADDITIONAL INFORMATION PURSUANT TO THE PROVISION UNDER PARAGRAPH 3 & 4 OF PART - II OF SCHEDULE VI TO THE COMPANIES ACT, 1956

SR. No.	UNIT	QUANTITY Nos.	2009-10 VALUE Rs.	QUANTITY Nos.	2008-09 VALUE Rs.	
1	TURNOVER					
	CLASS OF GOODS					
(a)	Semiconductor Diodes / S.C.R's	Nos	678055	166,588,361	648892	183,157,024
(b)	Power Rectifier Assemblies	Nos	609	15,092,523	252	11,530,884
(c)	Junctions	Nos	450	12,807,750	25330	24,297,739
(d)	Others	—	1445	3,833,651	1081	753,619
	TOTAL		680559	198,322,285	675555	219,739,266
2	QUANTITY AND VALUE OF RAW MATERIALS CONSUMED :					
(a)	Copper, Bases, Wires & Sheets, etc.	Kgs.	55155	26,430,448	54506	24,032,507
(b)	Diodes, SCR's Parts & Components, Ceramic Housings, Moly Discs, Tungsten and Silicon Diff.chips.	Nos.	3583809	61,515,994	3047289	51,278,976
(c)	Chemicals & Acids	Ltrs./Bottles	26967	4,239,668	20990	4,688,445
(d)	Gas	Cu.Mtrs.	22274	1,034,410	34508	1,497,115
(e)	Power Equipments Sub-Assemblies, Transformers, Switches etc.,	Nos.	3923	2,115,626	10255	2,649,916
(f)	Others			24,684,752		43,270,314
(g)	Consumable Stores & Spares			8,928,521		7,002,828
	TOTAL			128,949,419		134,420,101
3	OPENING STOCK OF GOODS PRODUCED					
(a)	Semiconductor Diodes/Rectifiers	Nos.	5346	1,984,040	5864	327,928
(b)	Power Rectifier Assemblies	Nos.	0	-	0	-
	TOTAL		5346	1,984,040	5864	327,928
4	CLOSING STOCK OF GOODS PRODUCED					
(a)	Semiconductor Diodes/Rectifiers	Nos.	5130	1,949,659	5346	1,984,040
(b)	Power Rectifier Assemblies	Nos.	3	1,011,000		
	TOTAL		5133	2,960,659	5346	1,984,040

5 CLASS OF GOODS MANUFACTURED

Particulars	2009-10			2008-09		
	Actual Production Nos.	Opening Stock Nos.	Closing Stock Nos.	Actual Production Nos.	Opening Stock Nos.	Closing Stock Nos.
(a) Semiconductor Diode /Rectifiers and Junction	690936	5346	5130	674129	5864	5346
(b) Power Rectifier Assemblies	612	0	3	252	0	0
(e) Silicon Chips for Captive Consumption	569178	0	0	579475	0	0
TOTAL	1260726	5346	5133	1253856	5864	5346

6 Employees in receipt of remuneration over Rs. 2 Lacs per month or Rs.24 Lacs per annum - Nil

Since none of the employees were in receipt of remuneration over Rs. 2 Lacs per month or Rs. 24 Lacs per annum.



SCHEDULE OF ADDITIONAL INFORMATION PURSUANT TO THE PROVISION UNDER PARAGRAPH 3 & 4 OF PART - II OF SCHEDULE VI TO THE COMPANIES ACT, 1956

7. LICENSED AND INSTALLED CAPACITIES : CLASS OF GOODS	LICENCED CAPACITY NOS. Power Rating Range	INSTALLED CAPACITY NOS. Capacity on Maximum Utilisation Basis		
(a) Silicon Control Rectifiers (S.C.Rs.)	504200	504200		
(b) High Power Semiconductor Diodes	1104200	1104200		
(c) Junctions	30000	30000		
(d) Industrial Rectifier for Chemicals, Electro - Mechanical Process, Traction, Welding, Battery Chargers etc.	1 KW to 5 KW	100 Nos.		
(e) Inverters / Uninterrupted Power Supply systems (Better than 0.01 regulation)	1KVA to 50KVA	10 Nos.		
(f) Thyristor Controlled DC / AC motor phase	5 KW to 500 KW	20 Nos.		
(g) Thyristor Controlled static tap changers / Power controlled.	10KVA to 50MVA	10 Nos.		
(h) Converters-various type such as single phase to three phase and cycle - converters	10KVA to 500 KVA	50 Nos.		
(i) Semiconductor hybrid power assemblies. Press Packs, Solid State Relays and Add-A-Packs configuration.	-	10000 Nos.		
	2009-10	2008-09		
8 VALUE OF IMPORTS ON C.I.F. BASIS :	Rs.	Rs.		
Raw Materials Components and Stores	76,813,902	71,641,723		
9 Value of Imported and Indigenous Raw Materials and Spares consumed				
a. Imported Raw Material and Components consumed	71,757,756	55.65	72,836,175	54.19
b. Indigenous Raw Material and Components consumed	57,191,663	44.35	61,583,926	45.81
TOTAL	128,949,419	100.00	134,420,101	100.00
10 EARNING IN FOREIGN CURRENCY :				
F.O.B.Value of Exports	42,885,225		73,146,660	
	42,885,225		73,146,660	
11 EXPENTITURE IN FOREIGN CURRENCY :				
Foreign Bank and other charges	661,374		1,206,644	
	661,374		1,206,644	
12 Previous year's figures have been regrouped / re-arranged wherever necessary.				



