

## FORM A

Format of covering letter of the Annual Audit Report to be filed with the Stock Exchange  
as per Clause 31 (a)


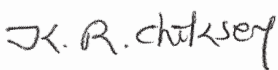
1.	Name of the Company	Ruttonsha International Rectifier Ltd.
2.	Annual Financial Statements for the year ended	31 <sup>st</sup> March, 2014
3.	Type of Observation	Unqualified
4.	Frequency of Observation	Unqualified, hence not applicable

Refer our Audit Report dated 30<sup>th</sup> May, 2014 on the  
Annual Financial Statements of the Company

**For Ajay Shobha & Co.**  
Chartered Accountants  
(Regn. No. 317031E)



Ajay Gupta  
**Partner**  
M. No. 053071

  
R. G. TRASI  
**C.E.O.**  
MANOJ P. MEHTA  
**DIRECTOR - FINANCE**  
KISAN R. CHOKSEY  
**CHAIRMAN – AUDIT COMMITTEE**



# RUTTONSHA

INTERNATIONAL RECTIFIER LIMITED



45<sup>th</sup> ANNUAL REPORT 2013-14



**HIGH CURRENT SCR CONTROLLED WATER COOLED RECTIFIER UNIT 200 V, 6800 AMPS.  
FOR HYDRO CHLORINATION PROCESS IN POWER PLANT**



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**CHAIRMAN'S MESSAGE TO THE SHAREHOLDERS**

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Dear Shareholders,

It is my privilege to present before you the 45<sup>th</sup> Annual Report for the Financial year ended 31<sup>st</sup> March, 2014.

Financial year 2013-14 was the second successive year of economic hardships. To speak about global crisis and uncertainties might sound too repetitive as economic problems continued due to political uncertainties this year as well. Matters were far worse in manufacturing, the activity that comprises your Company's business.

Operating in such a scenario, I would like to state that the turnover and bottomline of the Company in FY 13-14 has been below our expectations due to challenging economic and market conditions. Though numbers and financials would not reveal the testing times faced by your Company to sustain in such an environment. The domestic manufacturing sector has been experiencing slowdown for the past few years. The slowdown in infrastructure, railways and key industries where we do business has resulted in sluggish order inflows, delay in taking deliveries/ execution of projects, delayed payments, etc. All these factors led to lower order book and lower turnover for the year. This situation was particularly visible at the end of second quarter, when the order inflows were abysmally low. However, the last quarter of the year saw significant recovery in order intake but the same were booked for despatch in the next financial year. On order execution side, the financial constraints of some customers like Railways have resulted in deferment of tenders and deliveries and consequently impacted our topline. Lower turnover also impacted our margins as full absorption of fixed overheads could not be achieved. However, we did generate cash profits for the year.

During the year, the Company continued its expansion of territories for exports. The exports contribution was more than ₹ 4 crores during the year. Our international spread is expanding and we have been well received in the developed countries that are approaching us and they range from North and South America to Far East and Europe. We expect our exports to pick up in the coming years as well.

Overall, with an improved order booking in the first two months of the current financial year, we believe that the Company should achieve growth in turnover of around 25-30% while maintaining the margins at current level, during the Financial year 2014-15.

On behalf of the entire Company and its leadership team, I want to thank each shareholder for their support and commitment to the Company. This is beginning of a long path and I see gradual improvement in the performance of the Company in coming years. It is difficult task, yet I am seeing changes and can expect better days ahead. I look forward to your continued support as your Company enters into consolidation phase and embarks upon the growth path.

With best regards,

**Hasmukh J. Shah**  
**Chairman**




**CORPORATE INFORMATION**

**BOARD OF DIRECTORS**

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

**PROMOTERS & TECHNICAL ASSOCIATES**

Dr. Harshad Mehta  
Mrs. Bhavna H. Mehta

**MANAGEMENT TEAM**

Mr. R. G. Trasi  
Mr. E. K. Lalkaka

**COMPANY SECRETARY**

Mr. Bhavin P Rambhia

**STATUTORY AUDITORS**

Ajay Shobha & Co.  
Chartered Accountants

**REGISTRAR & TRANSFER AGENTS**

Adroit Corporate Services Pvt. Ltd.  
19/20, Jaferbhoy Industrial Estate,  
1<sup>st</sup> Floor, Makwana Road, Marol Naka,  
Andheri (East), Mumbai – 400059  
Tel. No. +91-22-28594060/6060  
Email - info@adroitcorporate.com

**INTERNAL AUDITORS**

Bhandarkar & Kale  
Chartered Accountants

**BANKERS**

State Bank of India

**REGD. / CORPORATE OFFICE**

139/141, Solaris - 1, 'B' Wing,  
1<sup>st</sup> Floor, Saki Vihar Road,  
Powai, Andheri (East), Mumbai – 400072  
Tel. No. +91-22-28471956  
Fax No. +91-22-28471959  
E-mail - secretarial@ruttonsha.com  
Website - www.ruttonsha.com

**WORKS / FACTORY**

International House,  
Plot No. 338, Baska,  
Taluka: Halol, Dist.: Panchmahals,  
Gujarat - 389350

**45<sup>th</sup> ANNUAL GENERAL MEETING**

**Date** : 22<sup>nd</sup> September, 2014  
**Day** : Monday  
**Time** : 11.30 a.m.  
**Venue** : Babasaheb Dahanukar Sabhagriha, Maharashtra Chamber of Commerce Trust,  
Oricon House, 6<sup>th</sup> Floor, 12 K. Dubhash Marg, Fort, Mumbai - 400001.

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## NOTICE

**NOTICE** is hereby given that the **Forty Fifth Annual General Meeting** of the members of **RUTTONSHA INTERNATIONAL RECTIFIER LIMITED** will be held on Monday, 22<sup>nd</sup> September, 2014 at 11.30 a.m., at Babasaheb Dahanukar Sabhagriha, Maharashtra Chamber of Commerce Trust, Oricon House, 6<sup>th</sup> Floor, 12 K. Dubhash Marg, Fort, Mumbai - 400001, to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2014 together with the Report of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. Bhavna H. Mehta (holding DIN : 00929249), who retires by rotation and being eligible offers herself for re-appointment.
3. To appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution** :

**“RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) M/s. Ajay Shobha & Co., Chartered Accountants, (Registration No. 317031E) be and are hereby re-appointed as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the 48<sup>th</sup> Annual General Meeting of the Company (subject to ratification of their appointment at every Annual General Meeting held hereafter), at a remuneration and other terms as may be determined by the Audit Committee and finalised by the Board of Directors.”

### SPECIAL BUSINESS:

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution** :  
**“RESOLVED THAT**, subject to the provisions of Sections 149, 150, 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Kisan R. Choksey (holding DIN : 00190931), be and is hereby appointed as a non-executive and independent director of the Company, to hold office for a term of five consecutive years from the conclusion of this Annual General Meeting and to receive by way of fees, reimbursement of expenses for participation in the meetings of the board and / or committees in terms of applicable provisions of the Companies Act, 2013 as determined by the Board from time to time.”
5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution** :  
**“RESOLVED THAT**, subject to the provisions of Sections 149, 150, 152, 160 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Pravin G. Shah (holding DIN : 00179771), be and is hereby appointed as a non-executive and independent director of the Company, to hold office for a term of five consecutive years from the conclusion of this Annual General Meeting and to receive by way of fees, reimbursement of expenses for participation in the meetings of the board and / or committees in terms of applicable provisions of the Companies Act, 2013 as determined by the Board from time to time.”
6. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution** :  
**“RESOLVED THAT**, subject to the provisions of Sections 149, 150, 152, 160 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Venkitaraman Iyer (holding DIN : 00730501), be and is hereby appointed as a non-executive and independent director of the Company, to hold office for a term of five consecutive years from the conclusion of this Annual General Meeting and to receive by way of fees, reimbursement of expenses for participation in the meetings of the board and / or committees in terms of applicable provisions of the Companies Act, 2013 as determined by the Board from time to time.”
7. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution** :  
**“RESOLVED THAT** pursuant to the provisions of Section 48 of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of Equity Shareholders be and is hereby accorded to extend the redemption period of 40,50,000 2% Redeemable Optionally Convertible Cumulative Preference Shares of ₹ 10/- each which were due for redemption on 24<sup>th</sup> June, 2014 by a period of ten years with an early redemption right to the Company before the extended period of ten years by giving 30 days notice and the action of the Board of Directors of the Company with respect to the said extension of redemption period be and is hereby ratified.”



## NOTICE (Cont'd...)

“**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds and things as may be necessary for the purpose of giving effect to this resolution including intimating the concerned authorities or such other regulatory bodies and for matters connected therewith or incidental thereto including delegating all or any of the powers conferred herein to any Committee of the Directors or Officers of the Company to the extent permitted under the Act and the rules made thereunder.”

## NOTES :

1. A member entitled to attend and vote at the meeting may appoint a proxy to attend and vote on a poll instead of himself /herself, and proxy so appointed need not be a member of the Company. The instrument appointing proxy should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of Companies, Trusts etc. must be supported by an appropriate resolution/authority as applicable. A person shall not act as proxy for more than 50 members and holding in the aggregate not more than ten percent of the total voting share capital of the Company. However, a member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
2. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the Special Businesses to be transacted at the Annual General Meeting as set out in the Notice is annexed hereto.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday 20<sup>th</sup> September, 2014 to Monday 22<sup>nd</sup> September, 2014 (both days inclusive) for the purpose of 45<sup>th</sup> Annual General Meeting.
4. Members holding shares in physical form are requested to notify/send, quoting their Folio No. about any change in their address/mandate/bank details to the Company's Registrar and Transfer Agents :- **Adroit Corporate Services Pvt. Ltd.**, Unit: Ruttonsha International Rectifier Ltd., 19/20, Jaferbhoj Industrial Estate, 1<sup>st</sup> Floor, Makwana Road, Marol Naka, Andheri (East), Mumbai – 400059.
5. Members holding shares in the electronic/dematerialized form are advised to inform changes in their address/bank mandate directly to their respective Depository Participants.
6. **Intimation of your e-mail id for receiving notice of various Meetings/ Annual Reports and other documents/updates from the Company** - Pursuant to circular No. 17/95/2011 CL-V dated 21/04/2011 and 29/04/2011 issued by the Ministry of Corporate Affairs, Govt. of India, shareholders desirous of receiving notice of various Meetings/ Annual Reports and other documents/updates from the Company through e-mail may intimate their e-mail id and any changes therein from time to time to their Depository Participants (in case of shareholding in demat mode) and to the Registrar and Transfer Agents (in case of shareholding in physical share certificates) with a view to pledge their support towards Green Initiative to **Save Paper, Save Environment** campaign.
7. Members are requested to bring their Attendance slip and copy of the Annual Report at the meeting, as copies of the same will not be distributed at the meeting. Attendance slip should be submitted at the entrance of the AGM hall. For the convenience of members, a copy of attendance slip and proxy form are enclosed at the end of this report.
8. 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, to the satisfaction of shareholders.
9. All documents referred to in the accompanying Notice and the Explanatory Statement will be open for inspection at the Registered Office of the Company during 10.00 am to 12.00 noon on all working days up to and including the date of the AGM.
10. Members holding shares in multiple folios in identical order of names are requested to send to the Company or its Registrar and Transfer Agents, the details of such folios together with the share certificates for consolidating their holdings into a single folio.
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore requested to submit their PAN to their Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's Registrar and Transfer Agent.
12. Members holding shares in physical form may obtain Nomination Forms from the Company's Registrar and Transfer Agents. Members holding shares in electronic form may obtain the Nomination Forms from their respective Depository Participants.



## NOTICE (Cont'd...)

13. Brief Details in respect of Director seeking appointments / re-appointment at this Annual General Meeting as required under Clause 49 of the Listing Agreement is provided in the Report on Corporate Governance forming part of this Annual Report.

**14. Voting through electronic means**

Pursuant to the provisions of section 108 of the Companies Act, 2013, Rule 20 and Rule 21 of Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 45th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by **Central Depository Services Limited (CDSL)**.

**The instructions for members for voting electronically are as under :**

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (ii) Click on "Shareholders" tab to cast your votes.
- (iii) Now, select the Electronic Voting Sequence Number - "EVSN" along with "RUTTONSHA INTERNATIONAL RECTIFIER LTD." from the drop down menu and click on "SUBMIT"
- (iv) If you are holding shares in Demat form and have already voted earlier on [www.evotingindia.com](http://www.evotingindia.com) for a voting of any Company, then your existing login id and password are to be used. If you are a first time user follow the steps given below.
- (v) Now, fill up the following details in the appropriate boxes :

User ID	For Members holding shares in Demat Form	For Members holding shares in Physical Form
	For NSDL : 8 Character DP ID followed by 8 Digits Client ID For CDSL : 16 digits beneficiary ID	Folio Number registered with the Company
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department when prompted by the system while e-voting (applicable for both Demat Shareholders as well as physical Shareholders)	
DOB#	Enter the date of birth as recorded in your demat account or in the Company records for the said demat account or folio in DD/MM/YYYY format.	
DIVIDEND BANK DETAILS#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.	

\* Members who have not updated their PAN with the Company/Depository Participant are requested to use the default number <RIRLT1234D> in the PAN field.

# Please enter any one of the details in order to login. In case both the details are not recorded with the depository or Company, please enter <No. of shares held> in the Dividend Bank details field.

