

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, 2015
3.	Type of Audit Observation	Unqualified
4.	Frequency of Observation	Unqualified, hence not applicable

Refer our Audit Report dated 27<sup>th</sup> May, 2015 on the Annual Financial Statements of the Company

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



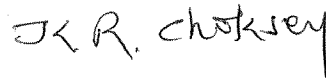
Ajay Gupta  
Partner  
M. No. 053071

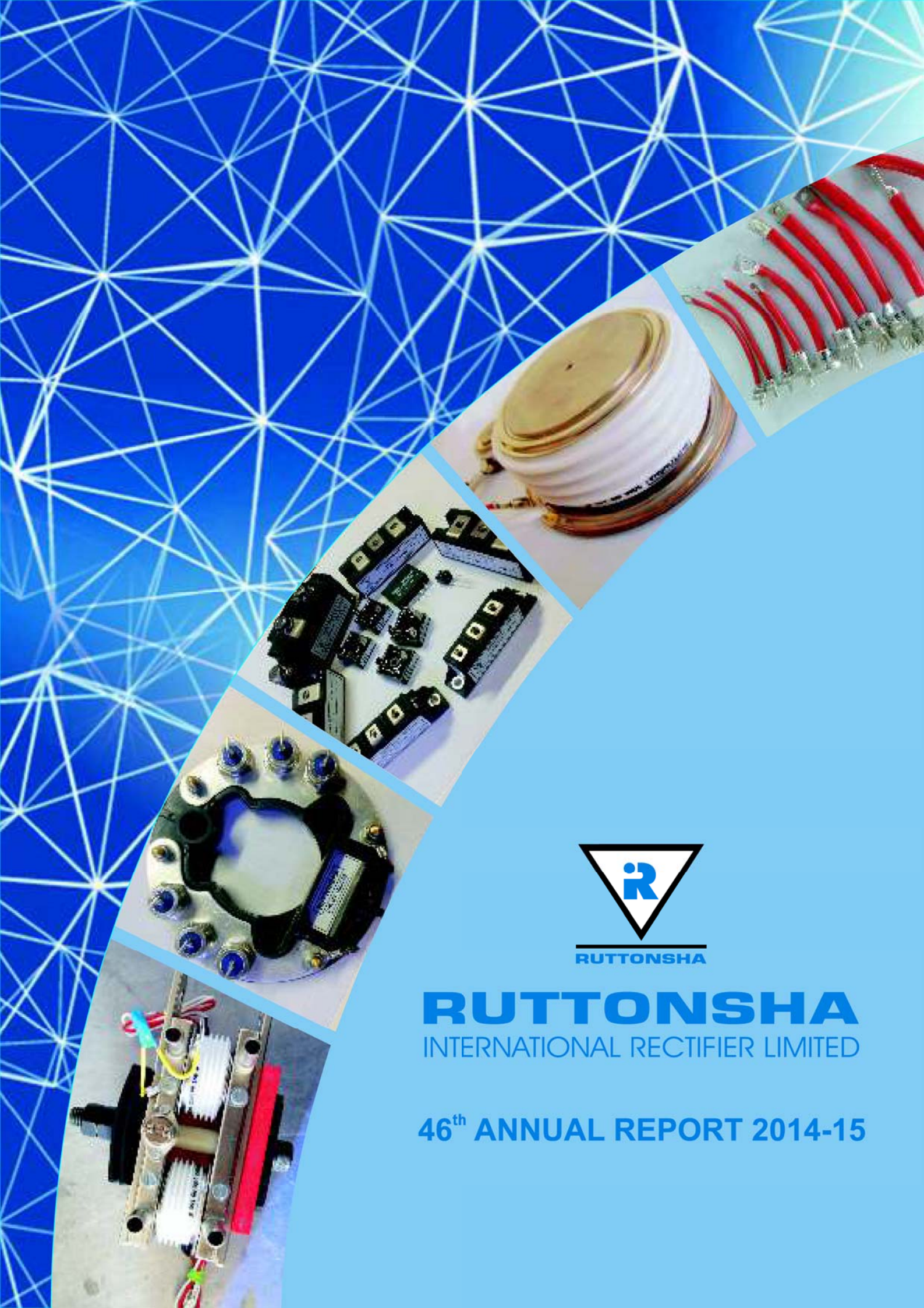


  
R. G. TRASI  
C.E.O.



  
MANOJ P. MEHTA  
DIRECTOR - FINANCE

  
KISAN R. CHOKSEY  
CHAIRMAN – AUDIT COMMITTEE



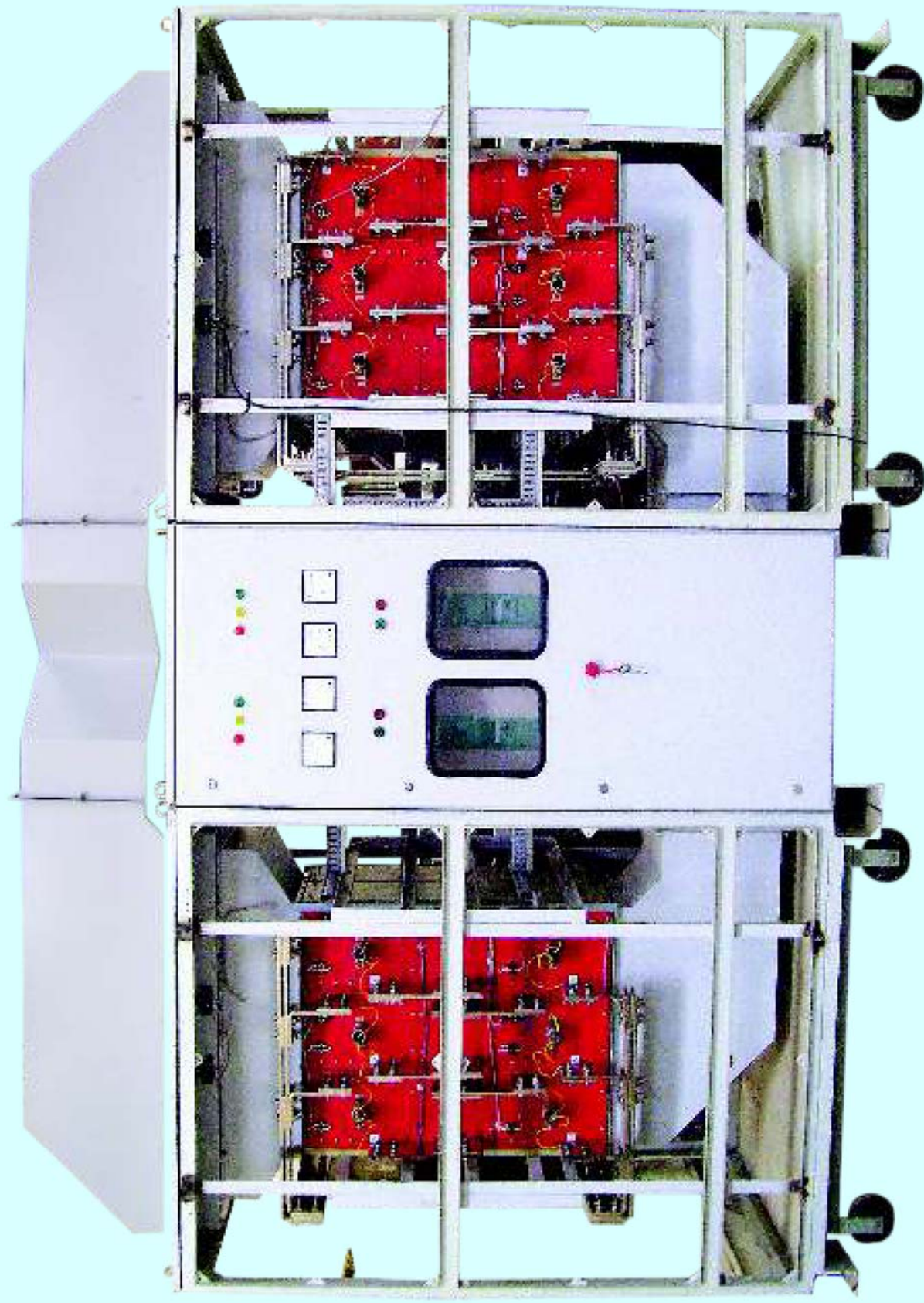
RUTTONSHA

# RUTTONSHA

INTERNATIONAL RECTIFIER LIMITED

46<sup>th</sup> ANNUAL REPORT 2014-15





**37 V, 16000 AMPS. THYRISTOR CONTROLLED  
ELECTRO CLEANING RECTIFIER FOR STEEL MILL**



## 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

### COMPANY SECRETARY

Mr. Bhavin P Rambhia

### STATUTORY AUDITORS

Ajay Shobha & Co.  
Chartered Accountants

### INTERNAL AUDITORS

Bhandarkar & Kale  
Chartered Accountants

### REGD./CORPORATE OFFICE

139/141, Solaris - 1, 'B' Wing,  
1<sup>st</sup> Floor, Saki Vihar Road,  
Powai, Andheri (East), Mumbai – 400072  
Tel. No.: +91-022-28471956  
Fax No.:+91-022-28471959  
E-mail : secretarial@ruttonsha.com  
Website : www.ruttonsha.com

### PROMOTERS & TECHNICAL ASSOCIATES

Dr. Harshad Mehta  
Mrs. Bhavna H. Mehta

### MANAGEMENT TEAM

Mr. R. G. Trasi  
Mr. M. P. Doshi  
Mr. E. K. Lalkaka

### 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.: +91-022-28594060/6060  
Email : info@adroitcorporate.com

### BANKERS

State Bank of India

### WORKS/FACTORY

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

## 46<sup>th</sup> ANNUAL GENERAL MEETING

**Date** : 24<sup>th</sup> September, 2015  
**Day** : Thursday  
**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 Sixth Annual General Meeting** of the members of **RUTTONSHA INTERNATIONAL RECTIFIER LIMITED** will be held on Thursday, 24<sup>th</sup> September, 2015 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, 2015 together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Manoj P Mehta (DIN No. 00292154), who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Statutory 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 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) M/s. Ajay Shobha & Co., Chartered Accountants, (Firm 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 until the conclusion of the next Annual General Meeting of the Company at a remuneration and other terms as may be determined by the Audit Committee and finalised by the Board of Directors.”