**INFORMATION PURSUANT TO PART IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956.
BALANCE SHEET EXTRACT AND COMPANY'S GENERAL BUSINESS PROFILE.**

I. REGISTRATION DETAILS

Registration No. : L31109MH1969PLC014322
State Code : 11
Balance Sheet Date : 31/3/2010

II CAPITAL RAISED DURING THE YEAR (RS. IN LACS)

Public Issue	— NIL —	Right Issue	—NIL—
Bonus Issue	— NIL —	Private Placement	—NIL—

III POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (RS. IN LACS)

TOTAL LIABILITIES	<u>2,413.96</u>	TOTAL ASSETS	<u>2,413.96</u>
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SOURCES OF FUNDS

APPLICATION OF FUNDS

Paid up capital	1,100.72	Net Fixed Assets	1,413.02
Reserves & Surplus	292.37	Net Current Assets	992.46
Secured Loans	658.08	Investments	8.48
Un-secure Loans	203.31	Misc. Expenditures	-
Deferred Tax Liability	159.47		

PERFORMANCE OF COMPANY (AMOUNT IN RS. LACS)

Turnover & Other Income	2,003.80	Total Expenditure	1,820.80
Profit before Tax	183.00	Profit after Tax	102.88
Earning per share (Rupees)	1.47	Dividend Rate %	6

GENERIC NAMES OF THREE PRINCIPAL PRODUCTS / SERVICES OF COMPANY

ITEM CODE NO. 8541
PRODUCT DESCRIPTION : SEMICONDUCTOR DEVICES
SILICON CONTROL RECTIFIER
POWER RECTIFIER

Previous year's figures have been regrouped / rearranged wherever necessary.

As per our attached Report of even date

For AJAY SHOBHA & CO.
Chartered Accountants

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

(Hasmukh J Shah)
Director

(Pravin G Shah)
Director

(AJAY GUPTA)
Partner
Membership No. 053071

(Manoj P Mehta)
Director

(Kisan R Choksey)
Director

Place : Mumbai
Date : 23rd July, 2010

(Venkitaraman Iyer)
Director

(Hemant Joshi)
Company Secretary



RUTTONSHA INTERNATIONAL RECTIFIER LIMITED	RUTTONSHA INTERNATIONAL RECTIFIER LIMITED																
<p>ATTENDANCE SLIP</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 20%;">Folio No.</td> <td></td> </tr> <tr> <td>DP ID</td> <td></td> </tr> <tr> <td>Account ID</td> <td></td> </tr> <tr> <td>No. of shares</td> <td></td> </tr> </table> <p><u>Registered office :</u> 139/141, Solaris I, B Wing, First floor, Saki Vihar Road, Powai, Andheri (East) Mumbai - 400072.</p> <p style="text-align: center;">PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER THE ENTRANCE</p> <p>I hereby record my presence at the Annual General Meeting of the Company at Babasaheb Dahanukar Sabhagriha, Maharashtra Chambers of Commerce Trust, Oricon House, 6th floor, 12 K. Dubhash Marg, Fort, Mumbai - 400001, on Monday the 23rd August 2010 at 11.30 a.m.</p>	Folio No.		DP ID		Account ID		No. of shares		<p>PROXY FORM</p> <p><u>Registered office :</u> 139/141, Solaris I, B Wing, First floor, Saki Vihar Road, Powai, Andheri (East) Mumbai - 400072.</p> <p>I / We of in the district of being a Member / Members of the above named Company hereby appoint Mr./ Mrs. of in the district of or Failing him / her Mr. / Mrs. of in the district of as my / our proxy to attend and vote for me / us on my / our behalf at the Annual General Meeting of the Company to be held at Babasaheb Dahanukar Sabhagriha, Maharashtra Chambers of Commerce Trust, Oricon House, 6th floor, 12 K. Dubhash Marg, Fort, Mumbai - 400001, on Monday the 23rd August 2010 at 11.30 a.m. and at any adjourned meeting thereof.</p> <p>Signed this day of</p> <p>Signature(s) of the shareholder(s)</p> <div style="border: 1px solid black; padding: 5px; width: fit-content; margin-left: auto;"> <p style="text-align: center;">Affix Revenue Stamp of Re.1</p> </div> <p>Membership Folio No.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 20%;">Folio No.</td> <td></td> </tr> <tr> <td>DP ID</td> <td></td> </tr> <tr> <td>Account ID</td> <td></td> </tr> <tr> <td>No. of shares</td> <td></td> </tr> </table> <p>Notes: (a) Re.1 revenue stamp is to be affixed on this form. (b) This form is to be signed across the stamp as per specimen signature registered with Company. (c) The proxy form must be deposited at the Registered office of the Company not less than 48 hours before the time for holding the meeting.</p>	Folio No.		DP ID		Account ID		No. of shares	
Folio No.																	
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DP ID																	
Account ID																	
No. of shares																	
NAME OF THE SHAREHOLDER (IN CAPITAL LETTERS)																	
SIGNATURE OF THE SHAREHOLDER OR PROXY																	
Reference Folio																	
Jointly with																	