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) Click on EVSN of < RUTTONSHA INTERNATIONAL RECTIFIER LTD. > on which you choose to vote.
- (ix) On the voting page, you will see Resolution Description and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (x) Click on the "Resolutions File Link" if you wish to view the entire Notice.
- (xi) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

**NOTICE (Cont'd...)**

- (xii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote. Please follow all steps from Sl. No. (i) to Sl. No. (xii) above, to cast your vote.
- (xiii) If Demat account holder has forgotten the password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xiv) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves, link their account which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and POA in favour of the Custodian whom they have authorised to vote on their behalf, in PDF format in the system for the scrutinizer to verify the vote.
- (xv) The voting period begins on 11<sup>th</sup> September, 2014 (10.00 a.m.) and ends on 13<sup>th</sup> September, 2014 (6.00 p.m.) During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 22<sup>nd</sup> August, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- (xvi) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. 22<sup>nd</sup> August, 2014.
- (xvii) Mr. Udai Parmar, proprietor of M/s. U.S. Parmar & Co., Chartered Accountants, Mumbai has been appointed as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (xviii) The scrutinizer shall within a period of not exceeding three working days from the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in employment of the Company and make a scrutinizer's report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- (xix) The results of the e-voting along with the scrutinizer's report shall be placed on the Company's website [www.ruttonsha.com](http://www.ruttonsha.com) and on the website of CDSL within two days of passing of the resolution at the AGM of the Company. The results will also be communicated to the stock exchange where the shares of the Company are listed.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
- (xxi) As the voting of the members is through electronic means, the members who do not have access to evoting may request a Physical Ballot form from the Registered Office of the Company. You are required to fill in the Ballot form and enclose it in sealed envelope and send it to scrutinizer U. S. Parmar & Co. (730, Ecstasy Bldg., 8<sup>th</sup> Floor, Citi of Joy, J. S. D. Road, Mulund (West), Mumbai - 400080) so as to reach the scrutinizer not later than 13<sup>th</sup> September, 2014 at 6.00 p.m. Ballot form received after this date will be treated as invalid. The scrutinizer's decision on the validity of the forms will be final. A member can opt for only one mode of voting i.e. either through evoting or by Ballot. If a member casts votes by both modes, then voting done through evoting shall prevail and Ballot shall be treated as invalid.

**By Order of the Board of Directors**

**Place : Mumbai**  
**Date : 6<sup>th</sup> August, 2014**

**Bhavin P Rambhia**  
**Company Secretary**

**Registered Office :**  
 139/141, Solaris 1, B Wing, 1st Floor,  
 Saki Vihar Road, Powai, Andheri (East),  
 Mumbai - 400072, Maharashtra.  
 CIN : L31109MH1969PLC014322  
 Tel No. : +91-22-28471956 Fax : +91-22-28471959  
 E-mail : [secretarial@ruttonsha.com](mailto:secretarial@ruttonsha.com)  
 Website : [www.ruttonsha.com](http://www.ruttonsha.com)





## ANNEXURE TO THE NOTICE

## Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 :

## Item No. 4, 5 and 6

The Companies Act, 2013 prescribes certain specific procedures for selection, appointment and remuneration of independent directors (IDs). As per the said provisions, the Independent Directors shall be appointed for not more than two terms of five years each and shall not liable to retire by rotation at every AGM.

Accordingly, all the following directors appointed earlier in terms of the erstwhile applicable provisions of the Companies Act, 1956 and Clause 49 of the Listing Agreement, are proposed to be appointed as non-executive independent directors for a term of five consecutive years, in compliance with the new provisions of the Companies Act, 2013.

Item No.	Name of the Directors	Earlier Appointment
4.	Mr. Kisan R. Choksey	Appointed as a Director on 27 <sup>th</sup> October, 2005. He is the Chairman of the Audit Committee and member of Nomination and Remuneration Committee and Stake Holders Relationship Committee of the Board of Directors of the Company.
5.	Mr. Pravin G. Shah	Appointed as a Director on 31 <sup>st</sup> December, 2005. He is the Chairman of the Stake Holders Relationship Committee and member of Nomination and Remuneration Committee of the Board of Directors of the Company.
6.	Mr. Venkitaraman Iyer	Appointed as a Director on 31 <sup>st</sup> December, 2005. He is the member of the Audit Committee of the Board of Directors of the Company.

In terms of Clause 49(IV)(G) of the Listing Agreement, a brief profile of the Directors who are proposed to be appointed as Directors in this meeting for a term of five years in terms of the applicable provisions of the Companies Act, 2013, nature of their expertise in specific functional areas, directorships and committee memberships, shareholding in the Company are provided in the Report on Corporate Governance forming part of this Annual Report.

All the aforesaid directors satisfy the criteria and other attributes for appointment as IDs as per the requirements of the Companies Act, 2013 and being eligible, offer themselves for appointment, for a term of five consecutive years from the conclusion of this AGM.

Both the Nomination and Remuneration Committee and the board were of the opinion, after evaluation of their performance and other attributes, that their continued association would be of immense benefit to the Company and it is desirable to avail their services as IDs for the said term of five consecutive years. All these directors fulfill the terms and conditions specified under the Companies Act, 2013 and rules made thereunder for their appointment as IDs by the shareholders and are independent of the management. The IDs are entitled to receive remuneration by way of fees and reimbursement of expenses for participation in the meetings of the board and / or committees in terms of applicable provisions of the Companies Act, 2013 and as determined by the board from time to time.

Accordingly, the Board recommends the resolutions, as set out in item nos. 4, 5 and 6, in relation to the terms of appointment of Mr. Kisan R. Choksey, Mr. Pravin G. Shah and Mr. Venkitaraman Iyer, as IDs for approval by the shareholders of the Company, by way of ordinary resolutions.

Except Mr. Kisan R. Choksey, Mr. Pravin G. Shah and Mr. Venkitaraman Iyer, directors, being appointees, none of the other directors or key managerial personnel of the Company or their relatives are concerned or interested, financially or otherwise, in their respective resolutions for appointment as set out in item nos. 4, 5 and 6.

Notices have been received from members of the Company under Section 160 of the Companies Act 2013, along with requisite deposit amount signifying the intention to propose the candidatures of the aforesaid IDs and to move the resolutions set out in item nos. 4, 5 and 6 of this Notice.

Copies of their letters of appointment, setting out the terms of appointment as IDs will be available for inspection without any fee by the members at the Registered Office of the Company, during normal business hours on any working day.





## ANNEXURE TO THE NOTICE (Cont'd...)

## Item No. 7

Pursuant to the Scheme of Amalgamation between Orient Semiconductors Pvt. Ltd. and Ruttonsha International Rectifier Ltd., the shareholders of the merged entity i.e. Orient Semiconductors Private Limited were allotted 40,50,000 2% Redeemable Optionally Convertible Cumulative Preference Shares of ₹ 10/- each.

All the above 40,50,000 Preference Shares were due for redemption on 24<sup>th</sup> June, 2014. The Board of Directors had unanimously resolved to extend the period of redemption of Preference Shares by a period of ten years with an early redemption right to the Company before the extended period of ten years by giving 30 days notice (i.e. the new redemption date for these preference shares shall be 24<sup>th</sup> June, 2024 unless they are redeemed earlier by giving 30 days notice) to the concerned shareholders. The Company noted that the promoters and promoter group to whom these shares were issued have agreed to extend the redemption period by ten years with an early redemption right to the Company. The Company has obtained the consent of all the preference shareholders u/s 48 of the Companies Act, 2013. Accordingly, the Board recommends the Special Resolution as set out in item no. 7 for ratification by the shareholders of the Company.

Mrs. Bhavna H. Mehta and Mr. Hasmukh J. Shah being relatives and their other relatives to the extent of their shareholding interest in the Company may be deemed to be concerned or interested in the resolution set out respectively at item no. 7 of the Notice. Save and except the above, none of the other Directors/ Key Managerial Personnel of the Company/ their relatives is, in any way, concerned or interested, financially or otherwise, in this resolution.

By Order of the Board of Directors

Place : Mumbai  
Date : 6<sup>th</sup> August, 2014

Bhavin P Rambhia  
Company Secretary

**Registered Office :**

139/141, Solaris 1, B Wing, 1st Floor,  
Saki Vihar Road, Powai, Andheri (East),  
Mumbai - 400072, Maharashtra.  
CIN : L31109MH1969PLC014322  
Tel No. : +91-22-28471956 Fax : +91-22-28471959  
E-mail : secretarial@ruttonsha.com  
Website : www.ruttonsha.com

**Important Communication to Members**

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice / documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members are requested to register their e-mail address by sending us an e-mail to [secretarial@ruttonsha.com](mailto:secretarial@ruttonsha.com) or [info@adroitcorporate.com](mailto:info@adroitcorporate.com) mentioning your **DP ID Client ID / Folio No., Name of Shareholders with Joint Names, e-mail id, and No. of shares held in the Company.**

## DIRECTORS' REPORT TO THE SHARE HOLDERS

Dear Members,

Your Directors have pleasure in presenting the Forty Fifth Annual Report on the business and operations of the Company together with the Audited Accounts for the financial year ended 31<sup>st</sup> March, 2014.

### FINANCIAL RESULTS AND OPERATIONS

(Amt. in ₹)

Particulars	Year ended 31.03.2014	Year ended 31.03.2013
<b>Revenue from Operations (Net)</b>	<b>218,135,796</b>	300,305,126
<b>EBIDTA</b>	<b>22,400,468</b>	49,648,952
Less - (i) Finance Costs	<b>14,039,011</b>	13,005,858
(ii) Depreciation	<b>11,292,170</b>	11,754,311
<b>Profit/(Loss) before Tax</b>	<b>(29,30,713)</b>	24,888,783
Less - Provision for Taxation	-	56,40,786
<b>Profit/(Loss) for the year</b>	<b>(29,30,713)</b>	19,247,997
Add - Balance brought forward from previous year	<b>57,099,650</b>	43,956,371
<b>Amount available for Appropriation</b>	<b>54,168,937</b>	63,204,368
Less - Appropriation (i) Proposed Dividend on Equity Shares	-	5,217,930
(ii) Corporate Dividend Tax	-	886,788
<b>Balance carried to Balance Sheet</b>	<b>54,168,937</b>	57,099,650

### PERFORMANCE

During the financial year 2013-14, against the backdrop of an extremely challenging business environment, your Company reported turnover of ₹ 218,135,796/- as against ₹ 300,305,126/- last year. The decline in turnover and net profits during the year was mainly attributable to weak macro economic situation in the country, delayed order finalisation by Indian Railways and deferment of deliveries on to next financial year. Earnings Before Interest, Depreciation and Tax (EBIDTA) for the year declined to ₹ 22,400,468/- as compared to ₹ 49,648,952/- last year. The Company reported Net Loss of ₹ 29,30,713/- for the year due to impact of higher fixed cost on lower sales.

### DIVIDEND

In view of the losses incurred during the year, your Directors do not recommend any dividend for the Financial Year ended 31<sup>st</sup> March, 2014.

### DIRECTORS

During the year, the Ministry of Corporate Affairs (MCA) has notified majority of the provisions relating to selection, manner of appointment, roles, functions, duties, re-appointment of independent directors (IDs) and the relevant rules under the Companies Act, 2013 (the Act 2013) and made them effective 1st April, 2014.

In terms of the provisions of Section 149(10) read with Section 149(5) of the Act 2013, IDs are eligible to hold office for a term upto five consecutive years on the board and eligible for re-appointment for the second term on passing of special resolution by the Company. During the period, they will not be liable to 'retire by rotation' as per the provisions of Sections 150(2), 152(2) read with Schedule IV to the Act 2013. It is, therefore, proposed to appoint Mr. Kisan R. Choksey, Mr. Pravin G. Shah and Mr. Venkitaraman Iyer as IDs for a consecutive period of five years at the AGM. Necessary declarations have been obtained from them, as envisaged under the Act 2013.

Notices in writing signifying the intention to offer their candidatures as IDs of the Company along with the requisite deposit have been received from members of the Company in terms of Section 160 of the Act 2013.

In terms of the provisions of sub-section (6) read with explanation to Section 152 of the Act 2013, two-third of the total number of directors i.e., excluding IDs, are liable to retire by rotation and out of which, one-third, shall retire at every annual general meeting.

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

Mrs. Bhavna H. Mehta, Director of the Company, is therefore liable to retire by rotation and being eligible, offers herself for re-appointment at the forthcoming Annual General Meeting of the Company.

The Board recommends these appointments / re-appointment. Resolution seeking your approval is included in the Notice convening the 45<sup>th</sup> Annual General Meeting.

**DEPOSITS**

Your Company has not accepted any fixed deposits from the public during the year 2013-14 and there are no outstanding fixed deposits as on 31<sup>st</sup> March, 2014.

**AUDITORS AND AUDITORS REPORT**

M/s. Ajay Shobha & Co., Chartered Accountants, the Statutory Auditors of the Company, retire at the conclusion of ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The Board, on the recommendation of the Audit Committee, has proposed that M/s Ajay Shobha & Co., Chartered Accountants be appointed as the Statutory Auditors of the Company for a period of three years at the Annual General Meeting. The Company has received a letter from the retiring auditors to the effect that their re-appointment, if made, would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified for re-appointment.

The Auditors' Report is self explanatory and do not call for any further clarifications/explanations.

**MANAGEMENT DISCUSSION AND ANALYSIS**

Management Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange, is presented in a separate section forming part of the Annual Report.

**CREDIT RATING**

ICRA Limited have reaffirmed their long term Credit rating of **[ICRA]BB+** (pronounced ICRA double B plus) rating to the Company's Fund based limits and a short term rating of **[ICRA]A4+** (pronounced ICRA A four plus) rating to the Company's Non fund based limits.

**ISO 9001 : 2008 CERTIFICATE**

Your Company has obtained ISO 9001 : 2008 Certification, which is internationally recognized for quality management systems. The scope of certificate is design, manufacture and supply of Semiconductor Devices and Rectifier Equipments. The ISO Certification lends international recognition to the Company and will help boost sales and manufacturing of Semiconductor Devices and Equipments.

**CORPORATE GOVERNANCE**

The Report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement forms part of the Annual Report. The requisite Certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance as stipulated under the aforesaid Clause 49 is attached to this Report.

**INFORMATION REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988.****CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO****(a) Conservation of Energy**

The requirements of Disclosure with respect to Conservation of Energy in prescribed format as per Section 217(1)(e) of The Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, is not applicable to our Company.



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

The Company uses electricity as a major source of energy. Adequate steps for energy conservation, power factor improvement have been taken wherever feasible. The Company has installed Grid connected 10 Kva three phase Solar Inverter alongwith 10 Kw Roof Top Solar Panels at Baska Factory as an alternate means of power and to encourage energy conservation.