**NOTES :**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself/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. The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday 19<sup>th</sup> September, 2015 to Thursday, 24<sup>th</sup> September, 2015 (both days inclusive) for the purpose of 46<sup>th</sup> Annual General Meeting (AGM).
3. 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.
4. Members holding shares in the electronic/dematerialized form are advised to inform changes in their address/bank mandate directly to their respective Depository Participants.
5. Members 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.
6. 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.
7. 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 shareholder.
8. All documents referred to in the accompanying Notice 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.
9. 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.
10. The Securities and Exchange Board of India (SEBI) has mandated 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.

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

11. 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.
12. Brief Details in respect of Director seeking 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.

**13. Voting through electronic means**

In compliance with the provisions of section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and Clause 35B of the Listing Agreement, the Company is pleased to provide its members the facility of 'remote e-voting' (e-voting from a place other than venue of the AGM) to exercise their right to vote at the 46th Annual General Meeting (AGM). The business may be transacted through e-voting services provided by **Central Depository Services Limited (CDSL)**.

The facility for voting, either through electronic voting system or through ballot/polling paper shall also be made available at the venue of the 46<sup>th</sup> AGM. The members attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting. The members who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM.

The Company has appointed Mrs. Neetu Agrawal, Practising Company Secretary as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner.

**The instructions for Shareholders for voting electronically are as under:-**

- (i) The remote e-voting period begins on Monday 21<sup>st</sup> September, 2015 (9.00 a.m.) and ends on Wednesday 23<sup>rd</sup> September, 2015 (5.00 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 i.e. 18<sup>th</sup> September, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (iii) Click on "Shareholders" tab to cast your votes.
- (iv) Now enter your User ID
- For CDSL : 16 digits beneficiary ID
  - For NSDL : 8 character DP ID followed by 8 digits client ID
  - Members holding shares in physical form should enter folio number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any Company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below :

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (applicable for both Demat Shareholders as well as Physical Shareholders) <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits sequence number in the PAN field.</li> <li>In case the sequence number is less than 8 digits, enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If you name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
DIVIDEND BANK DETAILS OR DATE OF BIRTH	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or Company please enter member id/ folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

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



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

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in the Notice.
- (xi) Click on EVSN of < RUTTONSHA INTERNATIONAL RECTIFIER LTD. > on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take printout of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) Note for Non-Individual Shareholders and Custodians :
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI, etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates and Custodian respectively.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the depository account(s)/folio numbers for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xviii) In case you have any queries or issue 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)
- (xix) The voting rights of the members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 18<sup>th</sup> September, 2015.
- (xx) The scrutinizer, after scrutinizing the votes cast at the meeting and through remote e-voting, will not later than three days of conclusion of the Meeting, prepare a consolidated scrutinizer's report and submit the same to the Chairman. The results declared alongwith the consolidated scrutinizer's report shall be placed on the website of the Company [www.ruttonsha.com](http://www.ruttonsha.com) and on the website of CDSL. The results shall simultaneously be communicated to the Stock Exchange.
- (xxi) As the voting of the members is through electronic means, the members who do not have access to remote e-voting 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 M/s. Neetu Agrawal & Co., 104, B-Wing, Adarsh Park Society, Behind Ajay Nagar, Shivaji Chowk, Bhiwandi, Thane - 421302 so as to reach the scrutinizer not later than 23<sup>rd</sup> September, 2015 at 5.00 p.m. Ballot forms 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 voting either by way of remote e-voting or through Ballot voting. If a member casts votes by both the modes, then voting done through remote e-voting shall prevail and Ballot shall be treated as invalid.

**By Order of the Board of Directors**

**Place : Mumbai**  
**Date : 11<sup>th</sup> August, 2015**

**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



## DIRECTORS' REPORT TO THE SHAREHOLDERS

Dear Members,

Your Directors have pleasure in presenting the Forty Sixth 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, 2015.

### FINANCIAL RESULTS AND OPERATIONS

(Amt. in ₹)

Particulars	Year ended 31.03.2015	Year ended 31.03.2014
<b>Revenue from Operations (Net)</b>	<b>270,561,312</b>	218,135,796
<b>EBIDTA</b>	<b>27,901,517</b>	22,400,468
Less - (i) Finance Costs	<b>14,076,932</b>	14,039,011
(ii) Depreciation	<b>11,268,558</b>	11,292,170
<b>Profit/(Loss) before Tax</b>	<b>25,56,027</b>	(29,30,713)
Less - (i) Provision for Taxation	<b>488,000</b>	-
(ii) Deferred Tax Liability/(Asset)	<b>(1,073,519)</b>	-
<b>Profit/(Loss) for the year</b>	<b>3,141,546</b>	(29,30,713)
Add - Balance brought forward from previous year	<b>54,168,937</b>	57,099,650
<b>Amount available for Appropriation</b>	<b>57,310,483</b>	54,168,937
Less - Appropriation	-	-
<b>Balance carried to Balance Sheet</b>	<b>57,310,483</b>	54,168,937

### PERFORMANCE

During the financial year 2014-15, your Company reported a topline growth of 24% over the previous year, against the backdrop of economic uncertainties and challenging business environment. The revenue from Operations for the financial year was ₹ 270,561,312/- as against ₹ 218,135,796/- last year. The growth in revenues during the year were mainly attributable to resilient orders from our regular clients, boost in export sales and execution of large equipments orders during the year. Earnings before Interest, Depreciation and Tax (EBIDTA) for the year increased by 24.56% to ₹ 27,901,517/- as compared to ₹ 22,400,468/- last year. The Company reported Net Profit of ₹ 31,41,546/- for the year as against Net Loss of ₹ 29,30,713/-.

### DIVIDEND

In order to plough back the accruals, your Directors do not recommend any dividend for the financial year ended 31<sup>st</sup> March, 2015.

### SHARE CAPITAL

The paid up Equity Share Capital of the Company as on 31<sup>st</sup> March, 2015 is ₹ 69,572,400/-. During the year under review, the Company has not issued any shares with differential voting rights nor has granted any stock options or sweat equity and does not have any scheme to fund its employees to purchase the shares of the Company.

### DIRECTORS

In terms of the provisions of Section 152 of the Companies Act 2013 ("the Act"), Mr. Manoj P. Mehta, Director of the Company, is liable to retire by rotation and being eligible, offers himself for re-appointment at the forthcoming Annual General Meeting of the Company.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Act and Clause 49 of the Listing Agreement with the Bombay Stock Exchange.

The Company has devised a policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors which includes criteria for performance evaluation of Independent and Non Independent Directors. The board expressed their satisfaction with the evaluation process.

### DEPOSITS

Your Company has not accepted any fixed deposits from the public during the year 2014-15 and there are no outstanding fixed deposits as on 31<sup>st</sup> March, 2015.



**DIRECTORS' REPORT TO THE SHARE HOLDERS (Cont'd...)****PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

The company has not given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013.

**AUDITORS****(a) Statutory Auditors :**

M/s. Ajay Shobha & Co., Chartered Accountants, the Statutory Auditors of the Company, holds office until the conclusion of the 48<sup>th</sup> Annual General Meeting of the Company. Their appointment is subject to ratification at the 46<sup>th</sup> Annual General Meeting. The Company has received a certificate from the retiring auditors, confirming that their re-appointment, if made, will be in accordance with Section 139 read with Section 141 of the Act.

Members are requested to consider the re-appointment of Statutory Auditors – M/s. Ajay Shobha & Co. and authorise the Board of Directors to fix their remuneration.

**(b) Secretarial Auditor :**

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed M/s. Neetu Agrawal & Co., a firm of Company Secretary in Practice to undertake the Secretarial Audit of the Company for the year ended 31<sup>st</sup> March, 2015. The Secretarial Audit Report is annexed as Annexure B to the Directors Report.

The Auditors' Report and the Secretarial Audit Report for the financial year ended 31<sup>st</sup> March, 2015 do not contain any qualification, reservation, adverse remark or disclaimer.

**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. The outlook on the long term rating has been revised from Negative to Stable.

**EXTRACT OF ANNUAL RETURN**

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

**RELATED PARTY TRANSACTIONS**

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business and were in compliance with the applicable provisions of the Act and the Listing Agreement. Details of the transactions with related parties are provided in the accompanying notes forming part of the financial statements.

**RISK MANAGEMENT**

The Company has adopted a Risk Management Policy in accordance with the provisions of the Act and Clause 49 of the Listing Agreement. It establishes various levels of accountability and overview within the Company, while vesting identified managers with responsibility for each significant risk. The risk management framework defines the risk management approach of the Company and includes periodic review of such risks and also documentation, mitigating controls and reporting mechanism of such risks.

**INTERNAL CONTROL SYSTEMS AND ADEQUACY**

The Company's internal audit systems are geared towards ensuring adequate internal controls commensurate with the size and needs of the business, with the objective of efficient conduct of operations through adherence to the Company's policies, identifying areas of improvement, evaluating the reliability of financial statements, ensuring compliances with applicable laws and regulations and safeguarding of assets from unauthorized use.

Details of the internal control system are given in the Management Discussion and Analysis Report, which forms part of the Directors' Report.

**REMUNERATION AND NOMINATION POLICY**

The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. This policy also lays down criteria for selection and appointment of Board members. The details of this policy are explained in the Corporate Governance Report.

**DIRECTORS' REPORT TO THE SHARE HOLDERS (Cont'd...)****BOARD AND COMMITTEE MEETINGS**

Four meetings of the board were convened and held during the year. The Board has constituted an Audit Committee with Mr. Kisan R. Choksey as Chairman and Mr. Venkitaraman Iyer and Mr. Manoj P. Mehta as members. There has not been any instances during the year when recommendations of the Audit Committee were not accepted by the Board.

Details of the composition of the Board and its Committees, number of the meetings held and attendance of the Directors at such meetings, are provided in the Corporate Governance Report. The intervening gap between the meetings was within the period prescribed under the Act and the Listing Agreement.