For effective treatment of effluents the Company has constructed an effluent treatment plant. There is adequate provision for the treatment of fumes resulting from the use of Sulphuric, Nitric, Hydrofluoric and other acids required for production.

### (b) Technology Absorption

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

#### 1) UL APPROVAL

Your Company has obtained UL approval for its semiconductor devices from Underwriters Laboratories under UL1557 safety standard for electrically isolated semiconductor which indicate that our devices have been investigated with regard to their isolation/insulation system between live parts and the heat sink and provided with an isolation voltage rating. UL's component certification creates additional value for our Company by providing us an objective means of demonstrating that our components comply with applicable requirements. Our Company would also enjoy increased visibility through UL's Online Certifications Directory.

Using UL certified components during production helps reduce costs and time to market. Because the components have already been found to be in compliance with the applicable component requirements, costly redesign issues that may be identified during the certification process relating to components can be minimized.

#### 2) CE MARK CERTIFICATION

Your Company has obtained CE mark certification for its semiconductor devices during the year under Directives 2002/95/EC and 2009/125/EC which states Directives for Diodes and Fully Compliant with ROHS, totally free from Halogen, Lead and Antimony. Further it also states that our products comply with Low Voltage requirements as per Directive 2006/95/EC and also meets the safety requirements of 2004/108/EC Safety of Machinery Electro Technical Aspects Requirements for design and construction.

The letters "CE" is an abbreviation for the French phrase "Conformité Européene" meaning European Conformity. It is applied to products to identify the product as conforming to the essential requirements and/or performance levels of the relevant European Directives on health, safety and environment. When a manufacturer affixes a CE mark to their product, they are declaring compliance with all relevant European Directives thereby ensuring validity for that product to be sold throughout the 30 countries of the European Economic Area (EEA).

### (c) Foreign Exchange Earnings and Outgo

#### A) Foreign Exchange used during the year –

(1) Raw materials	–	₹	73,807,990
(2) Components and spares	–	₹	663,100

#### B) Foreign Exchange earned during the year – ₹ 43,510,402

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

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**PARTICULARS OF EMPLOYEES**

During the financial year under review, none of the Company's employees were in receipt of remuneration as prescribed under section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 and hence no particulars are required to be disclosed in this Report.

**DIRECTORS' RESPONSIBILITY STATEMENT**

As stipulated under the provisions contained in Section 217(2AA) of the Companies Act, 1956, the Directors hereby confirm that:

1. in preparation of the annual accounts for the year ended 31<sup>st</sup> March, 2014, the applicable accounting standards have been followed and there are no material departures 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 31<sup>st</sup> March, 2014 and of the loss of the Company 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; and
4. they have prepared the annual accounts of the Company on a 'going concern' basis.

**STATUTORY COMPLIANCE**

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

**ACKNOWLEDGEMENTS**

The Board wishes to place on record its sincere appreciation for assistance and co-operation received from customers, bankers, regulatory and government authorities during the year. The Directors express their gratitude to the shareholders for reposing their faith and confidence in the Company. The directors also acknowledge the contribution made by the Company's employees at all levels. Our consistent growth was made possible by their hard work, solidarity and support.

**For and on behalf of the Board of Directors**

**Place : Mumbai**  
**Date : 30<sup>th</sup> May, 2014**

**Hasmukh J. Shah**  
**Chairman**



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### INDUSTRY OVER VIEW

Electronic Industry is broadly categorised under consumer, medical, communication, automotive, strategic electronics and industrial segments. Semiconductors in different forms is used in most of these applications. Your Company operates in high power semi conductor segment, where it continues to be a leader in niche semi conductor processing and manufacturing in India. Your Company is the only one in private sector to process chips ranging from 28mm to 125 mm diameter in high power segment. Continuous improvement in design technologies have led to smaller, complex and more reliable products at a lower cost, driven by increased demand for sophisticated electronic systems. It has led to proliferation of semiconductors in diverse end use applications in electronic industry.

### BUSINESS REVIEW

- (a) **Company outlook :** Your Company experienced a steep fall in demand during the financial year 2013-14. The Principal end markets your Company caters viz. Railways, Capital Goods, Automobiles, Steel, Welding Equipments, Defence, Industrial and Alternate Energy did not show any sign of improvement affecting the performance of the Company.

With the change in Government at the centre and positive sentiments, your Company expects to do much better in the current financial year. Companies efforts in streamlining certain processes to meet the international standards, getting quality and product approvals by certifying agencies during the year shall make the Company more competitive and acceptable in the International market. Efforts of the Company to increase its Export horizon has started paying rich dividends with exports already showing signs of improvement. Our constant endeavour to take challenging assignments bodes well for the outlook of the Company.

- (b) **Operational Performance Review :** As the Company faced a steep fall in demand and competition from organized sector in Equipments and unorganised players in devices, it took a severe hit with turnover during the financial year falling to ₹ 21.81 crores as compared to ₹ 30.03 crores last year.

The Company's efforts to focus on exports, getting product approvals and registrations has started paying dividends with a better order book position in the current fiscal year. Consolidation in processes has also helped in cutting operating costs resulting in improvement in margins.

- (c) **Opportunities and Threats :** Since the Company caters to Railways, Steel sector, Pollution control industry opportunities are likely to open up due to impetus on infrastructure development which the present government is putting to revive the economy and business sentiments in the country.

Due to tender based business, competition from other players may affect the orders of the Company.

Fluctuation in currencies rates due to large imports also affects Company's performance, though to some extent shall be offset by exports. Focus on new product range viz. modules and capsules has improved Company's margins and risk averse appetite of losing existing business.

The Company's entry into manufacturing of high current rectifiers, battery chargers, variac controllers, etc has started showing flow of orders.

### SEGMENT WISE PERFORMANCE

Segment reporting as per Accounting Standard AS-17 is not applicable as the Company operates in one segment i.e. Power Electronics.

### OULOOK

India is emerging as one of the largest electronics market in the world, with an estimated 11% global market share by 2015. New Government at the centre has put lot of emphasis on infrastructure development with public private participation and transparency the key focus. It has continued good policies of the past government and restarted the stalled projects.



**MANAGEMENT DISCUSSION AND ANALYSIS REPORT (Cont'd...)**

The Indian Government in its 12<sup>th</sup> five year plan has focused largely on infrastructure development and power sector - both conventional and alternative. Moreover, the Indian Railways is planning to invest a sizeable amount in expansion, modernization and conversion of electrical system from DC to AC. Under these developments, the Company's next five years capacity utilization appears to be encouraging.

**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has an adequate system of internal controls to ensure that the transactions are properly authorised, recorded and reported, apart from safeguarding its assets. The internal control system is supplemented by well-documented policies, guidelines and procedures and reviews carried out by the Company's internal audit function. The Company has appointed M/s. Bhandarkar & Kale, Chartered Accountants to oversee and carry out internal audit of the company's activities and submit their reports periodically to the Management and the Audit Committee of the board.

The Audit Committee, Statutory Auditors and the business heads are periodically apprised of the Internal audit findings and corrective actions taken.

**FINANCIAL PERFORMANCE**

- (i) **Profits and Earnings** : During the year, the Company's Revenue from Operations decreased to ₹ 218,135,796/- as compared to ₹ 300,305,126/- in 2012-13. Earnings Before Depreciation, Interest and Tax (EBIDTA) declined to ₹ 22,400,468/- as compared to ₹ 49,648,952/- last year. The Company has incurred Loss during the year of ₹ 29,30,713/- as against profit of ₹ 19,247,997/- last year.
- (ii) **Capital Expenditure** : During the year under review, the Company has not spent any substantial amount on Capital Expenditure.
- (iii) **Finance Costs** : In spite of ploughing back of funds, from internal accruals, the high cost of funding and high working capital off take has resulted in increase in finance cost by 7.94% to ₹ 14,039,011/- as against ₹ 13,005,858/- last year.

**HUMAN RESOURCES**

During the year, there has been no material development in Human Resources / Industrial relations. Your Company has a favourable work environment that motivates performance, customer focus and innovation while adhering to the highest degree of quality and integrity.

Your Company takes pride in the commitment, competence and dedication shown by its employees in all areas of business. Various HR initiatives are taken to align the HR policies to the growing requirements of the business.

**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, input availability and production costs, currency fluctuations, 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 of Directors

Place : Mumbai  
Date : 30<sup>th</sup> May, 2014

Hasmukh J. Shah  
Chairman

## REPORT ON CORPORATE GOVERNANCE

## 1. COMPANY PHILOSOPHY AND CORPORATE GOVERNANCE :

Your Company firmly believes that the fundamental objective of Corporate Governance is enhancing the interest of all shareholders/ stakeholders. The Company's Corporate Governance practices emanates from its commitment towards discipline, accountability, transparency and fairness. The main elements of Corporate Governance are timely and adequate disclosures, compliance of strict internal control systems and procedures, high standard of accountability, fidelity, product and service quality.

The Company also believes that sound Corporate Governance is a pre-requisite for attaining sustainable growth in this competitive corporate world. The governance practices followed by your Company have played a vital role in its journey of continued success. All the procedures, policies and practices followed by your Company are based on sound governance principles. Comprehensive disclosures, structured accountability in exercise of powers, adhering to industry standards and commitment in compliance with regulations and statutes, in letter as well as in spirit have enabled your Company to enhance shareholders value.

The Company is in compliance with all requisite guidelines on Corporate Governance as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange. This section of Annual Report alongwith Management Discussion and Analysis Report and General Shareholders Information, constitutes your Company's compliance with Clause 49 of the Listing Agreement.

## 2. BOARD OF DIRECTORS

## (a) Composition of the Board

The Board comprises of six Directors consisting of professionals selected from diverse fields such as engineering, finance and business management and all of them being non-executive directors out of which three are Independent Directors. The Board members possess all the skills, expertise and experience necessary to guide the Company. 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.

## (b) Details of Composition, Meetings and Attendance of the Board

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 well in advance to facilitate discussion for taking informed decisions.

The Board of Directors duly met 4 times during the financial year 2013-14 on the following dates namely 17<sup>th</sup> May, 2013; 31<sup>st</sup> July, 2013; 29<sup>th</sup> October, 2013 and 10<sup>th</sup> February, 2014 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 ensures compliance of all the statutory laws, rules and regulations. The draft minutes of the proceedings of the meetings of the Board/Committees are noted and circulated among the members of the Board/Committees for inviting their inputs/comments if any, and incorporating the same for preparation and finalisation of minutes, in consultation with the Chairman.

None of the Directors on the Board are members of more than ten Committees or Chairman of more than five Committees across all the Companies in which they are Directors. Necessary disclosures regarding Committee positions in other public companies as on 31<sup>st</sup> March, 2014 have been made by the Directors.

The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and number of Directorships and Committee Chairmanships/Memberships held by them in other companies are given herein below :

Name of Director	Category of Director (Whether Promoter/ Executive/ Non Executive/ Independent)	No. of Board meetings held during the year	No. of Board Meetings attended during the year	Attendance at last AGM held on 13.08.2013	Chairman / Committee membership in other Public Ltd. Cos.
Mrs. Bhavna H. Mehta	Non-Executive Director (Promoter)	4	Nil	No	-
Mr. Hasmukh J. Shah	Non-Executive Director (Promoter)	4	4	Yes	-
Mr. Manoj P. Mehta	Non-Executive Director (Professional)	4	4	Yes	-
Mr. Kisan R. Choksey	Non-Executive Director (Independent)	4	4	Yes	Yes, Chairman in 3 Committees
Mr. Pravin G. Shah	Non-Executive Director (Independent)	4	4	Yes	-
Mr. Venkitaraman Iyer	Non-Executive Director (Independent)	4	2	Yes	-



## REPORT ON CORPORATE GOVERNANCE (Cont'd...)

## (c) Disclosures regarding appointment or reappointment of Directors

The profiles of Directors who are seeking appointments / re-appointment at the 45<sup>th</sup> Annual General Meeting are furnished below :-

**Appointments :**

**Mr. Kisan R. Choksey** has been a Director of our Company since October 2005. He is a Commerce graduate and has experience of more than 46 years in Financial Sector. He is member of the Bombay Stock Exchange since 1974. He became a Director of BSE and held the post of Treasurer for 2 years. He was elected as Vice President of Bombay Stock Exchange in the year 1992-93. He is also Director in Simplex Castings Limited and Chairman of leading brokerage house Kisan Ratilal Choksey Shares & Securities Pvt. Ltd.

He is Chairman of Company's Audit Committee and a member of Nomination and Remuneration Committee and Stakeholders Relationship Committee. He holds 4100 shares in the Company.

**Mr. Pravin G. Shah** has been a Director of the Company since December 2005. He holds MS Degree in Chemical Engineering and is a Businessman having more than 42 years of experience in Chemical Industry, Trade and Commerce. He is also associated with various Educational and Welfare Institutions.

He is Chairman of Company's Stakeholders Relationship Committee and a member of Nomination and Remuneration Committee. He holds 2500 shares in the Company.

**Mr. Venkitaraman Iyer** has been a Director of the Company since December 2005. He holds Masters Degree in Commerce and is a Chartered Accountant, having wide range of exposure and experience in the field of Corporate Laws, Finance, Audit and Taxation matters. He had worked with Prebon Yamane Group of Companies in its Indian operations during the 1993-2006. He was also involved in advisory capacity in number of blue chip companies. He has been associated with leading structural and design consultants for feasibility study of BOT and BOOT projects of NHAI regarding Tuticorin Port Road Connectivity Project, Chelari-Kuttiapuram Highway widening project, Cochin Airport (CIAL) proposal and Pondicherry Government's proposed entertainment complex. He was also an Independent Director on the board of MTNL Ltd.

He is member of Company's Audit Committee. He does not hold any shares in the Company.

**Re-appointment :**

**Mrs. Bhavna H. Mehta** is the Chief Promoter and Director of the Company. She is an Arts Graduate and NRI settled in U.S.A. having rich and varied experience of over two decades in the field of Business Management and HRD. She has been instrumental and guiding force in turnaround and revival of Ruttonsha since 2005-06. Her functions include envisioning the Company's growth, strategizing the operations of the Company and overseeing the Finance and Administrative functions.