**DIRECTORS' RESPONSIBILITY STATEMENT**

In terms of Section 134 (5) of the Act, the directors would like to state that :

- (i) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profits of the Company for the year under review;
- (iii) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) The directors have prepared the annual accounts on a going concern basis;
- (v) The directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- (vi) The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

**POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORKPLACE**

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace, in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed there under. The policy aims to provide protection to female employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure. The Company has also constituted an Internal Complaints Committee to inquire into complaints of sexual harassment and recommend appropriate action.

The Company has not received any complaint of sexual harassment during the financial year 2014-15.

**VIGIL MECHANISM/WHISTLE BLOWER POLICY**

The Company has adopted a Whistle Blower Policy, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimisation of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company have been denied access to the Audit Committee.

**SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

No significant material orders have been passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operations.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

The information under Section 134 (3)(m) of the Act read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 for the year ended 31<sup>st</sup> March, 2015 is given below and forms part of the Directors' Report.

**(a) Conservation of Energy**

- (i) Step taken or impact on conservation of energy :
  1. Adequate steps for energy conservation, power factor improvement have been taken wherever feasible.
  2. For effective treatment of effluents the Company has constructed an effluent treatment plant. Waste water generated from manufacturing process is treated/recycled at Effluent Treatment Plant and used for internal consumption and plantation.




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

3. There is adequate provision for the treatment of fumes resulting from the use of Sulphuric, Nitric, Hydrofluoric and other acids required for production.

(ii) Steps taken by the Company for utilizing alternative source of energy :

The Company has installed 10Kva three phase Roof Top Solar Plant at Baska Factory alongwith with online Inverter based system as an alternate means of power and to encourage energy conservation. This solar power plant is based on SPV (Solar Photovoltaic Cells) connected to grid.

(iii) Capital Investment on energy conversation equipments :

The Company continuously makes investments in its facility for better maintenance and safety of the operations. The Company has undertaken efforts to rectify the shortfalls in the existing facilities in order to reduce the energy consumption by setting up efficient facilities.

**(b) Technology Absorption**

(i) Efforts made towards technology absorption and benefits derived like product improvement, cost reduction, product development or import substitution :

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.

Efforts towards technology absorption include continued efforts for process improvements and improved product types/designs in order to improve the efficiency, productivity and profitability of the Company.

(ii) Information regarding technology imported, during last 3 years : Nil

(iii) Expenditure incurred on Research and Development : Nil

**(c) Foreign Exchange Earnings and Outgo**

(i) Foreign Exchange earned during the year - ₹ 47,535,610/-

(ii) Outgo of Foreign Exchange during the year - ₹ 85,004,503/-

**PARTICULARS OF EMPLOYEES**

There were no employees who were in receipt of remuneration exceeding the limits specified in Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company will be provided upon request. In terms of Section 136 of the Act, the reports and accounts are being sent to the members and others, entitled thereto, excluding the information on employees' particulars which is available for inspection by the members at the Registered Office of the Company during business hours on working days of the Company up to the date of forthcoming Annual General Meeting. If any member is interested in inspecting the same, such member may write to the company secretary in advance.

**MANAGEMENT DISCUSSION ANALYSIS AND CORPORATE GOVERNANCE**

The Management Discussion Analysis Report and the Report on Corporate Governance, as required under Clause 49 of the Listing Agreement, forms part of the Annual Report.

**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 : 27<sup>th</sup> May, 2015

**Hasmukh J. Shah**  
Chairman



## ANNEXURE [A] TO THE DIRECTORS' REPORT

## FORM No. MGT - 9

## EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31<sup>st</sup> March, 2015

[Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Company (Management &amp; Administration) Rules, 2014]

## I REGISTRATION &amp; OTHER DETAILS :

1.	CIN	L31109MH1969PLC014322
2.	Registration Date	05/07/1969
3.	Name of the Company	Ruttonsha International Rectifier Limited
4.	Category/Sub-category of the Company	Public Company/Limited by Shares
5.	Address of the Registered office & contact details	139/141, Solaris 1, B-Wing, 1 <sup>st</sup> Floor, Saki Vihar Road, Powai, Andheri (East), Mumbai – 400072. Tel No. : +91-022-28471956 Fax No. : +91-022-28471959 Email : secretarial@ruttonsha.com Website : www.ruttonsha.com
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	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. : +91-022-28594060 Fax No. : +91-022-28503748 Email : info@adroitcorporate.com Website : www.adroitcorporate.com

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY :

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

Sr. No.	Name and Description of main products/services	NIC Code of the products/services	% to total turnover of the company
1.	Semiconductor Devices	2610	66.01
2.	Power Rectifier Assemblies	2790	24.15

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES : Nil





## ANNEXURE [A] TO THE DIRECTORS' REPORT

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

## i) Category-wise Share Holding :

Category of Shareholders	No. of Shares held at the beginning of the year[As on 01.04.2014]				No. of Shares held at the end of the year[As on 31.03.2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	15000	-	15000	0.21	15000	-	15000	0.21	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	-	-	-	-	-	-	-	-	-
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
<b>Subtotal (A)(1) :</b>	<b>15000</b>	<b>-</b>	<b>15000</b>	<b>0.21</b>	<b>15000</b>	<b>-</b>	<b>15000</b>	<b>0.21</b>	<b>-</b>
<b>(2) Foreign</b>									
a) NRI Individuals	5072958	-	5072958	72.92	5072958	-	5072958	72.92	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
<b>Subtotal (A)(2) :</b>	<b>5072958</b>	<b>-</b>	<b>5072958</b>	<b>72.92</b>	<b>5072958</b>	<b>-</b>	<b>5072958</b>	<b>72.92</b>	<b>-</b>
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>5087958</b>	<b>-</b>	<b>5087958</b>	<b>73.13</b>	<b>5087958</b>	<b>-</b>	<b>5087958</b>	<b>73.13</b>	<b>-</b>
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	1400	1400	0.02	-	1400	1400	0.02	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-



## ANNEXURE [A] TO THE DIRECTORS' REPORT

Category of Shareholders	No. of Shares held at the beginning of the year[As on 01.04.2014]				No. of Shares held at the end of the year[As on 31.03.2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1) :</b>	<b>-</b>	<b>1400</b>	<b>1400</b>	<b>0.02</b>	<b>-</b>	<b>1400</b>	<b>1400</b>	<b>0.02</b>	<b>-</b>
<b>(2) Non-Institutions</b>									
<b>a) Bodies Corporate</b>									
i) Indian	4391	6620	11011	0.16	4922	6620	11542	0.17	0
ii) Overseas	-	-	-	-	-	-	-	-	-
<b>b) Individuals</b>									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	755696	753546	1509242	21.69	754517	724935	1479452	21.26	0.43
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	126072	-	126072	1.81	160004	-	160004	2.30	0.49
<b>c) Others (specify)</b>									
i) Non Resident Indians	1420	1700	3120	0.05	1000	1700	2700	0.04	0
ii) Trusts	214184	-	214184	3.08	214184	-	214184	3.08	-
iii) Foreign Individuals (including FDI)	4253	-	4253	0.06	-	-	-	-	-
<b>Sub-total (B)(2) :</b>	<b>1106016</b>	<b>761866</b>	<b>1867882</b>	<b>26.85</b>	<b>1134627</b>	<b>733255</b>	<b>1867882</b>	<b>26.85</b>	<b>-</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>1106016</b>	<b>763266</b>	<b>1869282</b>	<b>26.87</b>	<b>1134627</b>	<b>734655</b>	<b>1869282</b>	<b>26.87</b>	<b>-</b>
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>6193974</b>	<b>763266</b>	<b>6957240</b>	<b>100.00</b>	<b>6222585</b>	<b>734655</b>	<b>6957240</b>	<b>100.00</b>	<b>-</b>

## ANNEXURE [A] TO THE DIRECTORS' REPORT

## ii) Shareholding of Promoters :

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year [As on 01.04.2014]			Shareholding at the end of the year [As on 31.03.2015]			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Smt. Bhavna H. Mehta	4724583	67.91	-	4724583	67.91	-	-
2.	Shri. Jitendra Mehta	127875	1.84	-	127875	1.84	-	-
3.	Smt. Ila J. Mehta	127875	1.84	-	127875	1.84	-	-
4.	Shri. Utpal K. Mehta	46375	0.67	-	46375	0.67	-	-
5.	Smt. Vaishali U. Mehta	46250	0.66	-	46250	0.66	-	-
6.	Shri. Hasmukh J. Shah	8750	0.13	-	8750	0.13	-	-
7.	Shri. Bakulesh J. Shah	6250	0.08	-	6250	0.08	-	-
<b>TOTAL</b>		<b>5087958</b>	<b>73.13</b>	<b>-</b>	<b>5087958</b>	<b>73.13</b>	<b>-</b>	<b>-</b>

## iii) Change in Promoters' Shareholding (please specify, if there is no change) :

Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the beginning of the year	5087958	73.13	5087958	73.13
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/ sweat equity etc.)	No change during the year			
At the end of the year	5087958	73.13	5087958	73.13

## ANNEXURE [A] TO THE DIRECTORS' REPORT

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

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year		
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company	
1.	<b>Ruttonsha International Rectifier Ltd. – Equity Trust (through its Trustee Manoj P. Mehta)</b>					
	At the beginning of the year	210,584	3.03	-	-	
	Changes during the year	No change during the year				
	At the end of the year	-	-	210,584	3.03	
2.	<b>Mahendra Girdharilal</b>					
	At the beginning of the year	15362	0.22	-	-	
	Changes during the year	No change during the year				
	At the end of the year	-	-	15362	0.22	
3.	<b>Manoj J Bagadia</b>					
	At the beginning of the year	-	-	-	-	
	Changes during the year					
	<b>Date</b>	<b>Reason</b>				
	10.10.2014	Purchase	2472	0.04	2472	0.04
	31.10.2014	Purchase	2094	0.03	4566	0.07
	07.11.2014	Purchase	2350	0.03	6916	0.10
	14.11.2014	Purchase	339	0	7255	0.10
	21.11.2014	Purchase	120	0	7375	0.11
	28.11.2014	Purchase	30	0	7405	0.11
	05.12.2014	Purchase	4004	0.06	11409	0.16
	12.12.2014	Purchase	520	0.01	11929	0.17
	19.12.2014	Purchase	890	0.01	12819	0.18
	31.12.2014	Purchase	290	0	13109	0.19
	02.01.2015	Purchase	100	0	13209	0.19
	09.01.2015	Purchase	330	0	13539	0.19
	23.01.2015	Sale	539	0.01	13000	0.19
	30.01.2015	Sale	427	0.01	12573	0.18
	13.02.2015	Purchase	50	0	12623	0.18
	At the end of the year	-	-	12623	0.18	





## ANNEXURE [A] TO THE DIRECTORS' REPORT

Sr. No.	For Each of the Top 10 Shareholders		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
<b>4.</b>	<b>Amita Ashvin Shah</b>					
	At the beginning of the year		6677	0.10	-	-
	Changes during the year		No change during the year			
	<b>Date</b>	<b>Reason</b>				
	28.11.2014	Purchase	4253	0.06	10930	0.16
	At the end of the year		-	-	10930	0.16
<b>5.</b>	<b>Thakker Bhupendra</b>					
	At the beginning of the year		10710	0.15	-	-
	Changes during the year		No change during the year			
	At the end of the year		-	-	10710	0.15
<b>6.</b>	<b>Ashvin S Shah</b>					
	At the beginning of the year		8439	0.12	-	-
	Changes during the year		No change during the year			
	<b>Date</b>	<b>Reason</b>				
	23.05.2014	Purchase	1740	0.03	10179	0.15
	20.06.2014	Purchase	200	0	10379	0.15
	At the end of the year		-	-	10379	0.15
<b>7.</b>	<b>Ramesh Gopal Trasi</b>					
	At the beginning of the year		10000	0.14	-	-
	Changes during the year		No change during the year			
	At the end of the year		-	-	10000	0.14
<b>8.</b>	<b>Annapoorni V Iyer</b>					
	At the beginning of the year		10000	0.14	-	-
	Changes during the year		No change during the year			
	At the end of the year		-	-	10000	0.14
<b>9.</b>	<b>Nanji Jivraj Karani</b>					
	At the beginning of the year		9700	0.14	-	-
	Changes during the year		No change during the year			
	At the end of the year		-	-	9700	0.14
<b>10.</b>	<b>Chander Bajaj</b>					
	At the beginning of the year		8403	0.12	-	-
	Changes during the year		No change during the year			
	At the end of the year		-	-	8403	0.12

## ANNEXURE [A] TO THE DIRECTORS' REPORT

## v) Shareholding of Directors and Key Managerial Personnel :

Sr. No.	Name of the Directors/KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Smt. Bhavna H. Mehta	4724583	67.91	4724583	67.91
2.	Shri. Manoj P. Mehta	100000	1.43	100000	1.43
3.	Shri. Hasmukh J. Shah	8750	0.13	8750	0.13
4.	Shri. Kisan R. Choksey	4100	0.06	4100	0.06
5.	Shri. Pravin G. Shah	2500	0.04	2500	0.04
6.	Shri. Venkitaraman Iyer	-	-	-	-
7.	Shri. R. G. Trasi	10000	0.14	10000	0.14
8.	Shri. Bhavin P Rambhia	-	-	-	-

V. **INDEBTEDNESS** - Indebtedness of the Company including interest outstanding/accrued but not due for payment.  
(Amt. in ₹)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year (01/04/2014)</b>				
i) Principal Amount	849,834	18,401,997	-	19,251,831
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>849,834</b>	<b>18,401,997</b>	-	<b>19,251,831</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	-	-	-	-
* Reduction	353,428	-	-	353,428
<b>Net Change</b>	<b>353,428</b>	-	-	<b>353,428</b>
<b>Indebtedness at the end of the financial year (31/03/2015)</b>				
i) Principal Amount	4,96,406	18,401,997	-	18,898,403
ii) Interest due but not paid	-	12,94,905	-	12,94,905
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>4,96,406</b>	<b>19,696,902</b>	-	<b>20,193,308</b>

## ANNEXURE [A] TO THE DIRECTORS' REPORT

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

## A) Remuneration to Non-Executive Directors

(Amt. in ₹)

Sr. No.	Particulars of Remuneration	Name of Directors			Total Amount
1.	Independent Directors	<b>Shri. Kisan R. Choksey</b>	<b>Shri. Pravin G. Shah</b>	<b>Shri. Venkitaraman Iyer</b>	
	Fee for attending board/ committee meetings	15000	20000	5000	40000
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	<b>Total (1)</b>	<b>15000</b>	<b>20000</b>	<b>5000</b>	<b>40000</b>
2.	Other Non-Executive Directors	<b>Smt. Bhavna H. Mehta</b>	<b>Shri. Hasmukh J. Shah</b>	<b>Shri. Manoj P. Mehta</b>	
	Fee for attending board committee meetings	-	20000	20000	40000
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	<b>Total (2)</b>	<b>-</b>	<b>20000</b>	<b>20000</b>	<b>40000</b>
	<b>Total Managerial Remuneration = (1+2)</b>				<b>80000</b>

## B) Remuneration to Key Managerial Personnel other than MD/MANAGER/WTD

(Amt. in ₹)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		C.E.O. R. G. Trasi	Company Secretary Bhavin P Rambhia	
1.	Gross salary			
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	7,20,000	5,52,725	12,72,725
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	
2.	Stock Option	-	-	
3.	Sweat Equity	-	-	
4.	Commission			
	- as % of profit	-	-	
5.	Others, please specify	-	-	
	<b>Total</b>	<b>7,20,000</b>	<b>5,52,725</b>	<b>12,72,725</b>

## VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES :

There were no penalties, punishment or compounding of offences levied under the Companies Act, 2013.



## ANNEXURE [B] TO THE DIRECTORS' REPORT

FORM No. MR - 3

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2015

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To  
The Members of  
**Ruttonsha International Rectifier Ltd.,**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Ruttonsha International Rectifier Ltd.** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2015 according to the provisions of :

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (not applicable to the Company during the Audit period);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (not applicable to the Company during the Audit period);
  - (d) The Securities and Exchange Board of India (Employee Stock Option and Employee Stock Purchase Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28<sup>th</sup> October, 2014 (not applicable to the Company during the Audit period);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (not applicable to the Company during the Audit period);
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (not applicable to the Company during the Audit period); and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (not applicable to the Company during the Audit period);

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (not notified hence not applicable to the Company during the Audit period)





## ANNEXURE [B] TO THE DIRECTORS' REPORT

(ii) The Listing Agreement entered into by the Company with the BSE Limited

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc mentioned above. As informed by the management, there are no laws that are specifically applicable to the Company based on their sector/industry.

### I further report that :

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through, while the dissenting members' views, if any are captured and recorded as part of the minutes.

**I further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report that during the audit period** the Company had extended the period of redemption of 40,50,000 2% Redeemable Optionally Convertible Cumulative Preference Shares by a period of ten years.

For **Neetu Agrawal & Co.**  
Practising Company Secretary

**Neetu Vikas Agrawal**  
Proprietor  
ACS No. 25791; C.P. No. 9272

**Place :** Mumbai  
**Date :** 27<sup>th</sup> May, 2015

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

### Annexure I

To  
The Members of  
**Ruttonsha International Rectifier Ltd.,**

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

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

For **Neetu Agrawal & Co.**  
Practising Company Secretary

**Neetu Vikas Agrawal**  
Proprietor  
ACS No. 25791; C.P. No. 9272

**Place :** Mumbai  
**Date :** 27<sup>th</sup> May, 2015



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**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

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**INDUSTRY OVERVIEW**

Electronic Industry is broadly categorized under consumer, medical, communication, automotive, strategic electronics and industrial segments. Semiconductors in different forms are being used in most of these applications. Your Company operates in high power semiconductor segment, where it continues to be a leader in niche semiconductor processing and manufacturing in India. Your Company is the only company in private sector to process chips ranging from 28mm to 125mm 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 extensive usage of semiconductors in diverse end use applications in electronic industry.

**BUSINESS REVIEW**

- (a) **Company Outlook:** Your Company experienced a moderate demand during the financial year 2014-15. The Principal end markets which your Company caters comprising of Railways, Capital Goods, Industrial and Alternate Energy have shown signs of improvement.

Various development initiatives taken by the Government and increase in infrastructure spending is likely to boost positive sentiments and as a result your Company expects to do much better in the current financial year. Company's efforts in streamlining certain processes to meet the international standards, getting quality and product approvals by certifying agencies has made your Company more competitive and acceptable in the international market. Efforts of the Company to increase its share in export market has started paying rich dividends as the exports are already showing signs of improvement. Our constant endeavor to take challenging assignments bodes well with the outlook of the Company.

- (b) **Operational Performance Review:** The Company's operational performance during the year was guided by stable order inflows from semiconductor devices segments supported by execution of large equipment orders during the year. As a result, the Company reported a turnover of ₹ 27.06 crores for the financial year 2014-15 as compared to ₹ 21.81 crores last year thereby reporting a growth of 24% in the top line. The Company also achieved significant improvement in the bottom line by posting net profit of ₹ 31.41 lacs as against net loss of ₹ 29.31 lacs last year.

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

- (c) **Opportunities and Threats:** Since the Company essentially caters to OEM's, 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 crystallisation of orders for the Company.

Fluctuation in currency rates due to large imports also affects Company's performance, though to some extent shall be offset by increase in 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 only in one segment i.e. Power Electronics.

**OUTLOOK**

India is emerging as one of the largest electronics market in the world. The government through its policy initiatives, seeks to transform the Indian electronic manufacturing sector to a US \$ 400 billion market by 2020.

With the renewed focus by Govt. in the area of manufacturing through "Make in India" drive and promoting business friendly environment, we foresee the Indian manufacturing sector to see high growth rate in the coming years. However, the gestation period for the manufacturing sector to show results is longer compared to other sectors and therefore, it may take a few years to see real benefits.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT (Cont'd...)****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, procedures and reviews carried out by the Company's internal audit function. The Company has continued the services of 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 are taken.