She holds 47,24,583 equity shares in the Company.

**3. BOARD COMMITTEES**

The Board has constituted 3 Committees namely:- I) Audit Committee, II) Nomination and Remuneration Committee and III) Stakeholders Relationship Committee. The Board is responsible for constituting, assigning and co-opting the members of the Committees.

**I) Audit Committee**

The Company has an independent Audit committee which plays an important role in reporting of financial performance and review of internal control procedures. All the members of the Audit Committee are financially literate and have sound accounting knowledge and financial management expertise.

The Audit Committee comprises of three Non - Executive Directors namely : Mr. Kisan R. Choksey – Chairman, (Independent Director) having Audit, Financial and Accounting knowledge, Mr. Venkitaraman Iyer, Chartered Accountant (Independent Director) and Mr. Manoj P. Mehta, Chartered Accountant as members.

Mr. Bhavin P Rambhia, Company Secretary acts as the Compliance Officer to the committee.

**REPORT ON CORPORATE GOVERNANCE (Cont'd...)****Role of Audit Committee:**

- (a) Overseeing the Company's financial reporting process and disclosure of financial information.
- (b) Reviewing with the management quarterly and annual financial statements before submission to the board for approval with particular reference to the matters specified in the Listing Agreement.
- (c) Reviewing the statement of related party transactions and transactions with companies in which one or more director(s) of the Company is/are deemed to be interested/concerned.
- (d) Discussing the nature and scope of audit including internal audit prior to the commencement of the audit and areas of concern, if any, arising post audit.
- (e) Reviewing the reports of internal auditors and ensuring that adequate follow-up action is taken by the management on observations and recommendations made by the internal auditors.
- (f) Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature, if any.
- (g) Recommending to the board the appointment/ re-appointment / replacement of the internal / statutory auditors and the fees payable for audits and approving the payment for any other services rendered by the statutory auditors.
- (h) Reviewing the adequacy of internal audit functions and systems, structure, reporting process, audit coverage and frequency of internal audit.
- (i) Reviewing the management discussion, analysis of financial conditions and results of operations and other matters specified under Clause 49 of the Listing Agreement.
- (j) Reviewing with the management the annual financial statements before submission to the board, in particular :
  - i) Any changes in accounting policies and practices;
  - ii) Major accounting entries passed, based on exercise of judgement by the management;
  - iii) Significant adjustments arising out of audit;
  - iv) Compliance with accounting standards; and
  - v) Disclosure of contingent liabilities.
- (k) In addition, reviewing such other functions as envisaged under Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement with Stock Exchange.

The subjects reviewed and recommended in the meetings of the Audit Committee are appraised by the Chairman of the Committee to the board for its approval. In line with the requirements of Section 177 of the Companies Act, 2013 additional powers have been vested with the Audit Committee.

**Attendance of each member at the Audit Committee meetings held during the year.**

During the year 2013-14, four Audit Committee meetings were held on the following dates - 17<sup>th</sup> May 2013, 31<sup>st</sup> July 2013, 29<sup>th</sup> October 2013 and 10<sup>th</sup> February 2014. The attendance of the members at the meeting were as follows:-

Sr. No.	Name of the Committee member	Status	No. of Committee meetings attended
1.	Mr. Kisan R. Choksey	Chairman	4
2.	Mr. Manoj P. Mehta	Member	4
3.	Mr. Venkitaraman Iyer	Member	2

## REPORT ON CORPORATE GOVERNANCE (Cont'd...)

## II) Nomination and Remuneration Committee

The remuneration policy of the Company is to remain competitive in the industry, to attract and retain the best talent and appropriately reward employees for their individual performances and valuable contributions made to the Company. The Nomination and Remuneration Committee comprises of the following members :

Sr. No.	Name of the Committee member	Status	No. of Committee meetings attended
1.	Mr. Manoj P. Mehta	Chairman	1
2.	Mr. Kisan R. Choksey	Member	1
3.	Mr. Hasmukh J. Shah	Member	1
4.	Mr. Pravin G. Shah	Member	1

The terms of reference of the Nomination and Remuneration Committee are stated below :

- Appointment and retention strategies for employees.
- Employees development strategies.
- Compensation (including salaries and salary adjustments, incentives / benefits, bonus, and variables) for senior management and top level executives.
- All Human Resource related issues.
- 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 other statutory laws.

During the year under review one meeting of the Committee was held on 17/05/2013 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 2013-14 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 ₹ 5000/- for each Board meeting attended by them during the year.

No sitting fees are paid to the Directors for attending Committee Meetings.

## III) Stakeholders Relationship Committee

- The Stakeholders Relationship Committee oversees redressal of shareholder and investor grievances, transfer/ transmission of shares, issue of duplicate shares, recording dematerialisation/ rematerialisation of shares and related matters. The committee also monitors and reviews the performance and service standards of the Registrar and Transfer Agents of the Company.
- Mr. Pravin G. Shah, non-executive and independent director, is the Chairman of the Stakeholders Relationship Committee; Mr. Kisan R. Choksey and Mr. Hasmukh J. Shah are the other member of the Committee. Mr. Bhavin P Rambhia, Company Secretary acts as the Compliance Officer to the Committee.
- Investor Grievance Redressal**

Number of complaints received and resolved during the year under review and their break-up are as under :

Nature of Complaints	Number of Complaints	
	Received	Resolved
Non-Receipt of Annual Reports	NIL	NIL
Non-Receipt of Dividend Warrants	03	03
Non-Receipt of Share Certificates	NIL	NIL
Grievance Received through SCORES - SEBI/ Stock Exchange	NIL	NIL



## REPORT ON CORPORATE GOVERNANCE (Cont'd...)

All the complaints have generally been resolved to the satisfaction of the complainants and there were no investor complaints pending as on March 31, 2014.

- (d) In order to expedite redressal of investor grievances and complaints, the Company has developed a designated e-mail id. All investors can send their queries and complaints to : **secretarial@ruttonsha.com**.
- (e) All shares received for transfer were registered in favour of transferee and certificates despatched within 15 days, wherever the documents received were in order.
- (f) The Company has acted upon all valid requests for share transfer received during the year ended 31.03.2014 and no such transfer is pending.
- (g) During the Financial Year 2013-14, 12 meetings of Stakeholders Relationship Committee were held on the following dates which were attended by all the members:-

17/05/2013, 24/05/2013, 07/06/2013, 19/07/2013, 26/07/2013, 27/09/2013, 18/10/2013, 15/11/2013, 06/12/2013, 17/01/2014, 07/02/2013 and 14/02/2014 respectively.

## 4. GENERAL BODY MEETINGS

The details of Last Three Annual General Meetings (AGM) of the Company are as follows:

Financial Year	AGM	Venue	Date and Time	Special Resolutions Passed
2012-13	44 <sup>th</sup> AGM	Babasaheb Dahanukar Sabhagriha, Maharashtra Chamber of Commerce Trust, Oricon House, 6 <sup>th</sup> Floor, 12 K. Dubhash Marg, Fort, Mumbai - 400001.	13 <sup>th</sup> August, 2013 at 11.30 a.m.	Nil
2011-12	43 <sup>rd</sup> AGM	Babasaheb Dahanukar Sabhagriha, Maharashtra Chamber of Commerce Trust, Oricon House, 6 <sup>th</sup> Floor, 12 K. Dubhash Marg, Fort, Mumbai - 400001.	25 <sup>th</sup> September, 2012 at 11.30 a.m.	Nil
2010-11	42 <sup>nd</sup> AGM	Babasaheb Dahanukar Sabhagriha, Maharashtra Chamber of Commerce Trust, Oricon House, 6 <sup>th</sup> Floor, 12 K. Dubhash Marg, Fort, Mumbai - 400001.	27 <sup>th</sup> September, 2011 at 11.30 a.m.	Nil

There were no Special Resolutions passed by shareholders in last three Annual General Meetings of the Company.

## 5. POSTAL BALLOT RESOLUTIONS

No resolutions were passed through Postal Ballot during the year. Presently there is no special resolution proposed to be passed through Postal Ballot till the ensuing Annual General Meeting.

## 6. DISCLOSURES

- (a) The equity shares of the Company are listed on the Bombay Stock Exchange Limited and the Company has complied with all applicable requirements of capital markets and no penalties or strictures have been imposed on the Company by Stock Exchange, SEBI or any other statutory authority, on any matter relating to capital markets, during the last three years.
- (b) The Company has adopted a Whistle Blower Policy with an objective to provide employees and business associates a framework and formal mechanism whereby concerns can be raised in line with the Company's commitment to highest standards of ethical, moral and legal business conduct and its commitment to open communication. The employees can make protected disclosures to the Company's Management regarding any malpractices or events or activity that may have occurred in the organisation which may be considered as unethical or fraudulent. The employees may, where the matters are of grave nature, make protected disclosures directly to the Chairman of the Audit Committee of the Company. Due protection is provided to "Whistle Blower" against any, unfair termination or other unfair prejudicial employment practices.





## REPORT ON CORPORATE GOVERNANCE (Cont'd...)

- (c) Reconciliation of Share Capital Audit Report – Statutory Auditors of the Company have carried out Reconciliation of Share Capital 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 31<sup>st</sup> March 2014, the Reconciliation of Share Capital Audit Report confirms that the total issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.
- (d) During the Financial Year 2013-14, the Company had no materially significant related party transactions, which are considered to have potential conflict with the interests of the Company at large. Transactions with related parties are disclosed under Note no. 29 of Notes forming part of the Financial Statements in this Annual Report.

## 7. CODE OF CONDUCT

Your Company has adopted a Code of Conduct for the Board members and senior management personnel of the Company in accordance with the requirements of clause 49 (I)(D) of the Listing Agreement. The Code of Conduct has also been posted on the Company's website. All the Board members and the senior management personnel have affirmed their compliance with the said Code of Conduct for the financial year ended 31<sup>st</sup> March, 2014. The declaration to this effect is signed by Mr. Manoj P. Mehta, Director of the Company forming part of this report.

## 8. MEANS OF COMMUNICATIONS

- (a) **Quarterly Results:-** The Quarterly results of the Company are published in The Economic Times – (English and Gujarati edition), The Financial Express and Mumbai Lakshwadeep newspapers. As the results of the Company are published in newspapers, intimated to the Stock Exchanges and posted on the Company's website: [www.ruttonsha.com](http://www.ruttonsha.com), hence quarterly/half-yearly reports are not sent to each shareholder.
- (b) **Annual Reports:-** Annual Report containing, inter alia, Audited Annual Accounts, Directors' Report, Auditors' Report and other important information are circulated to members and others entitled thereto. Management Discussion and Analysis Report forming part of this Annual Report is also sent to the shareholders of the Company.
- (c) The Company has not made any presentation to the institutional investors or to the analysts.

## 9. GENERAL SHAREHOLDERS INFORMATION

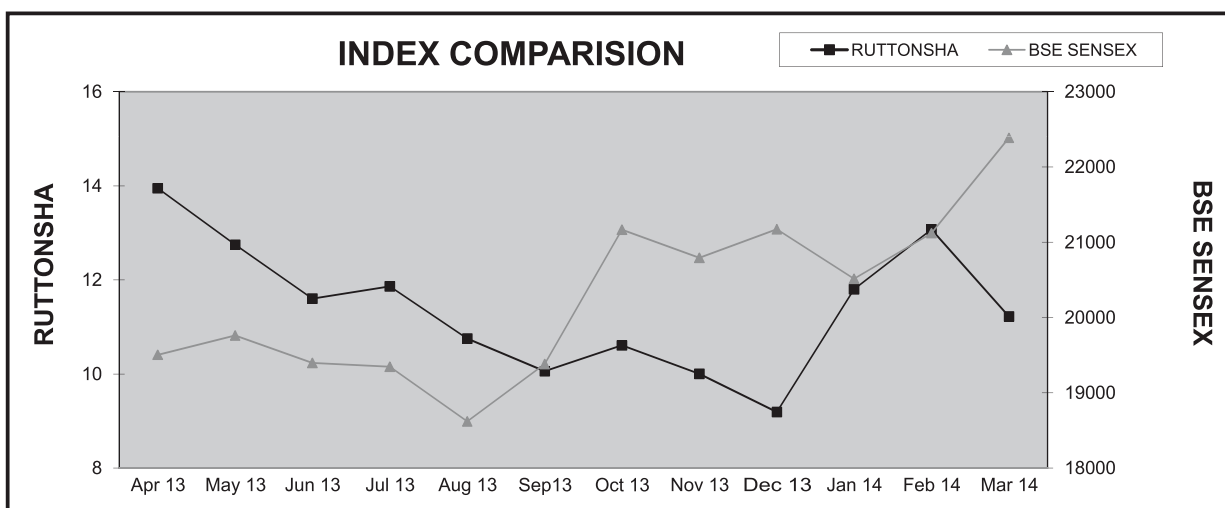
- (i) **45<sup>th</sup> Annual General Meeting**
- Date** : 22<sup>nd</sup> September, 2014
- Time** : 11.30 a.m.
- Venue** : Babasaheb Dahanukar Sabhagriha, Maharashtra Chamber of Commerce Trust, Oricon House, 6<sup>th</sup> floor, 12 K. Dubhash Marg, Fort, Mumbai - 400001.
- (ii) **Financial Year** : 1<sup>st</sup> April, 2013 to 31<sup>st</sup> March, 2014.
- (iii) **Date of Book closure** : Saturday 20<sup>th</sup> September, 2014 to Monday 22<sup>nd</sup> September, 2014 (Both days inclusive)
- (iv) **Listing on Stock Exchange** : The shares of the Company are listed on The Bombay Stock Exchange Ltd. (BSE). The Company has paid the listing fees for the financial year 2014-15 to BSE on which Company's shares are listed. The Company has also paid custodial fees for the year 2014-15 to NSDL and CDSL. The International Security Identification Number (ISIN) allocated to the Company by NSDL and CDSL is **INE302D01016**.
- (v) **Stock Code** : Bombay Stock Exchange (BSE) Scrip Code: 517035
- (vi) **Dates for approval of** : 1<sup>st</sup> Quarter: 4<sup>th</sup> week of July 2014\*
- Quarterly Results for** : 2<sup>nd</sup> Quarter: 4<sup>th</sup> week of October 2014\*
- 2014-15** : 3<sup>rd</sup> Quarter: 4<sup>th</sup> week of January 2015\*
- (\* indicates tentative dates)** : 4<sup>th</sup> Quarter/Annual Results : 4<sup>th</sup> week of May 2015\*
- (vii) **CIN No.** : L31109MH1969PLC014322

## REPORT ON CORPORATE GOVERNANCE (Cont'd...)

## (viii) Market Price Data – (High/Low during each month of the Financial year 2013-14)

Company's Share Price at BSE					
Month	High (₹)	Low (₹)	Month	High (₹)	Low (₹)
April, 2013	13.95	13.31	October, 2013	10.61	10.00
May, 2013	14.64	12.05	November, 2013	10.50	10.00
June, 2013	12.75	11.60	December, 2013	9.85	8.75
July, 2013	11.86	11.30	January, 2014	11.80	8.45
August, 2013	12.22	10.75	February, 2014	15.63	12.39
September, 2013	10.30	10.06	March, 2014	13.70	11.22

## (ix) Stock Performance in comparison to BSE SENSEX



(x) **Share Transfer System** : Share transfers received in physical form are registered and returned within 15 days from date of receipt in case the documents are complete in all respects.