**FINANCIAL PERFORMANCE**

- (i) **Profits and Earnings** : During the year, the Company's revenue from operations increased by 24% to ₹ 270,561,312/- as compared to ₹ 218,135,796/- in 2013-14. Earnings before Depreciation, Interest and Tax (EBIDTA) increased by 25% to ₹ 27,901,517/- as compared to ₹ 22,400,468/- last year. The Company has earned Net Profit of ₹ 31,41,546/- during the year as against loss of ₹ 29,30,713/- 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 working capital off take has resulted in marginal increase in finance cost by 0.27% to ₹ 14,076,932/- as against ₹ 14,039,011/- 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 : 27<sup>th</sup> May, 2015**

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



## REPORT ON CORPORATE GOVERNANCE

### 1. COMPANY PHILOSOPHY AND CORPORATE GOVERNANCE

At Ruttonsha we firmly believe that the fundamental objective of Corporate Governance is enhancing the interest of all shareholders/stakeholders. The Company's Corporate Governance practices emanate 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 are 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 2014-15 on the following dates namely 30<sup>th</sup> May, 2014; 6<sup>th</sup> August, 2014; 31<sup>st</sup> October, 2014; and 30<sup>th</sup> January, 2015 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, 2015 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 22-09-2014	Chairman/ Committee membership in other Public Ltd. Cos.
Mrs. Bhavna H. Mehta	Non-Executive Director (Promoter)	4	1*	No	-
Mr. Hasamukh 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	3	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	1	No	-

\* Attended through Video Conferencing




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

The Company provides necessary information as set out in Annexure X to Clause 49 of the Listing Agreement to the Board and the Board Committees to the extent it is applicable and relevant. Such information is submitted either as part of the agenda papers in advance of the respective meetings or by way of presentations and discussions during the meeting. Except for Mrs. Bhavna H. Mehta and Mr. Hasmukh J. Shah being relatives, none of the other directors are inter-se related to each other.

**(c) Disclosures regarding reappointment of Director**

The profiles of Director who is seeking re-appointment at the Annual General Meeting is furnished below :

**Mr. Manoj P. Mehta**, aged 55 years, is Science Graduate and Qualified Practising Chartered Accountant from ICAI having over three decades of enriched experience in finance, taxation, strategic planning, project finance and structuring of businesses. During the course of his career, he has been involved in assisting and successfully setting up several manufacturing units as Financial and Management Consultant. He is on the Board of several companies and socially holds trusteeship of a charitable trust as well. He is the Director of the Company since 2005 and core member of new Management team of the Company. He overlooks finance and business operations of Company.

He is member of Company's Audit Committee and Chairman of Nomination and Remuneration Committee. He jointly holds 1,00,000 equity shares in the Company.

**(d) Separate Meeting of Independent Directors**

A separate meeting of Independent Directors of the Company, without the attendance of Non-Independent Directors and members of the management, was held on 30<sup>th</sup> January, 2015, as required under Schedule IV to the Companies Act, 2013 (Code for Independent Directors) and Clause 49 of the Listing Agreement. At the meeting, the Independent Directors :

- Reviewed the performance of Non-Independent Directors and the Board as a whole,
- Reviewed the performance of the Chairman of the Company, taking into account the views of Non Executive Directors; and
- Assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Mr. Kisan R. Choksey and Mr. Pravin G. Shah attended the meeting of Independent Directors and Mr. Kisan R. Choksey chaired the meeting.

**(e) Performance Evaluation of the Board Members**

During the year, the Board has carried out an annual evaluation of its own performance, performance of the Directors, as well as the evaluation of the working of its Committees. The Nomination and Remuneration Committee has defined the evaluation criteria, procedure, time schedule and performance evaluation process for the Board, its Committees and Directors. The criteria for Board evaluation includes - degree of fulfillment of key responsibilities, Board structure and composition, establishment and delineation of responsibilities to various Committees, effectiveness of Board processes, information and functioning.

Criteria for evaluation of individual Directors include aspects such as attendance and contribution at Board/Committee Meetings and guidance/support to the management outside Board/Committee Meetings. In addition, the Chairman was also evaluated on key aspects of his role, including setting the strategic agenda of the Board and encouraging active engagement by all Board members. Criteria for evaluation of the Committees of the Board includes degree of fulfillment of key responsibilities, adequacy of Committee composition and effectiveness of meetings. The Directors expressed their satisfaction with the evaluation process.

**(f) Familiarisation programme for Independent Directors**

At the time of appointing a Director, a formal letter of appointment is given to him, which inter alia explains the role, function, duties and responsibilities expected of him as a Director of the Company. The Director is also explained in detail the Compliance required from him under the Companies Act, 2013, Clause 49 of the Listing Agreement and other relevant regulations and necessary affirmations are obtained with respect to the same. The Board Members also have discussion with the newly appointed Director to familiarise him with the Company's operations. Further the Company has put in place a system to familiarize the Independent Directors about the Company, its products, business and the on-going events relating to 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.


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

**Role of Audit Committee :**

- (a) Overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible.
- (b) Reviewing with the management the quarterly and annual financial statements and the auditors' report before submission to the board for approval.
- (c) Discussing with the statutory auditors, before the audit commences, about the nature and scope of audit, as well as post audit discussion to ascertain any areas of concern.
- (d) Recommending to the board the appointment, re-appointment and if required the replacement or removal of statutory auditors, remuneration and terms of appointment of auditors, fixation of audit fees and to approve payment for any other services rendered by the statutory auditors.
- (e) Reviewing and monitoring auditors' independence, performance and effectiveness of audit process.
- (f) Reviewing with the management, performance of the statutory and internal auditors.
- (g) Reviewing the adequacy of the internal audit function and the adequacy and efficiency of the internal control systems.
- (h) Evaluating internal financial controls and risk management systems.
- (i) Scrutinizing inter-corporate loans and investments.
- (j) Discussing any significant findings with internal auditors and follow-up thereon.
- (k) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or failure of internal control systems of a material nature and reporting the matter to the Board.
- (l) Looking into the reasons for substantial defaults in payments to depositors, debenture holders, shareholders and creditors.
- (m) Approving transactions, including any subsequent modifications, of the Company with related parties.
- (n) Valuation of undertakings or assets of the Company, wherever it is necessary.
- (o) Reviewing the functioning of Whistle Blower mechanism.
- (p) Approving the appointment of the Chief Financial Officer after assessing the qualifications, experience and background of the candidate.
- (q) And, generally, all items listed in Clause 49 III (D) of the Listing Agreement and in Section 177 of the Companies Act, 2013.

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.

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

During the year 2014-15, four Audit Committee meetings were held on the following dates - 30<sup>th</sup> May 2014, 6<sup>th</sup> August, 2014, 31<sup>st</sup> October 2014 and 30<sup>th</sup> January, 2015. 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	3
2.	Mr. Manoj P. Mehta	Member	4
3.	Mr. Venkitaraman Iyer	Member	1


**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 Composition of Nomination and Remuneration Committee is pursuant to the provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement. During the year under review one meeting of the Committee was held on 30/05/2014 and attended by all the members.

The terms of reference of the Nomination and Remuneration Committee are as follows :

- Reviewing the overall compensation policy, service agreements and other employment conditions of Directors and Senior Management;
- to help in determining the appropriate size, diversity and composition of the Board;
- to recommend to the Board appointment/re-appointment and removal of Directors;
- to frame criteria for determining qualifications, positive attributes and Independence of Directors;
- to recommend to the Board remuneration payable to the Directors;
- to create an evaluation framework for Independent Directors and the Board;
- to provide necessary reports to the Chairman after the evaluation process is completed by the Directors;
- to assist in developing a succession plan for the Board;
- to assist the Board in fulfilling responsibilities entrusted from time-to-time;
- delegation of any of its powers to any member of the Committee or to the Compliance Officer.

**Remuneration Policy**

The Company's philosophy for remuneration of Directors, key managerial personnel and all other employees is based on the commitment of fostering a culture of leadership with trust. The Company has adopted a Policy for remuneration of Directors, Key Managerial Personnel and other employees, which is aligned with this philosophy.

**Remuneration for Independent Directors and Non-Independent Directors**

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 2014-15 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 and meetings attended through Video Conferencing.

**III) Stakeholders Relationship Committee**

- (a) 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.
- (b) The Secretarial Department of the Company and the Registrar and Transfer Agents – Adroit Corporate Services Pvt. Ltd. attend to all grievances of the shareholders received directly or through other agencies such as SEBI, Stock Exchange, Ministry of Corporate Affairs, Registrar of Companies, etc. The minutes of the Stakeholders Relationship Committee Meetings are circulated to the Board and noted by the Board of Directors at the Board Meetings. Continuous efforts are being made to ensure that grievances are more expeditiously redressed to the complete satisfaction of Investors. Shareholders are requested to furnish their telephone numbers and e-mail addresses to facilitate prompt action.



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

- (c) 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.
- (d) During the Financial Year 2014-15, 13 meetings of Stakeholders Relationship Committee were held on the following dates which were attended by all the members :  
16/05/2014, 06/06/2014, 13/06/2014, 18/07/2014, 22/08/2014, 04/10/2014, 26/12/2014, 02/01/2015, 09/01/2015, 16/01/2015, 06/02/2015, 13/02/2015 and 20/02/2015 respectively.
- (e) Investor Grievance Redressal  
Number of complaints received and resolved during the year under review and their break-up are as under :

Sr. No.	Nature of Complaints	Number of Complaints	
		Received	Resolved
1.	Non-Receipt of Annual Reports	NIL	NIL
2.	Non-Receipt of Dividend Warrants	NIL	NIL
3.	Non-Receipt of Share Certificates	NIL	NIL
4.	Grievance Received through SCORES - SEBI/Stock Exchange	NIL	NIL

There were no investor complaints pending as on March 31, 2015.

- (f) In order to expedite redressal of the investor grievances and complaints, the Company has developed designated e-mail id. All investors can send their queries and complaints to : [secretarial@ruttonsha.com](mailto:secretarial@ruttonsha.com).
- (g) All shares received for transfer were registered in favour of transferee and certificates despatched within 15 days, wherever the documents received were in order.
- (h) The Company has acted upon all valid requests for share transfer received during the year ended 31.03.2015 and no such transfer is pending.

## 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
2013-14	45 <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.	22 <sup>nd</sup> September, 2014 at 11.30 a.m.	Extension of period of redemption of 40,50,000 2% Redeemable Optionally Convertible Cumulative Preference Shares by a period of 10 years.
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

All the resolutions moved at the last Annual General Meeting were passed by the requisite majority of shareholders.

No Extra-Ordinary General Meeting of the shareholders was held during the year.

Postal Ballot : During the year under review, no resolution was put through by Postal Ballot.



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


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**5. 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) Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Company has adopted a Whistle Blower Policy/Vigil Mechanism for Directors and Employees to report to the management about the unethical behaviour, fraud and violation of the Company's code of conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the Chairman of the Audit Committee in exceptional cases. None of the personnel of the Company have been denied access to the Audit Committee.
- (c) The Company has well defined risk management framework in place. Business Risk evaluation and management is an ongoing process within the Company. The assessment of the same is periodically examined by the Board.
- (d) 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 2015, 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.
- (e) All transactions entered into with the related parties as defined under the Companies Act, 2013 and Clause 49 of the Listing Agreement during the financial year were in the ordinary course of business and on arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. Related party transactions have been disclosed under the Note no. 29 of Notes forming part of the Financial Statements in this Annual Report. As required under Clause 49, the Company has formulated a policy on dealing with related party transactions. None of the transactions with related parties were in conflict with the interest of the Company. All the transactions are in the normal course of business and have no potential conflict with the interest of the Company at large and are carried out on an arm's length basis or at fair value.

**6. 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.

The Board has also approved a Code of Conduct for the Non-Executive Directors of the Company, which incorporates the duties of Independent Directors. 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, 2015. The declaration to this effect is signed by Mr. Manoj P. Mehta, Director of the Company forming part of this report.

**7. MEANS OF COMMUNICATIONS**

- (a) **Quarterly Results:-** The Unaudited quarterly/half yearly results are announced within forty-five days of the close of the relevant quarter. The audited annual results are announced within sixty days from the closure of the financial year as per the requirement of the Listing Agreement with the Stock Exchanges.

The approved financial results of the Company are forthwith sent to the stock exchange, posted on the Company's website : [www.ruttonsha.com](http://www.ruttonsha.com) and are published in The Economic Times – (English and Gujarati edition), The Financial Express and Mumbai Lakshwadeep newspapers within forty-eight hours of approval thereof. As the results of the Company are published in newspapers, intimated to the Stock Exchanges and posted on the Company's website, 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 the members and others entitled thereto. Management Discussion and Analysis Report forming part of the 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.


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

- (d) The 'Investor Centre' section on the Company's website gives information relating to financial results, annual reports, shareholding pattern, quarterly compliances with stock exchange and other relevant information of Interest to the Investors/public. Information about unclaimed dividends is also available on the Company's website under the head 'Investor Centre' section.

**8. GENERAL SHAREHOLDERS INFORMATION**
**(i) 46<sup>th</sup> Annual General Meeting**

**Date** : 24<sup>th</sup> September, 2015

**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, 2014 to 31<sup>st</sup> March, 2015.

**(iii) Date of Book closure** : Saturday 19<sup>th</sup> September, 2015 to Thursday 24<sup>th</sup> September, 2015 (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 listing fees for the financial year 2015-16 to Bombay Stock Exchange (BSE) on which Company's shares are listed. The Company has also paid custodial fees for the year 2015-16 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) CIN No.** : L31109MH1969PLC014322

**(vii) Dates for approval of Quarterly Results for 2015-16** : 1<sup>st</sup> Quarter: 4<sup>th</sup> week of July 2015\*  
2<sup>nd</sup> Quarter: 5<sup>th</sup> week of October 2015\*  
3<sup>rd</sup> Quarter: 5<sup>th</sup> week of January 2016\*

(\* indicates tentative dates) 4<sup>th</sup> Quarter/Annual Results : 5<sup>th</sup> week of May 2016\*

**(viii) 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.

**(ix) 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.: +91-022-28594060/6060 Fax No.: +91-022-28503748  
Email : info@adroitcorporate.com

**(x) Secretarial Audit**

Neetu Agarwal & Co., Practising Company Secretary have conducted a Secretarial Audit of the Company for the year 2014-15. The Audit Report confirms that the Company has complied with the applicable provisions of the Companies Act and the Rules made thereunder, Listing Agreement with the Stock Exchanges, applicable SEBI regulations and other laws applicable to the Company. The Secretarial Audit Report forms part of the Directors' Report.

Pursuant to Clause 47(c) of the Listing Agreement with the Stock Exchange, certificate have been issued on a half yearly basis, by a Company Secretary in practice, certifying due compliance of share transfer formalities by the Company.

**(xi) Outstanding GDR's/ADR's/Warrants/Convertible Instruments and their impact on equity** : N.A.

**(xii) Plant Location** : 338, International House, Baska, Taluka : Halol, Dist. - Panchmahals, Pin-389350, Gujarat.

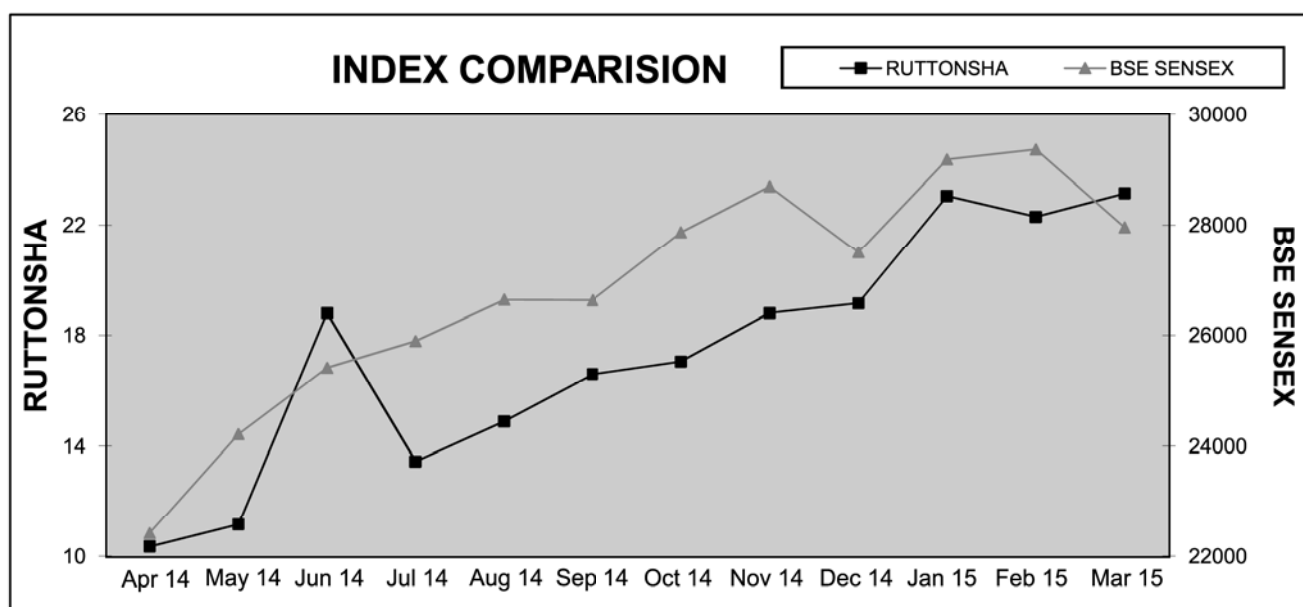


## REPORT ON CORPORATE GOVERNANCE (Cont'd...)

## (xiii) Market Price Data – (High/Low during each month of the Financial year 2014-15)

Company's Share Price at BSE					
Month	High (₹)	Low (₹)	Month	High (₹)	Low (₹)
April, 2014	10.80	10.35	October, 2014	18.70	15.50
May, 2014	12.50	10.00	November, 2014	20.35	16.05
June, 2014	18.80	11.20	December, 2014	20.25	17.95
July, 2014	18.00	13.45	January, 2015	27.40	19.80
August, 2014	17.17	13.42	February, 2015	28.90	22.00
September, 2014	17.32	14.25	March, 2015	23.15	19.10

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

(xv) Distribution of Shareholding as on 31<sup>st</sup> March, 2015 (Nominal value of each share ₹ 10/-)

No of Shareholding	No. of shareholders	% to total	Total Number of shares	Amount (₹)	% to total capital
Upto 100	703	18.69	59051	590510.00	0.85
101 to 500	2520	66.99	729160	7291600.00	10.48
501 to 1000	339	9.01	257140	2571400.00	3.70
1001 to 2000	111	2.95	166613	1666130.00	2.39
2001 to 3000	37	0.99	93679	936790.00	1.35
3001 to 4000	18	0.48	65136	651360.00	0.94
4001 to 5000	8	0.21	36937	369370.00	0.53
5001 to 10000	14	0.37	105978	1059780.00	1.52
10001 to 20000	5	0.13	60004	600040.00	0.86
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>3762</b>	<b>100%</b>	<b>6957240</b>	<b>69572400.00</b>	<b>100%</b>

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

(xvi) Category of shareholders as on 31<sup>st</sup> March, 2015

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	11542	0.17%
5.	Non-Resident shareholders	2700	0.04%
6.	Resident shareholders	1639456	23.56%
	<b>TOTAL</b>	<b>6957240</b>	<b>100 %</b>

## (xvii) Dematerialization of Shares and Liquidity

The Company shares are compulsorily traded in dematerialized form and are available for trading on both the depositories, viz. NSDL and CDSL.

Percentage of shares held in physical and dematerialized form as on 31<sup>st</sup> March, 2015 :

Physical Form : 10.56%

Electronic Form with NSDL : 81.32%

Electronic Form with CDSL : 8.12%

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.

## (xviii) Address for Investor Correspondence : Adroit Corporate Services Pvt. Ltd.,

Unit : Ruttonsha International Rectifier Ltd., 19/20, Jaferbhoy Industrial Estate,

1<sup>st</sup> Floor, Makwana Road, Marol Naka, Andheri (East), Mumbai – 400059, Maharashtra.

Tel. No.: +91-022-28594060/6060, Fax No: +91-022-28503748, Email : info@adroitcorporate.com

OR

**The Company Secretary, Ruttonsha International Rectifier Ltd.**, 139/141, Solaris 1, 'B' Wing,

First Floor, Saki Vihar Road, Powai, Andheri (East), Mumbai - 400072, Maharashtra.