(xi) **Registrar and Transfer Agents** : Adroit Corporate Services Pvt. Ltd.  
 19/20, Jaferbhoy Industrial Estate, 1<sup>st</sup> Floor, Makwana Road, Marol Naka,  
 Andheri (East) Mumbai - 400059, Maharashtra  
 Tel. No. : +91-22-28594060/6060  
 Fax No. : +91-22-28503748  
 Email : info@adroitcorporate.com

## (xii) Dematerialization of Shares and Liquidity:

The Company has received permission from NSDL and CDSL for dematerialization of its shares. No. of Equity shares that have been dematerialized upto 31<sup>st</sup> March, 2014 are 61,93,974 i.e. 89.03 % of the total paid-up Equity Share Capital.

We once again appeal to all the shareholders and investors who have still not dematerialised their physical shares to get their holdings converted into demat mode to enable better price discovery, safe and smooth procedure for trading of shares, avoiding loss or theft of physical shares etc. In case you require any guidance in this regard and for any other queries/complaints or feedback you may contact our Registrar and Transfer Agents or you may contact the Company Secretary at the Registered Office of the Company.

## REPORT ON CORPORATE GOVERNANCE (Cont'd...)

- (xiii) **Distribution of Shareholding as on 31<sup>st</sup> March, 2014**  
(Nominal value of each share ₹10/-)

No of Shareholding	No. of shareholders	% to total	Total Number of shares	Amount (₹)	% to total capital
Upto 100	716	18.54	61345	613450.00	0.88
101 to 500	2600	67.34	755207	7552070.00	10.86
501 to 1000	348	9.01	262404	2624040.00	3.77
1001 to 2000	114	2.96	170228	1702280.00	2.45
2001 to 3000	34	0.89	87367	873670.00	1.26
3001 to 4000	17	0.44	61454	614540.00	0.88
4001 to 5000	9	0.23	41695	416950.00	0.60
5001 to 10000	14	0.36	107926	1079260.00	1.55
10001 to 20000	2	0.05	26072	260720.00	0.37
20001 to 50000	2	0.05	92625	926250.00	1.33
50001 & Above	5	0.13	5290917	52909170.00	76.05
<b>TOTAL</b>	<b>3861</b>	<b>100%</b>	<b>6957240</b>	<b>69572400.00</b>	<b>100%</b>

- (xiv) **Category of shareholders as on 31<sup>st</sup> March, 2014**

Sr. No.	Class of shareholders	No. of shares held	% to total capital
1	Promoters	5087958	73.13%
2	Banks	1400	0.02%
3	Trusts	214184	3.08%
4	Bodies Corporate	11011	0.16%
5	Non-Resident shareholders	3120	0.04%
6	Resident shareholders	1635314	23.51%
7	Foreign Individuals	4253	0.06%
	<b>TOTAL</b>	<b>6957240</b>	<b>100 %</b>

- (xv) **Outstanding GDR's/ADR's/Warrants/Convertible Instruments and their impact on equity** : N.A.
- (xvi) **Plant Location** : 338, International House, Baska, Taluka: Halol, Dist. - Panchmahals, Pin - 389350, Gujarat.
- (xvii) **Address for Correspondence**: Shareholders correspondence should be addressed to the Company's Registrar and Transfer Agents.

Shareholders may also contact the Company Secretary at the Registered office of the Company for any assistance at:-

**Ruttonsha International Rectifier Ltd.**, 139/141, Solaris 1, 'B' Wing, First Floor, Saki Vihar Road, Powai, Andheri (East), Mumbai - 400072 ; Tel. No. +91-22 28471956 ; Fax No. +91-22 28471959 ; E-mail - secretarial@ruttonsha.com

**Note** - Shareholders holding shares in Demat form (electronic mode) should address all their correspondence regarding change of address, non-credit/debit of shares after transfer etc. to their Depository Participant.

- (xviii) **Other information for shareholders -**

**Nomination facility** : Shareholders are entitled to make nomination in respect of shares held by them. Shareholders holding shares in physical form and desirous of making a nomination are requested to send their requests to the Company's Registrar and Transfer Agents :- Adroit Corporate Services Pvt. Ltd. Shareholders holding shares in electronic form are requested to give the nomination request to their respective Depository Participants only.

**National Electronic Clearing System (NECS) for dividend** : The remittance of dividend through Electronic Clearing System has been moved to National Electronic Clearing System (NECS) platform through core banking system

**REPORT ON CORPORATE GOVERNANCE (Cont'd...)**

effective 1<sup>st</sup> October, 2009. Accordingly, dividend shall be credited to the shareholders' bank account through NECS where complete core banking details are available with the Company. In the event any branch of a bank has not migrated to core banking system, or where core banking account is not furnished by the shareholder to the Depository/Company as the case may be, the Company shall print details available in its records on the dividend warrants to be issued to the shareholders.

Investors who are holding shares in physical form and would like to avail NECS facility may send in their NECS Mandate Form duly filled in to the Company's Registrar & Transfer Agent - Adroit Corporate Services Pvt. Ltd. The NECS Mandate instruction should be under the signature of the shareholder(s) as per the specimen signature lodged with the Company.

Members holding shares in demat form may update their bank particulars with their respective Depository Participants.

**DECLARATION**

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, the Board members and senior management personnel have confirmed compliance with the Code of Conduct for the year ended 31<sup>st</sup> March 2014.

For **Ruttonsha International Rectifier Ltd.**

**Manoj P. Mehta**  
Director

Mumbai, 30<sup>th</sup> May, 2014

**INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE****To the Members of Ruttonsha International Rectifier Limited**

We have examined the compliance of conditions of Corporate Governance by Ruttonsha International Rectifier Limited ('the Company') for the year ended 31<sup>st</sup> March, 2014, as stipulated in clause 49 of the Listing Agreement of the Company entered into with the Bombay Stock Exchange Limited.

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

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

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

Place : Mumbai  
Date : 30<sup>th</sup> May, 2014

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

**INDEPENDENT AUDITORS' REPORT****To the Members of Ruttonsha International Rectifier Limited****Report on the Financial Statements**

1. We have audited the accompanying financial statements of Ruttonsha International Rectifier Ltd. ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

2. The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13<sup>th</sup> September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility**

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Opinion**

6. In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :
  - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2014;
  - (ii) in the case of the Statement of Profit and Loss, of the Loss of the Company for the year ended on that date; and
  - (iii) in the case of the Cash Flow statement, of the cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

7. As required by the Companies (Auditors' Report) Order, 2003 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
8. As required by Section 227(3) of the Act, we report that :
  - (a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

**INDEPENDENT AUDITORS' REPORT**

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- (c) the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- (d) in our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement comply with the Accounting Standards notified under the Act read with the General Circular 15/2013 dated 13<sup>th</sup> September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013;
- (e) on the basis of written representations received from the Directors as on 31<sup>st</sup> March, 2014, and taken on record by the Board of Directors, we report that none of the directors of the Company is disqualified as on 31<sup>st</sup> March, 2014, from being appointed as a director in terms of clause (g) of sub section (1) of Section 274 of the Act.

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

Place : Mumbai  
Date : 30<sup>th</sup> May, 2014

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



**ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT**

(Referred to in Paragraph 7 under "Report on Other Legal and Regulatory Requirements" section of our Report of even date)

1. In respect of the Fixed Assets :

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets are physically verified by the management according to a phased programme designed to cover all the items over a period, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) In our opinion, a substantial part of fixed assets has not been disposed off by the Company during the year and the going concern status of the company is not affected.

2. In respect of Inventories :

- (a) The inventories have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventories. The discrepancies noticed on physical verification of inventories as compared to the book records were not material and have been properly dealt with in the books of account.

3. (a) As per the information and explanations given to us, the Company has not granted any loan to the companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.

- (b) In view our comment in para 3 (a) above, clause 4 (iii) (b) and 4 (iii) (c) of the said Order are not applicable to the Company.

- (c) As informed, the Company has taken unsecured loan from a director covered in the register maintained under Section 301 of the Companies Act, 1956 on demand basis. The maximum amount outstanding during the year was ₹ 19,770,209/- and the year end balance due to her was ₹ 19,674,883/-.

- (d) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions of the loans taken by the Company are prima facie not pre-judicial to the interest of the Company.

4. In our opinion and according to the information and explanations given to us, there are adequate internal control system commensurate with the size of the Company and the nature of its business, with regard to purchase of inventories and fixed assets and sale of goods and services. During the course of our audit, we have not observed any major weakness in such internal control system.

5. In respect of transactions covered under Section 301 of the Companies Act, 1956 :

- (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 the transactions that need to be entered into the register maintained under Section 301 of the Companies Act, 1956 have been so entered.

- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and exceeding the value of rupees five lacs in respect of each party during the year have been made at prices which are reasonable having regard to the market prices prevailing at the relevant time.

6. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Section 58A and 58AA of the Companies Act, 1956, and the rules framed there under.

7. In our opinion, the internal audit function carried out during the year by a firm of Chartered Accountants appointed by the management is commensurate with the size of the Company and the nature of its business.

8. We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for the maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956 and are

**ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT**

of opinion that prima facie, the prescribed accounts and records have been maintained. We have however, not made a detailed examination of the records with a view to determine whether they are accurate and complete.

9. (a) According to the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax/ Value Added Tax, Wealth Tax, Customs Duty, Excise Duty, Cess, and other statutory dues have been regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31<sup>st</sup> March, 2014 for a period of more than six months from the date of becoming payable.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there is no amount due in respect of any disputed Sales Tax, Income Tax, Wealth tax, Custom Duty, Excise Duty, etc.
10. The Company does not have any accumulated loss at the end of the financial year and has not incurred cash loss during the financial year ended 31<sup>st</sup> March, 2014 and also in the immediately preceding financial year.
11. Based on our audit procedures and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks.
12. According to the information and explanations given to us, the Company has not given 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 Order are not applicable to the Company.
14. In our opinion and according to the information and explanations given to us, the Company is not a dealer / trader in shares and securities. Accordingly, the provisions of clause 4 (xiv) of the paragraph 4 of the Order are not applicable to the Company.
15. According to the information and explanations given to us and the records examined by us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
16. In our opinion, on the basis of information and explanations given to us, on an overall basis, the term loans were applied for the purposes for which the loans were obtained.
17. On the basis of an overall examination of the Balance Sheet of the Company, in our opinion and according to the information and explanations given to us, there are no funds raised on a short term basis that have been used for long term investments.
18. During the year, the Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, clause 4(xviii) of the paragraph 4 of the Order is not applicable.
19. The Company has not issued any secured debentures. Accordingly, Clause 4(xix) of the paragraph 4 of the Order is not applicable.
20. The Company has not raised any money by way of public issue during the year.
21. During the course of our examination of the books of account and audit carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year nor have we been informed of such case by the management.