Tel. No.: +91-022-28471956 ; Fax No.: +91-022-28471959, 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.

## (xix) Other information for shareholders

**Nomination facility** : Individual shareholders holding shares in physical form can nominate a person in whose name the shares shall be transferable in case of death of the registered shareholders. Shareholders desirous of making a nomination are requested to send their requests to the Company's Registrar and Transfer Agents : Adroit Corporate Services Pvt. Ltd. Members holding shares in electronic form are requested to give the nomination request to their respective Depository Participants only.

**Important Communication to Members**

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by 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** or **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.**

**REPORT ON CORPORATE GOVERNANCE (Cont'd...)****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, 2015.

For **Ruttonsha International Rectifier Ltd.**

Mumbai, 27<sup>th</sup> May, 2015

**Manoj P. Mehta**  
Director

**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, 2015, 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 : 27<sup>th</sup> May, 2015

**(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, 2015, the Statement of Profit and Loss, the 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 Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility**

3. Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
4. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
6. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

**Opinion**

7. In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2015, its profits and its cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

8. As required by the Companies (Auditors' Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
9. As required by Section 143(3) of the Act, we report that :
  - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

**INDEPENDENT AUDITORS' REPORT**

- (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- (d) in our opinion, the financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) on the basis of written representations received from the Directors as on 31<sup>st</sup> March, 2015 and taken on record by the Board of Directors, none of the Directors of the Company is disqualified as on 31<sup>st</sup> March, 2015, from being appointed as a Director in terms of Section 164 (2) of the Act;
- (f) With respect to other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
- i. The Company does not have any pending litigations and accordingly, it has no impact on its financial position in its financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. The Company was not required to transfer any amounts to the Investor Education and Protection Fund during the year and accordingly, the question of delay does not arise.

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

Place : Mumbai  
Date : 27<sup>th</sup> May, 2015

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



## ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in Paragraph 8 under "Report on Other Legal and Regulatory Requirements" section of our Report of even date)

1. In respect of the Company's 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.
2. In respect of its Inventory :
  - (a) As explained to us, the inventories, other than materials in transit and materials lying with third parties were physically verified during the year by the management at reasonable intervals.
  - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management were reasonable and adequate in relation to the size of the Company and the nature of its business.
  - (c) In our opinion and according to information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
3. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to the companies, firms or other parties covered in the Register maintained under Section 189 of the Act. Accordingly, the provisions of Clause 3(iii) (a) and (b) of the Order are not applicable to the Company and hence not commented upon.
4. In our opinion and according to the information and explanations given to us, there is an 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 for the sale of goods and services. During the course of our audit, we have not observed any major weakness in such internal control system.
5. The Company has not accepted any deposits from the public within the meaning of Section 73 and 74 of the Act and the rules framed thereunder to the extent notified.
6. The Central Government has not prescribed for maintenance of cost records under Section 148 of the Act. Accordingly, the provisions of Clause 3(vi) of the Order is not applicable to the Company.
7. According to the information and explanations given to us in respect of statutory dues :
  - (a) The Company has generally been regular in depositing undisputed dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
  - (b) There were no undisputed amounts payable in respect of Provident fund, Employee's State Insurance, Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears as at 31<sup>st</sup> March, 2015 for a period of more than six months from the date they became payable.
  - (c) According to the records of the Company, no dues of Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax or Cess are outstanding on account of any dispute.
  - (d) According to the information and explanations given to us, the Company is not required to transfer any amount to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and the rules made thereunder.
8. The Company has no accumulated losses as at the end of the financial year and it has not incurred any cash losses during the financial year covered by our audit and in the immediately preceding financial year.
9. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not obtained any loan from financial institutions and debenture holders.
10. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
11. According to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were obtained.
12. To the best of our knowledge and according to the information and explanations given to us, no frauds by the Company and no material fraud on the Company has been noticed or reported during the year.

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

Place : Mumbai  
Date : 27<sup>th</sup> May, 2015

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

## BALANCE SHEET AS AT 31ST MARCH, 2015

	NOTE NO.	( Amt. in ₹ )	As at 31st March, 2015 ( Amt. in ₹ )	( Amt. in ₹ )	As at 31st March, 2014 ( 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	64,480,923		61,341,670	
			<b>174,553,323</b>		171,414,070
<b>2. NON-CURRENT LIABILITIES</b>					
(a) Long Term Borrowings	3	18,898,403		19,251,831	
(b) Deferred Tax Liability (net)	4	18,558,649		19,632,168	
(c) Other Long Term Liabilities	5	217,500		217,500	
(d) Long Term Provisions	6	6,914,953		5,608,280	
			<b>44,589,505</b>		44,709,779
<b>3. CURRENT LIABILITIES</b>					
(a) Short Term Borrowings	7	65,533,866		71,427,398	
(b) Trade Payable	8	39,544,882		32,224,000	
(c) Other Current Liabilities	9	6,617,593		7,578,361	
(d) Short Term Provisions	10	1,493,650		1,173,730	
			<b>113,189,991</b>		112,403,489
			<b>332,332,819</b>		328,527,338
<b>TOTAL</b>					
<b>II. ASSETS</b>					
<b>1. NON-CURRENT ASSETS</b>					
(a) Fixed Assets	11				
(i) Tangible Assets		103,888,445		111,803,295	
(ii) Capital Work in Progress		459,663		359,971	
		<b>104,348,108</b>		112,163,266	
(b) Non Current Investment	12	847,665		847,665	
(c) Long term Loans and Advances	13	5,814,852		7,717,853	
(d) Other Non Current Assets	14	207,672		134,017	
			<b>111,218,297</b>		120,862,801
<b>2. CURRENT ASSETS</b>					
(a) Inventories	15	113,680,209		98,974,741	
(b) Trade Receivables	16	91,911,053		92,486,834	
(c) Cash and Bank Balances	17	10,171,864		11,081,411	
(d) Short Term Loans and Advances	18	5,351,396		5,121,551	
			<b>221,114,522</b>		207,664,537
			<b>332,332,819</b>		328,527,338
<b>TOTAL</b>					

Significant Accounting Policies

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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 &amp; 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 : 27<sup>th</sup> May, 2015(Venkitaraman Iyer)  
Director(Bhavin P Rambhia)  
Company Secretary



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

	NOTE NO.	For the year ended 31st March, 2015 ( Amt. in ₹ )	For the year ended 31st March, 2014 ( Amt. in ₹ )
<b>I. REVENUE FROM OPERATIONS</b>			
(a) Sale of Products (Gross)			
Domestic		254,902,771	201,778,629
Exports		45,293,370	42,156,244
		<u>300,196,141</u>	<u>243,934,873</u>
Less : Excise Duty		(21,762,172)	(19,026,497)
Less : VAT and CST		(7,872,657)	(6,772,580)
Sale of Products (Net)	19	<u>270,561,312</u>	<u>218,135,796</u>
(b) Other Income	20	4,235,351	5,692,401
<b>TOTAL REVENUE</b>		<u>274,796,663</u>	<u>223,828,197</u>
<b>II. EXPENSES</b>			
(a) Cost of Materials Consumed	21	189,529,238	165,578,941
(b) Changes in Inventories of Finished Goods and Work in Progress	22	(5,197,924)	(21,593,960)
(c) Employee Benefits Expenses	23	34,354,772	30,049,118
(d) Finance Costs	24	14,076,932	14,039,011
(e) Depreciation and Amortisation Expenses	11	11,268,558	11,292,170
(f) Other Expenses	25	28,205,597	27,748,433
<b>TOTAL EXPENSES</b>		<u>272,237,173</u>	<u>227,113,713</u>
<b>III. PROFIT/(LOSS) BEFORE EXTRAORDINARY ITEMS ( I - II )</b>		2,559,490	(3,285,516)
IV. Extraordinary Items		3,463	(354,803)
<b>V. PROFIT/(LOSS) BEFORE TAX ( III - IV )</b>		<u>2,556,027</u>	<u>(2,930,713)</u>
<b>VI. TAX EXPENSES</b>			
(a) Current Tax		488,000	-
(b) Deferred Tax Liability/(Asset)		(1,073,519)	-
<b>VII. PROFIT/(LOSS) FOR THE YEAR ( V - VI )</b>		<u>3,141,546</u>	<u>(2,930,713)</u>
<b>VIII. EARNINGS PER EQUITY SHARE</b>	39		
(Face Value of ₹ 10/- each)			
Basic and Diluted ( in ₹ )		0.45	-

Significant Accounting Policies

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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 &amp; 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 : 27<sup>th</sup> May, 2015(Venkitaraman Iyer)  
Director(Bhavin P Rambhia)  
Company Secretary

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

	For the year ended 31st March, 2015		For the year ended 31st March, 2014	
	( Amt. in ₹ )	( Amt. in ₹ )	( Amt. in ₹ )	( Amt. in ₹ )
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Profit before tax and extraordinary items		2,559,490		(3,285,516)
Adjustments for :				
Depreciation	11,268,558		11,292,170	
Extra Ordinary Items	(3,463)		354,803	
Interest Income	(2,088,683)		(1,187,643)	
Interest Expense	12,315,709		12,264,148	
Revaluation Adjustment	2,293		2,623	
		<u>21,494,414</u>		<u>22,726,101</u>
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>		<b>24,053,904</b>		<b>19,440,585</b>
<b>Changes in Working Capital</b>				
Trade Receivables	575,781		49,875,328	
Inventories	(14,705,468)		(33,452,410)	
Long Term Provisions	1,306,673		(430,939)	
Short Term Loans and Advances	(229,845)		(987,098)	
Other Current Liabilities	(960,768)		(1,796,451)	
Short Term Provisions	(70,587)		(8,347)	
Long Term Loans and Advances	1,903,001		(633,856)	
Other Non Current Assets	(73,655)		(39,780)	
Trade Payables	7,320,882		(11,910,896)	
		<u>(4,933,986)</u>		<u>615,551</u>
Cash Used in Operating Activities		<u>19,119,918</u>		<u>20,056,136</u>
Direct Taxes paid (net)		<u>(97,493)</u>		<u>(3,238,317)</u>
<b>CASH GENERATED FROM OPERATIONS</b>		<b>19,022,425</b>		<b>16,817,819</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase of Fixed Assets	(3,356,001)		(4,116,198)	
Capital Work in Progress	(99,692)		345,733	
Interest Income	2,088,683		1,187,643	
Revaluation Adjustment	(2,293)		(2,623)	
		<u>(1,369,303)</u>		<u>(2,585,445)</u>
<b>C. CASH FLOW FROM FINANCIAL ACTIVITIES</b>				
Repayment of Long Term Borrowings	(353,428)		665,002	
Net increase in Working Capital Borrowings	(5,893,532)		2,373,991	
Dividend paid	-		(5,217,930)	
Corporate Dividend Tax paid	-		(886,788)	
Interest paid	(12,315,709)		(12,264,148)	
		<u>(18,562,669)</u>		<u>(15,329,873)</u>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>		<b>(909,547)</b>		<b>(1,097,499)</b>
Cash and Cash Equivalents as at 01-04-2014		11,081,411		12,178,910
<b>Cash and Cash Equivalents as at 31-03-2015</b>		<b>10,171,864</b>		<b>11,081,411</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