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

Place : Mumbai  
Date : 30<sup>th</sup> May, 2014

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


**BALANCE SHEET AS AT 31ST MARCH, 2014**

	NOTE NO.	( Amt. in ₹ )	As at 31st March, 2014 ( Amt. in ₹ )	( Amt. in ₹ )	As at 31st March, 2013 ( Amt. in ₹ )
<b>I. EQUITY AND LIABILITIES</b>					
<b>1. SHAREHOLDERS' FUNDS</b>					
(a) Share Capital	1	110,072,400		110,072,400	
(b) Reserves and Surplus	2	61,341,670		64,275,006	
			171,414,070		174,347,406
<b>2. NON-CURRENT LIABILITIES</b>					
(a) Long Term Borrowings	3	20,524,717		19,955,041	
(b) Deferred Tax Liability (net)	4	19,632,168		19,632,168	
(c) Other Long Term Liabilities	5	217,500		217,500	
(d) Long Term Provisions	6	5,608,280		6,039,219	
			45,982,665		45,843,928
<b>3. CURRENT LIABILITIES</b>					
(a) Short Term Borrowings	7	71,427,398		69,053,408	
(b) Trade Payable	8	32,224,000		44,134,896	
(c) Other Current Liabilities	9	6,305,475		8,006,600	
(d) Short Term Provisions	10	1,173,730		9,921,243	
			111,130,603		131,116,147
<b>TOTAL</b>			<b>328,527,338</b>		<b>351,307,481</b>
<b>II. ASSETS</b>					
<b>1. NON-CURRENT ASSETS</b>					
(a) Fixed Assets	11				
(i) Tangible Assets		111,803,295		118,981,891	
(ii) Capital Work in Progress		359,971		705,704	
		112,163,266		119,687,595	
(b) Non Current Investment	12	847,665		847,665	
(c) Long term Loans and Advances	13	7,717,853		7,083,997	
(d) Other Non Current Assets	14	134,017		94,237	
			120,862,801		127,713,494
<b>2. CURRENT ASSETS</b>					
(a) Inventories	15	98,974,741		65,522,331	
(b) Trade Receivables	16	92,486,834		142,362,162	
(c) Cash and Bank Balances	17	11,081,411		12,178,910	
(d) Short Term Loans and Advances	18	5,121,551		3,530,584	
			207,664,537		223,593,987
<b>TOTAL</b>			<b>328,527,338</b>		<b>351,307,481</b>

**Significant Accounting Policies**
**26**
**Other Disclosure Notes**
**27 to 40**
**Accompanying Notes are an integral part of the Financial Statements**

As per our attached Report of even date

**For AJAY SHOBHA & Co.**

Chartered Accountants

(Regn. No. 317031E)

**(AJAY GUPTA)**

Partner

M. No. 053071

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**
**(Hasmukh J. Shah)**  
Director

**(Manoj P. Mehta)**  
Director

**(Pravin G. Shah)**  
Director

**(Kisan R. Choksey)**  
Director

**(Venkitaraman Iyer)**  
Director

**(Bhavin P Rambhia)**  
Company Secretary

**Place : Mumbai**
**Date : 30<sup>th</sup> May, 2014**


**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014**

	NOTE NO.	For the year ended 31st March, 2014 (Amt. in ₹)	For the year ended 31st March, 2013 (Amt. in ₹)
<b>I. REVENUE FROM OPERATIONS</b>			
(a) Sale of Products (Gross)		243,934,873	341,748,956
Less : Excise Duty		(19,026,497)	(31,175,553)
Less : VAT and CST		(6,772,580)	(10,268,277)
Sale of Products (Net)	19	218,135,796	300,305,126
(b) Other Income	20	5,692,401	5,183,918
<b>TOTAL REVENUE</b>		<b>223,828,197</b>	<b>305,489,044</b>
<b>II. EXPENSES</b>			
(a) Cost of Materials Consumed	21	165,578,941	206,981,391
(b) Changes in Inventories of Finished Goods and Work in Progress	22	(21,593,960)	(9,031,917)
(c) Employees Benefit Expenses	23	30,049,118	29,833,284
(d) Finance Costs	24	14,039,011	13,005,858
(e) Depreciation and Amortisation Expenses	11	11,292,170	11,754,311
(f) Other Expenses	25	27,748,433	27,929,669
<b>TOTAL EXPENSES</b>		<b>227,113,713</b>	<b>280,472,596</b>
<b>III. PROFIT/(LOSS) BEFORE EXTRAORDINARY ITEMS (I - II)</b>		<b>(3,285,516)</b>	<b>25,016,448</b>
<b>IV. Extraordinary Items</b>		<b>(354,803)</b>	<b>(127,665)</b>
<b>V. PROFIT/(LOSS) BEFORE TAX (III - IV)</b>		<b>(2,930,713)</b>	<b>24,888,783</b>
<b>VI. TAX EXPENSES</b>			
(a) Current Tax		-	8,300,000
(b) Mat Credit Entitlement		-	(2,765,000)
(c) Deferred Tax		-	105,786
<b>VII. PROFIT/(LOSS) FOR THE YEAR (V - VI)</b>		<b>(2,930,713)</b>	<b>19,247,997</b>
<b>VIII. EARNINGS PER EQUITY SHARE</b>	39		
(Face Value of ₹ 10/- each)			
Basic and Diluted ( in ₹ )		-	2.77

**Significant Accounting Policies**

26

**Other Disclosure Notes**

27 to 40

**Accompanying Notes are an integral part of the Financial Statements**

As per our attached Report of even date

**For AJAY SHOBHA & Co.**

Chartered Accountants

(Regn. No. 317031E)

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

 (Hasmukh J. Shah)  
Director

 (Manoj P. Mehta)  
Director

**(AJAY GUPTA)**

Partner

M. No. 053071

 (Pravin G. Shah)  
Director

 (Kisan R. Choksey)  
Director

**Place : Mumbai**
**Date : 30<sup>th</sup> May, 2014**

 (Venkitaraman Iyer)  
Director

 (Bhavin P Rambhia)  
Company Secretary


**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014**

	For the year ended 31st March, 2014 ( Amt. in ₹ )	For the year ended 31st March, 2013 ( Amt. in ₹ )
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax and extraordinary items	(3,285,516)	25,016,448
Adjustments for :		
Depreciation	11,292,170	11,754,311
Extra Ordinary Items	354,803	(127,665)
Interest Income	(1,187,643)	(1,404,017)
Interest Expense	12,264,148	11,463,580
Revaluation Adjustment	2,623	3,002
	<u>22,726,101</u>	<u>21,689,211</u>
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>19,440,585</b>	<b>46,705,659</b>
<b>Changes in Working Capital</b>		
Trade Receivables	49,875,328	(22,157,343)
Inventories	(33,452,410)	(8,583,198)
Long Term Provisions	(430,939)	190,101
Short Term Loans and Advances	(987,098)	647,990
Other Current Liabilities	(1,701,125)	2,999,460
Short Term Provisions	(8,347)	(31,997)
Long Term Loans and Advances	(633,856)	416,109
Other Non Current Assets	(39,780)	75,786
Trade Payables	(11,910,896)	6,152,795
	<u>710,877</u>	<u>(20,290,297)</u>
Cash Used in Operating Activities	<b>20,151,462</b>	<b>26,415,362</b>
Direct Taxes paid (net)	<b>(3,238,317)</b>	<b>(4,532,489)</b>
<b>CASH GENERATED FROM OPERATIONS</b>	<b>16,913,145</b>	<b>21,882,873</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(4,116,198)	(4,650,161)
Capital Work in Progress	345,733	(705,704)
Interest Income	1,187,643	1,404,017
Revaluation Adjustment	(2,623)	(3,002)
	<u>(2,585,445)</u>	<u>(3,954,850)</u>
<b>C CASH FLOW FROM FINANCIAL ACTIVITIES</b>		
Repayment of Long Term Borrowings	569,676	(1,241,575)
Net increase in Working Capital Borrowings	2,373,991	1,089,478
Dividend paid	(5,217,930)	(5,217,930)
Corporate Dividend Tax paid	(886,788)	(846,479)
Interest paid	(12,264,148)	(11,463,580)
	<u>(15,425,199)</u>	<u>(17,680,086)</u>
<b>Net Increase/(Decrease) in Cash and cash Equivalents (A+B+C)</b>	<b>(1,097,499)</b>	<b>247,937</b>
Cash and Cash Equivalents as at 01-04-2013	<b>12,178,910</b>	<b>11,930,973</b>
<b>Cash and Cash Equivalents as at 31-03-2014</b>	<b>11,081,411</b>	<b>12,178,910</b>

Note : The Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 on Cash Flow Statement.

As per our attached Report of even date

**For AJAY SHOBHA & Co.**

Chartered Accountants

(Regn. No. 317031E)

**(AJAY GUPTA)**

Partner

M. No. 053071

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**(Hasmukh J. Shah)**  
Director

**(Manoj P. Mehta)**  
Director

**(Pravin G. Shah)**  
Director

**(Kisan R. Choksey)**  
Director

**Place : Mumbai**

**Date : 30<sup>th</sup> May, 2014**

**(Venkitaraman Iyer)**  
Director

**(Bhavin P Rambhia)**  
Company Secretary



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	( Amt. in ₹ )	As at 31st March, 2014 ( Amt. in ₹ )	As at 31st March, 2013 ( Amt. in ₹ )
<b>NOTE 1 : SHARE CAPITAL</b>			
<b>AUTHORISED</b>			
10,000,000 Equity Shares of ₹ 10/- each		100,000,000	100,000,000
4,050,000 2 % Redeemable Optionally Convertible Cumulative Preference Shares of ₹ 10 each		40,500,000	40,500,000
		<u>140,500,000</u>	<u>140,500,000</u>
<b>ISSUED, SUBSCRIBED AND FULLY PAID UP</b>			
6,957,240 Equity Shares of ₹ 10/- each fully paid-up		69,572,400	69,572,400
4,050,000 2% Redeemable Optionally Convertible Cumulative Preference shares of ₹ 10/- each fully paid-up		40,500,000	40,500,000
		<u>110,072,400</u>	<u>110,072,400</u>
<b>TOTAL</b>			

- 1.1) 3,750,000 Equity Shares out of the issued, subscribed and paid up share capital were issued to the erstwhile shareholders of Orient Semiconductors Pvt. Ltd. pursuant to the scheme of Amalgamation.
- 1.2) 4,050,000 2% Redeemable Optionally Convertible Cumulative Preference Shares out of the issued, subscribed and paid up share capital were issued to the erstwhile shareholders of Orient Semiconductors Pvt. Ltd. pursuant to the scheme of Amalgamation.
- 1.3) Shareholder's holding more than 5% Equity Shares of the Company.

Name of the Shareholder	As at 31st March, 2014		As at 31st March, 2013	
	No. of shares	%	No. of shares	%
Mrs. Bhavna H. Mehta	4,724,583	67.91	4,724,583	67.91

**NOTE 2 : RESERVES AND SURPLUS****(a) REVALUATION RESERVE**

As per Last Balance Sheet	95,464	98,466
Less: Utilised / Transferred during the year	2,623	3,002
Closing Balance	<u>92,841</u>	<u>95,464</u>

**(b) CAPITAL RESERVE**

Balance at the beginning and end of the year	2,396,456	2,396,456
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**(c) CASH SUBSIDY RESERVE**

Balance at the beginning and end of the year	323,500	323,500
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**(d) AMALGAMATION RESERVE**

Balance at the beginning and end of the year	4,359,936	4,359,936
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**(e) SURPLUS IN STATEMENT OF PROFIT AND LOSS**

As per Last Balance Sheet	57,099,650	43,956,371
Add/(Less): Profit/Loss for the year	(2,930,713)	19,247,997
	<u>54,168,937</u>	<u>63,204,368</u>
Less: Appropriations:		
Proposed Dividend on Equity Shares	-	5,217,930
Corporate Dividend Tax	-	886,788
	-	<u>6,104,718</u>
Closing Balance	<u>54,168,937</u>	<u>57,099,650</u>

**TOTAL**
61,341,670
64,275,006

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Cont'd...)**

	As at 31st March, 2014 ( Amt. in ₹ )	As at 31st March, 2013 ( Amt. in ₹ )
<b>NOTE 3 : LONG TERM BORROWINGS</b>		
<b>SECURED</b>		
Vehicle Loans from Bank	849,834	184,832
<b>UN-SECURED</b>		
Loan from a Director	19,674,883	19,770,209
<b>TOTAL</b>	<b>20,524,717</b>	<b>19,955,041</b>
3.1) Vehicle Loans are secured by hypothecation of Vehicles against which Loans have been taken from Bank.		
3.2) Loans from a Director is inclusive of interest accrued and due.		
<b>NOTE 4 : DEFERRED TAX LIABILITY</b>		
Deferred Tax Liability - related to fixed assets	19,632,168	19,632,168
<b>TOTAL</b>	<b>19,632,168</b>	<b>19,632,168</b>
<b>NOTE 5 : OTHER LONG TERM LIABILITIES</b>		
<b>OTHER PAYABLES</b>		
Trade / Security Deposit received	217,500	217,500
<b>TOTAL</b>	<b>217,500</b>	<b>217,500</b>
<b>NOTE 6 : LONG TERM PROVISIONS</b>		
<b>PROVISION FOR EMPLOYEE BENEFITS</b>		
(a) Provision for Gratuity	5,069,348	5,382,494
(b) Provision for Compensated Absences	538,932	656,725
<b>TOTAL</b>	<b>5,608,280</b>	<b>6,039,219</b>
<b>NOTE 7 : SHORT TERM BORROWINGS</b>		
<b>SECURED</b>		
Cash Credit from Bank	71,427,398	69,053,408
<b>TOTAL</b>	<b>71,427,398</b>	<b>69,053,408</b>
Cash credit from bank is secured by hypothecation of stocks and current assets as primary security and by first charge on Land and Building under Survey Nos. 338/P1, 338/P2, 338/P3 and 338/P4 situated at Baska, Taluka Halol, District Panchmahals and hypothecation of entire plant and machinery and other fixed assets both present and future, as collateral security to the bank. The said facility is further secured by lien on STDR of ₹ 55 Lacs kept with the bank.		
<b>NOTE 8 : TRADE PAYABLES</b>		
Other than Micro, Small and Medium Enterprises	32,224,000	44,134,896
<b>TOTAL</b>	<b>32,224,000</b>	<b>44,134,896</b>
<b>NOTE 9 : OTHER CURRENT LIABILITIES</b>		
(a) Un-paid/ Unclaimed Dividends	752,870	554,769
(b) Other Payable	3,430,561	4,926,654
(c) Statutory Remittances	2,122,044	2,525,177
<b>TOTAL</b>	<b>6,305,475</b>	<b>8,006,600</b>
9.1) There is no amount due and outstanding to be credited to Investor Education and Protection Fund as at 31st March, 2014.		
9.2) Statutory Remittances include amount due and payable to various Government and statutory authorities.		
<b>NOTE 10 : SHORT TERM PROVISIONS</b>		
(a) Provision for Employees Benefit	1,173,730	1,182,077
(b) Provision for Tax (net of Advance Tax)	-	2,634,448
(c) Proposed Equity Dividend	-	5,217,930
(d) Corporate Dividend Tax	-	886,788
<b>TOTAL</b>	<b>1,173,730</b>	<b>9,921,243</b>
Provision for employees benefit includes provision for bonus and ex-gratia.		

**NOTE FORMING PART OF THE FINANCIAL STATEMENTS (Cont'd...)**
**NOTE 11 : FIXED ASSETS**

( Amt in ₹ )											
Sr. No.	Particulars	GROSS BLOCK (at cost)				DEPRECIATION				NET BLOCK	
		As at 01.04.2013	Additions during the year	Deductions during the year	As at 31.03.2014	As at 01.04.2013	Deductions during the year	For the year	As at 31.03.2014	As at 31.03.2014	As at 31.03.2013
1	FREEHOLD LAND	3,589,950	-	-	3,589,950	-	-	-	-	3,589,950	3,589,950
2	BUILDINGS	22,458,516	89,269	-	22,547,785	11,228,329	-	841,063	12,069,392	10,478,393	11,230,187
3	PLANT AND MACHINERY	179,863,490	2,290,147	-	182,153,637	81,269,284	-	9,141,631	90,410,915	91,742,722	98,594,210
4	DIES AND MOULDS	4,568,723	67,490	-	4,636,213	4,046,961	-	84,507	4,131,468	504,745	521,762
5	ELECTRICAL INSTALLATION AND FITTINGS	4,035,961	334,308	-	4,370,269	3,162,430	-	168,066	3,330,496	1,039,773	873,531
6	AIR CONDITIONERS AND WATER COOLERS	2,346,605	-	-	2,346,605	1,503,233	-	147,025	1,650,258	696,347	843,372
7	VEHICLES	2,154,421	1,041,171	-	3,195,592	1,370,512	-	252,586	1,623,098	1,572,494	783,909
8	OFFICE EQUIPMENTS	5,358,564	184,772	-	5,543,336	4,068,592	-	491,012	4,559,604	983,732	1,289,973
9	FURNITURE AND FIXTURES	6,062,691	109,041	-	6,171,732	4,807,690	-	168,903	4,976,593	1,195,139	1,255,001
	<b>TOTAL</b>	<b>230,438,921</b>	<b>4,116,198</b>	<b>-</b>	<b>234,555,119</b>	<b>111,457,031</b>	<b>-</b>	<b>11,294,793</b>	<b>122,751,824</b>	<b>111,803,295</b>	<b>118,981,895</b>
	<b>PREVIOUS YEAR</b>	<b>225,788,760</b>	<b>4,650,161</b>	<b>-</b>	<b>230,438,921</b>	<b>99,699,717</b>	<b>-</b>	<b>11,757,313</b>	<b>111,457,030</b>		
	<b>CAPITAL WORK IN PROGRESS</b>									<b>359,971</b>	<b>705,704</b>
	<b>GRAND TOTAL</b>									<b>112,163,266</b>	<b>119,687,599</b>

11.1) Gross Block of Fixed Assets includes Land, Building and Machinery which have been revalued on 30/05/1986 for ₹ 2,029,839.

11.2) Depreciation on Assets acquired through amalgamation are provided on Straight Line Method basis.

11.3) Depreciation on revalued assets has been adjusted against Revaluation reserve.

11.4) Individual fixed assets having cost upto ₹ 5,000/- are written off during the year.


**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Cont'd...)**

	As at 31st March, 2014 ( Amt. in ₹ )	As at 31st March, 2013 ( Amt. in ₹ )
<b>NOTE 12 : NON CURRENT INVESTMENT</b>		
2,10,584 Equity Shares of ₹ 10 each of the Company held in trust pursuant to the scheme of amalgamation of which Company is the sole beneficiary.		
	<u>847,665</u>	<u>847,665</u>
<b>TOTAL</b>	<u><u>847,665</u></u>	<u><u>847,665</u></u>
<b>NOTE 13 : LONG TERM LOANS AND ADVANCES</b>		
(a) Security Deposits (considered good)		
(i) Secured	3,765,172	4,449,405
(ii) Un-secured	2,256,524	1,374,410
(b) Advance Income Tax		
(i) For Earlier years (A.Y. 1987-88 and 1988-89)	1,260,182	1,260,182
(ii) For Earlier years (A.Y. 2013-14)	435,975	-
<b>TOTAL</b>	<u><u>7,717,853</u></u>	<u><u>7,083,997</u></u>
The Advance Income Tax for the Assessment Years 1987-88 and 1988-89 relate to matter under dispute with Income Tax Department, the judgement of which has already been passed by the Tribunal in favour of the Company. Accordingly, there is no demand of Tax due from the Company. The Company is yet to receive refund of the said amount.		
<b>NOTE 14 : OTHER NON CURRENT ASSETS</b>		
(a) Accruals (Un-secured considered good)		
Interest Accrued on deposits	87,708	47,928
(b) Others (Un-secured considered good)		
Compensation Receivable	46,309	46,309
<b>TOTAL</b>	<u><u>134,017</u></u>	<u><u>94,237</u></u>
During the year 1999 - 2000 the Government of Gujarat vide notice issued under Land Acquisition Act, 1894 had acquired 15000 Sq. ft. of land belonging to the Company for purpose of widening of Vadodara - Halol road and had awarded compensation of only ₹ 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 before statutory authorities.		
<b>NOTE 15 : INVENTORIES</b>		
(a) Raw Materials	38,805,940	26,947,490
(b) Work-in-Progress	55,521,415	29,025,057
(c) Finished Goods	4,647,386	9,549,784
<b>TOTAL</b>	<u><u>98,974,741</u></u>	<u><u>65,522,331</u></u>
<b>NOTE 16 : TRADE RECEIVABLES</b>		
(a) Trade Receivables outstanding for a period exceeding six months from the date they are due for payment		
(Un-secured, considered good)	11,679,614	5,535,626
Less: Provision for doubtful trade receivables	3,831,278	3,831,278
	<u>7,848,336</u>	<u>1,704,348</u>
(b) Others	84,638,498	140,657,814
<b>TOTAL</b>	<u><u>92,486,834</u></u>	<u><u>142,362,162</u></u>
The Company has made provision of ₹ 38,31,278/- for recovery of amount due from two State Government undertakings against whom legal proceedings have been initiated and the matter is subject to adjudication.		

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Cont'd...)**

	As at 31st March, 2014 ( Amt. in ₹ )	As at 31st March, 2013 ( Amt. in ₹ )
<b>NOTE 17 : CASH AND BANK BALANCES</b>		
(a) Cash and Cash Equivalents		
(i) Cash on hand	118,922	51,309
(ii) Balances with Banks		
- In Current Accounts	1,059,858	813,982
- In Deposit Accounts	9,889,731	10,332,219
	<u>11,068,511</u>	<u>11,197,510</u>
(b) Other Bank Balances		
Margin Money with Banks	12,900	981,400
<b>TOTAL</b>	<u><u>11,081,411</u></u>	<u><u>12,178,910</u></u>
Balance with banks in current accounts include unclaimed dividend of ₹ 752,870/- (Previous Year : ₹ 554,769/-)		
<b>NOTE 18 : SHORT TERM LOANS AND ADVANCES</b>		
(unsecured, considered good unless otherwise stated)		
(a) Advance to Suppliers	1,224,998	770,018
(b) Advance to Employees	284,427	382,957
(c) Prepaid Expenses	414,577	384,372
(d) Balance with Government Authorities		
- CENVAT Credit receivable	2298864	1930419
- Service Tax receivable	294,816	62,818
- Advance Income Tax (A.Y. 2014-15)	603,869	-
<b>TOTAL</b>	<u><u>5,121,551</u></u>	<u><u>3,530,584</u></u>
	2013-14 ( Amt. in ₹ )	2012-13 ( Amt. in ₹ )
<b>NOTE 19 : SALE OF PRODUCTS</b>		
Manufactured Goods		
(a) Semiconductor Diodes / Rectifiers	166,681,330	193,790,208
(b) Power Rectifier Assemblies	34,672,750	82,389,662
(c) Power Modules	15,14,366	754,312
(d) Others	15,267,350	23,370,944
<b>TOTAL</b>	<u><u>218,135,796</u></u>	<u><u>300,305,126</u></u>
Sales of products include Exports of ₹ 44,786,063/- (Previous Year : ₹ 35,175,028/-)		
<b>NOTE 20 : OTHER INCOME</b>		
(a) Interest Income	1,187,643	1,404,017
(b) Labour Charges	677,621	384,088
(c) Liabilities / Provisions (no longer required) written back	401,127	340,909
(d) Net gains on Foreign Currency Transactions	2,266,064	2,537,341
(e) Miscellaneous Receipts	1,159,946	517,563
<b>TOTAL</b>	<u><u>5,692,401</u></u>	<u><u>5,183,918</u></u>
<b>NOTE 21 : COST OF MATERIALS CONSUMED</b>		
Opening Stock	26,947,490	27,396,209
Add : Purchases	177,437,391	206,532,672
	<u>204,384,881</u>	<u>233,928,881</u>
Less : Closing Stock	38,805,940	26,947,490
<b>TOTAL</b>	<u><u>165,578,941</u></u>	<u><u>206,981,391</u></u>



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Cont'd...)**

	( Amt. in ₹ )	2013-14 ( Amt. in ₹ )	( Amt. in ₹ )	2012-13 ( Amt. in ₹ )
<b>NOTE 22 : CHANGE IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS</b>				
<b>OPENING STOCK</b>				
(a) Work in Progress	29,025,057		20,349,569	
(b) Finished Goods	<u>9,549,784</u>		<u>9,193,355</u>	
		<b>38,574,841</b>		29,542,924
<b>CLOSING STOCK</b>				
(a) Work in Progress	55,521,415		29,025,057	
(b) Finished Goods	<u>4,647,386</u>		<u>9,549,784</u>	
		<b>60,168,801</b>		38,574,841
		<b>(21,593,960)</b>		<b>(9,031,917)</b>
<b>NOTE 23 : EMPLOYEE BENEFITS EXPENSES</b>				
(a) Salaries, Wages and Bonus		<b>26,463,408</b>		26,159,555
(b) Contribution to Provident and other Funds		<b>2,558,033</b>		2,781,202
(c) Staff Welfare Expenses		<b>1,027,677</b>		892,527
<b>TOTAL</b>		<b>30,049,118</b>		<b>29,833,284</b>
<b>NOTE 24 : FINANCE COST</b>				
(a) Interest Expenses		<b>12,264,148</b>		11,463,580
(b) Other Borrowing Costs		<b>1,774,863</b>		1,542,278
<b>TOTAL</b>		<b>14,039,011</b>		<b>13,005,858</b>
<b>NOTE 25 : OTHER EXPENSES</b>				
<b>(I) OPERATING EXPENSES</b>				
(a) Packing Materials	1,499,646		1,645,666	
(b) Freight and Forwarding	2,074,513		1,479,998	
(c) Power and Fuel	6,626,864		6,537,940	
(d) Rent including Lease Rentals	858,000		840,000	
(e) Repairs and Maintenance to :				
- Building	276,460		479,043	
- Machinery	335,211		256,590	
- Others	228,390		166,553	
(f) Insurance	545,514		647,137	
(g) Rates and Taxes	<u>628,520</u>		<u>445,640</u>	
		<b>13,073,118</b>		12,498,567
<b>(II) ADMINISTRATIVE &amp; OTHER EXPENSES</b>				
(a) Telephone Expenses	652,060		585,683	
(b) Travelling and Conveyance	3,782,196		4,754,110	
(c) Printing and Stationery	605,248		599,744	
(d) Discount and Commission	697,787		815,965	
(e) Advertisement and Sales Promotional Expenses	804,723		879,385	
(f) Donation and Contributions	15,501		20,502	
(g) Legal and Professional Charges	4,498,116		5,045,669	
(h) Directors' Sitting Fees	90,000		38,000	
(i) Auditors' Remuneration	80,000		66,000	
(j) Miscellaneous Expenses	<u>3,449,684</u>		<u>2,626,044</u>	
		<b>14,675,315</b>		15,431,102
<b>TOTAL</b>		<b>27,748,433</b>		<b>27,929,669</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Cont'd...)

## NOTE 26 : SIGNIFICANT ACCOUNTING POLICIES

## (a) Basis of Preparation of Financial Statements :

The Financial Statements have been prepared under the historical cost convention on accrual basis. The mandatory applicable accounting standards in India and the provisions of the Companies Act, 1956 have been followed in preparation of these financial statements.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule VI to the Companies Act, 1956. Based on the nature of products and the time between the acquisition of materials for processing and their realization in cash and cash equivalent, the Company has ascertained its operating cycle to be less than 12 months.

## (b) Fixed Assets :

Fixed assets are stated at the cost of acquisition less accumulated depreciation and impairment loss, if any (except for Land, Building and Machinery which had been revalued on 30<sup>th</sup> May, 1986). Cost of fixed assets includes taxes (other than those subsequently recoverable from tax authorities), duties, freight and any other costs directly attributable for bringing the asset to its working condition and other indirect costs specifically attributable to the acquisition or construction of the respective assets. Interest on borrowed funds directly attributable to the qualifying assets up to the period such assets are put to use, are included in the cost.

Projects under which assets are not ready for their intended use are shown as Capital Work-in-Progress.

## (c) Depreciation :

Depreciation for the year is provided on written down value method, at the rates specified under Schedule XIV to the Companies Act, 1956, over their useful life, except for depreciation on the fixed assets acquired on amalgamation, which are 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 ₹ 5,000/- or below have been written off during the year.

## (d) Borrowing Costs :

Interest and other costs incurred in connection with the borrowing of funds are charged to revenue on accrual basis.

## (e) Inventories :

Inventories of Raw Materials, Work in Progress and Finished Goods are stated at cost or net realizable value, whichever is lower. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including overheads incurred in bringing them to their respective present location and condition. Cost is determined on First-in-First-out basis. The excise duty in respect of closing inventory of finished goods is included as part of finished goods.

## (f) Revenue Recognition

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from operations includes sale of goods, services, sales tax, service tax, excise duty, VAT etc. Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

## (g) Employee Benefits

- (i) Short term employee benefits are recognised as an expense at the undiscounted amount in the statement of profit and loss for the year in which the related service is rendered.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Cont'd...)

- (ii) Post employment and other long term employee benefits are recognised as an expense in the statement of profit and loss for the year in which the employee has rendered services. The expense is recognised at the present value of the amounts payable, determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long term benefits are charged to the statement of profit and loss.

**(h) Foreign Currency Transactions:**

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of transaction. Exchange difference arising on foreign currency transactions settled during the year are recognised in the statement of profit and loss for the year.

Monetary items in the form of Current/Non Current Assets and Current/Non Current Liabilities in foreign currency, outstanding at the end of the year, are converted in Indian Currency at the appropriate rate of exchange prevailing on the date of Balance Sheet and resultant gain or loss is accounted during the year.

**(i) Taxation :**

- (1) **Current Tax:** Provision for current income tax is made on the taxable income using the applicable tax rates and tax laws.
- (2) **Deferred Tax:** Deferred tax arising on account of timing differences and which are capable of reversal in one or more subsequent periods is recognised using the tax rates and tax laws that have been enacted or substantively enacted. Deferred tax assets are not recognised unless there is virtual certainty with respect to the reversal of the same in future years.
- (3) **Minimum Alternative Tax :** Minimum Alternative Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period.

**(j) Provisions, Contingent Liabilities and Contingent Assets :**

Provisions are recognized when the Company has a present obligation as a result of past events; it is more likely than not, that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. A contingent liability is disclosed where there is a possible obligation or a present obligation that may, but probably will not, require an outflow. Contingent assets are neither recognized nor disclosed in the financial statements.

**(k) 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 Power Electronics business, hence segment reporting is not applicable.

**(l) Impairment of Assets :**

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An asset is treated as impaired when the carrying cost of the asset exceeds the recoverable amount. An impairment loss is charged to the statement of profit and loss in the year in which an asset is identified as impaired. An impairment loss recognised in prior accounting periods is reversed if there has been change in the estimate of the recoverable amount.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Cont'd...)

<b>As at 31<sup>st</sup></b>	<b>As at 31<sup>st</sup></b>
<b>March, 2014</b>	<b>March, 2013</b>
<b>( Amt. in ₹ )</b>	<b>( Amt. in ₹ )</b>

## OTHER DISCLOSURE NOTES : 27 to 41

## NOTE 27 : CONTINGENT LIABILITIES

Contingent Liabilities not provided for in respect of :

(a) Guarantee issued to the Development Commissioner in respect of E.O.U. unit	<b>15,000,000</b>	15,000,000
(b) Performance Guarantee issued by Banks	<b>1,583,216</b>	2,732,541

## NOTE 28 : EMPLOYEE BENEFITS

Disclosure as required by Accounting Standard 15

(a) The amount recognized in the Statement of Profit and Loss are as follows:

## DEFINED BENEFIT PLAN

<b>Gratuity</b>	<b>2013-14 ( Amt. in ₹ )</b>	<b>2012-13 ( Amt. in ₹ )</b>
Current service cost	<b>600,022</b>	916,618

<b>Leave Encashment</b>	<b>2013-14 ( Amt. in ₹ )</b>	<b>2012-13 ( Amt. in ₹ )</b>
Current service cost	<b>20,388</b>	NIL

<b>Provident Fund</b>	<b>2013-14 ( Amt. in ₹ )</b>	<b>2012-13 ( Amt. in ₹ )</b>
Current service cost	<b>1,248,477</b>	1,169,536

(b) The amount recognized in the Balance Sheet are as follows :

<b>Particulars</b>	<b>Gratuity ( Amt. in ₹ )</b>	
	<b>As at 31<sup>st</sup> March, 2014</b>	<b>As at 31<sup>st</sup> March, 2013</b>
Opening defined benefits	<b>5,382,494</b>	5,065,024
Current service cost	<b>600,022</b>	916,921
Benefits paid during the year	<b>913,168</b>	599,451
Closing defined benefit obligation (as per actuarial valuation)	<b>5,069,348</b>	5,382,494

<b>Particulars</b>	<b>Leave Encashment ( Amt. in ₹ )</b>	
	<b>As at 31<sup>st</sup> March, 2014</b>	<b>As at 31<sup>st</sup> March, 2013</b>
Opening defined benefits	<b>656,725</b>	784,094
Current service cost	<b>20,388</b>	NIL
Benefits paid during the year	<b>138,181</b>	127,369
Closing defined benefit obligation (as per actuarial valuation)	<b>5,069,348</b>	5,382,494

28.1) During the year, the Company was not required to make any contribution under the Scheme of Group Gratuity with Life Insurance Corporation of India (LIC) as per the deferred plan of contribution sanctioned by LIC. The total fund requirements is worked out by LIC at ₹ 23,19,645/- to administer total Gratuity Liability of the Company.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Cont'd...)**
**NOTE 29 : RELATED PARTY TRANSACTIONS**

Information on related party transactions as required by Accounting Standard 18.

**I. LIST OF RELATED PARTIES :**

Key Managerial Personnel : Mrs. Bhavna H. Mehta

(Related party relationship is as identified by the Company and relied upon by the Auditors.)

**II. TRANSACTIONS WITH RELATED PARTIES :**

	2013-14 ( Amt. in ₹ )	2012-13 ( Amt. in ₹ )
<b>Expenses :</b>		
Interest	2300,256	2300,256
Rent	720,000	720,000
<b>Outstandings :</b>		
Unsecured Loans	19,674,883	19,770,209
Security Deposit	500,000	500,000

**NOTE 30 : AUDITORS' REMUNERATION**

Statutory Audit Fees	57,000	47,000
Tax Audit Fees	23,000	19,000
	<u>80,000</u>	<u>66,000</u>

**NOTE 31 : MATERIALS CONSUMED**

(i) Copper, Bases, Wires, Sheets, etc.	36,921,798	47,737,311
(ii) Diodes, SCR parts and components, Ceramic Housings, Moly Discs, Tungsten and Silicon Diffused Chips, etc.	60,616,658	96,181,996
(iii) Power Equipments, sub-assemblies, transformers, switches, etc.	20,511,579	21,179,857
(iv) Hardware components, Bakelite and fibre sheet rods and boxes, etc.	14,488,736	16,872,639
(v) Others	33,040,170	25,009,588
	<u>165,578,941</u>	<u>206,981,391</u>

**NOTE 32 : STOCK OF GOODS PRODUCED**
**OPENING STOCK**

(i) Semiconductor Diodes/ Rectifiers	8,745,240	4,826,401
(ii) Power Rectifier Assemblies	804,544	4,366,954
	<u>9,549,784</u>	<u>9,193,355</u>

**CLOSING STOCK**

(i) Semiconductor Diodes/ Rectifiers	1,025,875	8,745,240
(ii) Power Rectifier Assemblies	3,621,511	804,544
	<u>4,647,386</u>	<u>9,549,784</u>

**NOTE 33 : C.I.F. VALUE OF IMPORTS**

Raw materials, Components and Spares	74,471,090	72,207,912
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**NOTE 34 : EXPENDITURE IN FOREIGN CURRENCY**

Foreign Bank and other charges	1,046,173	967,738
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**NOTE 35 : EARNINGS IN FOREIGN CURRENCY**

F.O.B. value of Exports	43,510,402	34,373,140
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**NOTE 36 : DISCLOSURE UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006**

Based on the information available with the Company and further clarification sought from all the suppliers, none of our suppliers are registered / covered under the Micro, Small and Medium Enterprises Development Act, 2006.



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Cont'd...)****NOTE 37 : INCOME TAX AND SALES TAX ASSESSMENTS**

Income Tax assessments have been completed upto the Assessment Year 2011-12 and adjustments in the accounts have been made upto the Assessment year 2011-12.

Sales tax assessments have been completed upto 31<sup>st</sup> March, 2010.

**NOTE 38 : UNPAID AND UNCLAIMED DIVIDENDS**

There are no unclaimed interest due and payable by the Company, as on 31<sup>st</sup> March, 2014. However, there are still ₹ 7,52,870/- lying in Unpaid Dividend Account of the Company awaiting Dividend claims from the shareholders for the Financial Year 2009-10; 2010-11; 2011-12 and 2012-13. In terms of Section 205A and 205C of The Companies Act, 1956, the Company is required to transfer the amount of dividend remaining unclaimed for a period of seven years from the date of transfer in the unpaid dividend account of the Company to Investor Education and Protection Fund (IEPF). Shareholders who have not received Dividend for Financial Year 2009-10; 2010-11; 2011-12 and 2012-13 are hereby requested to ensure that they claim the dividend(s) from our Registrar and Transfer Agents - M/s. Adroit Corporate Services Pvt. Ltd. before the said amount is transferred to the Investor Education and Protection Fund.

FINANCIAL YEAR	TYPE OF DIVIDEND	LAST DATE FOR CLAIMING UNPAID DIVIDEND
2009-10	FINAL DIVIDEND	22/08/2017
2010-11	FINAL DIVIDEND	26/09/2018
2011-12	FINAL DIVIDEND	24/09/2019
2012-13	FINAL DIVIDEND	12/08/2020

Currently, there is no amount due to be transferred to Investor Education and Protection Fund in terms of Section 205 C (1) of the Companies Act, 1956 vide notification dated October 1, 2001. The Unpaid Dividend amounts shall be Credited to the said fund as and when they become due.

**NOTE 39 : EARNINGS PER SHARE**

PARTICULARS	2013-14	2012-13
Net Profit / Loss attributable to equity shareholders (Amt. in ₹)	(29,30,713)	19,247,997
Weighted average number of equity shares outstanding	6,957,240	6,957,240
Basic and diluted earnings per share (Amt. in ₹)	-	2.77
Face value per equity share (Amt. in ₹)	10	10

**NOTE 40 :**

Consequent to the notification under the Companies Act, 1956, the financial statements are prepared under revised Schedule VI. Previous year's figures have been re-grouped/ re-classified wherever necessary to correspond with the current year's classification/ disclosure.

As per our attached Report of even date

**SIGNATURES TO NOTES '1' TO '40'****For AJAY SHOBHA & Co.**

Chartered Accountants  
(Regn. No. 317031E)

**(AJAY GUPTA)**

Partner  
M. No. 053071

Place : Mumbai  
Date : 30<sup>th</sup> May, 2014

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

(Hasmukh J. Shah)  
Director

(Manoj P. Mehta)  
Director

(Pravin G. Shah)  
Director

(Kisan R. Choksey)  
Director

(Venkitaraman Iyer)  
Director

(Bhavin P Rambhia)  
Company Secretary



# RUTTONSHA INTERNATIONAL RECTIFIER LIMITED

REGD. / CORPORATE OFFICE : 139/141, Solaris 1, B-Wing, 1st Floor, Saki Vihar Road, Powai,  
Andheri (East), Mumbai - 400 072. Maharashtra • CIN : L31109MH1969PLC014322

Tel. : +91-22 28471956 • Fax : +91-22 28471959 • E-mail : secretarial@ruttonsha.com • Website: www.ruttonsha.com



## ATTENDANCE SLIP

45<sup>th</sup> Annual General Meeting – 22<sup>nd</sup> September, 2014

DP ID	
Client ID /Folio No.	
No. of shares	

Name and Address of the Registered Shareholder

I certify that I am a member / proxy for the registered shareholder of the Company.

I hereby record my presence at the 45<sup>th</sup> Annual General Meeting of the Company at Babasaheb Dahanukar Sabhagriha, Maharashtra Chamber of Commerce Trust, Oricon House, 6<sup>th</sup> Floor, 12 K. Dubhash Marg, Fort, Mumbai - 400001 on Monday 22<sup>nd</sup> September, 2014 at 11.30 a.m.

Signature of the Member / Proxy

**NOTE:- PLEASE FILL UP THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL**

Tear Here



# RUTTONSHA INTERNATIONAL RECTIFIER LIMITED

REGD. / CORPORATE OFFICE : 139/141, Solaris 1, B-Wing, 1st Floor, Saki Vihar Road, Powai,  
Andheri (East), Mumbai - 400 072. Maharashtra • CIN : L31109MH1969PLC014322

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## Form No. MGT-11 PROXY FORM

**45<sup>th</sup> Annual General Meeting  
22<sup>nd</sup> September, 2014**

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

Name of the Member(s) :	
Registered Address :	
E-mail Id :	Folio No./ DP ID and Client ID :

I/We, being the Member(s) holding \_\_\_\_\_ shares of the above named Company, hereby appoint :

Name :		E-mail Id :	
Address :		Signature :	, or failing him/her
Name :		E-mail Id :	
Address :		Signature :	, or failing him/her
Name :		E-mail Id :	
Address :		Signature :	

P.T.O.



Tear Here

as my / our proxy to attend and vote, in case of a poll for me / us and on my / our behalf at the 45<sup>th</sup> Annual General Meeting of the Company to be held on Monday, the 22<sup>nd</sup> day of September, 2014 at 11.30 a.m. at Babasaheb Dahanukar Sabhagriha, Maharashtra Chamber of Commerce Trust, Oricon House, 6<sup>th</sup> Floor, 12 K. Dubhash Marg, Fort, Mumbai-400001 and at any adjournment thereof in respect of such resolutions and in such manner as are indicated below :

Res. No.	Description	For *	Against *
1.	Adoption of Audited Financial Statements and Reports thereon for the financial year ended 31 <sup>st</sup> March, 2014		
2.	Re-appointment of Mrs. Bhavna H. Mehta as a Director who retires by rotation		
3.	Appointment of M/s Ajay Shobha & Co. as Auditors of the Company		
4.	Appointment of Mr. Kisan R. Choksey as an Independent Director		
5.	Appointment of Mr. Pravin G. Shah as an Independent Director		
6.	Appointment of Mr. Venkitaraman Iyer as an Independent Director		
7.	Extension of period of redemption of 40,50,000 2% Redeemable Optionally Convertible Cumulative Preference Shares by a period of ten years		

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2014.

Affix  
Revenue  
Stamp

Signature of Proxy holder

Signature of Shareholder

- Notes:**
- \*1) Please put a 'X' in the Box in the appropriate column against the respective resolutions. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
  - 2) This form of Proxy, to be effective, should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.
  - 3) A Proxy need not be a Member of the Company. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as proxy for any other Member.

## CLEAN AND GREEN ENERGY INITIATIVE



## INSTALLATION AND COMMISSIONING OF GRID CONNECTED 10KW ROOF TOP SOLAR PANELS AT FACTORY PREMISES BY THE COMPANY





**RUTTONSHA**

**RUTTONSHA**  
INTERNATIONAL RECTIFIER LIMITED

**REGD. / CORPORATE OFFICE :** 139/141, Solaris 1, B-Wing, 1st Floor, Saki Vihar Road, Powai, Andheri (East), Mumbai - 400072  
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