Place : Mumbai

Date : 27<sup>th</sup> May, 2015

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





## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at 31st March, 2015 ( Amt. in ₹ )	As at 31st March, 2014 ( 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	<u>40,500,000</u>	<u>40,500,000</u>														
	<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	<u>40,500,000</u>	<u>40,500,000</u>														
<b>TOTAL</b>	<u>110,072,400</u>	<u>110,072,400</u>														
1.1) 3,750,000 Equity Shares out of the issued, subscribed and paid up Equity Share capital and 4,050,000 2% Redeemable Optionally Convertible Cumulative Preference Shares out of the issued, subscribed and paid up Preference Share capital were issued to the erstwhile shareholders of Orient Semiconductors Pvt. Ltd. pursuant to the scheme of Amalgamation.																
1.2) The shareholders of the Company at their meeting held on 22 <sup>nd</sup> September, 2014 extended redemption period of the above Preference Shares by period of 10 years.																
1.3) Shareholder's holding more than 5% Equity Shares of the Company :																
	<table border="1"> <thead> <tr> <th rowspan="2">Name of the Shareholder</th> <th colspan="2">As at 31st March, 2015</th> <th colspan="2">As at 31st March, 2014</th> </tr> <tr> <th>No. of shares</th> <th>%</th> <th>No. of shares</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>Mrs. Bhavna H. Mehta</td> <td style="text-align: right;">4,724,583</td> <td style="text-align: right;">67.91</td> <td style="text-align: right;">4,724,583</td> <td style="text-align: right;">67.91</td> </tr> </tbody> </table>		Name of the Shareholder	As at 31st March, 2015		As at 31st March, 2014		No. of shares	%	No. of shares	%	Mrs. Bhavna H. Mehta	4,724,583	67.91	4,724,583	67.91
Name of the Shareholder	As at 31st March, 2015			As at 31st March, 2014												
	No. of shares	%	No. of shares	%												
Mrs. Bhavna H. Mehta	4,724,583	67.91	4,724,583	67.91												
<b>NOTE 2 : RESERVES AND SURPLUS</b>																
<b>(a) REVALUATION RESERVE</b>																
As per Last Balance Sheet	92,841	95,464														
Less: Utilised/Transferred during the year	<u>2,293</u>	<u>2,623</u>														
Closing Balance	90,548	92,841														
<b>(b) CAPITAL RESERVE</b>																
Balance at the beginning and end of the year	2,396,456	2,396,456														
<b>(c) CASH SUBSIDY RESERVE</b>																
Balance at the beginning and end of the year	323,500	323,500														
<b>(d) AMALGAMATION RESERVE</b>																
Balance at the beginning and end of the year	4,359,936	4,359,936														
<b>(e) SURPLUS IN STATEMENT OF PROFIT AND LOSS</b>																
As per Last Balance Sheet	54,168,937	57,099,650														
Add/(Less) : Profit/(Loss) for the year	<u>3,141,546</u>	<u>(2,930,713)</u>														
	57,310,483	54,168,937														
Less: Appropriations	-	-														
Closing Balance	<u>57,310,483</u>	<u>54,168,937</u>														
<b>TOTAL</b>	<u>64,480,923</u>	<u>61,341,670</u>														
<b>NOTE 3 : LONG TERM BORROWINGS</b>																
<b>SECURED</b>																
Vehicle Loan from Bank	496,406	849,834														
<b>UN-SECURED</b>																
Loan from a Director	<u>18,401,997</u>	<u>18,401,997</u>														
<b>TOTAL</b>	<u>18,898,403</u>	<u>19,251,831</u>														
Vehicle Loan from State Bank of India is secured by hypothecation of Vehicle.																



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

	As at 31st March, 2015 ( Amt. in ₹ )	As at 31st March, 2014 ( Amt. in ₹ )
<b>NOTE 4 : DEFERRED TAX LIABILITY</b>		
Deferred Tax Liability - related to fixed assets	18,558,649	19,632,168
<b>TOTAL</b>	<b>18,558,649</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>PROVISIONS FOR EMPLOYEE BENEFITS</b>		
(a) Provision for Gratuity	6,276,251	5,069,348
(b) Provision for Compensated Absences	638,702	538,932
<b>TOTAL</b>	<b>6,914,953</b>	<b>5,608,280</b>
<b>NOTE 7 : SHORT TERM BORROWINGS</b>		
<b>SECURED</b>		
Cash Credit from Bank	65,533,866	71,427,398
<b>TOTAL</b>	<b>65,533,866</b>	<b>71,427,398</b>
Cash credit from State Bank of India 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, 33/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	39,544,882	32,224,000
<b>TOTAL</b>	<b>39,544,882</b>	<b>32,224,000</b>
<b>NOTE 9 : OTHER CURRENT LIABILITIES</b>		
(a) Un-paid/Unclaimed Dividends	746,660	752,870
(b) Other Payable	3,413,305	3,430,561
(c) Statutory Remittances	1,162,723	2,122,044
(d) Current maturities of Long Term Debt	1,294,905	1,272,886
<b>TOTAL</b>	<b>6,617,593</b>	<b>7,578,361</b>
9.1) There is no amount due and outstanding to be credited to Investor Education and Protection Fund as at 31st March, 2015. These amounts shall be credited to the Fund as and when they become due.		
9.2) Statutory Remittances include amount due and payable to various Government and statutory authorities.		
9.3) Current maturities include interest payable on loan taken from Director.		
<b>NOTE 10 : SHORT TERM PROVISIONS</b>		
(a) Provision for Employee Benefits	1,103,143	1,173,730
(b) Provision for Tax (net of Advance Tax)	390,507	-
<b>TOTAL</b>	<b>1,493,650</b>	<b>1,173,730</b>

Provision for employee benefits include provision for bonus and ex-gratia.

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

( Amt in ₹ )

Sr. No.	Particulars	GROSS BLOCK (at cost)				DEPRECIATION				NET BLOCK	
		As at 01.04.2014	Additions during the year	Deductions during the year	As at 31.03.2015	As at 01.04.2014	Deductions during the year	For the year	As at 31.03.2015	As at 31.03.2015	As at 31.03.2014
1.	FREEHOLD LAND	3,589,950	-	-	3,589,950	-	-	-	-	3,589,950	3,589,950
2.	BUILDINGS	22,547,785	689,139	-	23,236,924	12,069,392	403,366	-	12,472,778	10,764,146	10,478,393
3.	PLANT AND MACHINERY	182,153,637	1,626,508	-	183,780,145	90,410,915	9,674,173	-	100,085,088	83,695,057	91,742,722
4.	DIES AND MOULDS	4,636,213	164,650	-	4,800,863	4,131,468	96,986	-	4,228,454	572,409	504,745
5.	ELECTRICAL INSTALLATION AND FITTINGS	4,370,269	3,300	-	4,373,569	3,330,496	115,441	-	3,445,937	927,632	1,039,773
6.	AIR CONDITIONERS AND WATERCOOLERS	2,346,605	81,000	-	2,427,605	1,650,258	172,653	-	1,822,911	604,694	696,347
7.	VEHICLES	3,195,592	-	-	3,195,592	1,623,098	354,452	-	1,977,550	1,218,042	1,572,494
8.	OFFICE EQUIPMENTS	5,543,336	564,086	-	6,107,422	4,559,604	272,399	-	4,832,003	1,275,419	983,732
9.	FURNITURE AND FIXTURES	6,171,732	227,318	-	6,399,050	4,976,593	181,361	-	5,157,954	1,241,096	1,195,139
	<b>TOTAL</b>	<b>234,555,119</b>	<b>3,356,001</b>	<b>-</b>	<b>237,911,120</b>	<b>122,751,824</b>	<b>11,270,851</b>	<b>-</b>	<b>134,022,675</b>	<b>103,888,445</b>	<b>111,803,295</b>
	<b>PREVIOUS YEAR</b>	230,438,921	4,116,198	-	234,555,119	111,457,031	11,294,793	-	122,751,824		
	<b>CAPITAL WORK IN PROGRESS</b>									459,663	359,971
	<b>GRAND TOTAL</b>									<b>104,348,108</b>	<b>112,163,266</b>

NOTE 11 : FIXED ASSETS

- 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) During the year, in accordance with Schedule II to the Companies Act, 2013, the management based on Chartered Engineer's technical evaluation, has re-assessed the remaining useful life of fixed assets with effect from 1<sup>st</sup> April, 2014. As a result, the depreciation for the year ended 31<sup>st</sup> March, 2015 was lower by ₹ 859/-.
- 11.3) Depreciation on revalued assets has been adjusted against Revaluation reserve.

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

	As at 31st March, 2015 ( Amt. in ₹ )	As at 31st March, 2014 ( 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.	847,665	847,665
<b>TOTAL</b>	<u>847,665</u>	<u>847,665</u>
<b>NOTE 13 : LONG TERM LOANS AND ADVANCES</b>		
(a) Security Deposits (Considered Good)		
(i) Secured	3,442,792	3,765,172
(ii) Un-secured	1,936,977	2,256,524
(b) Advance Income Tax		
(i) For Earlier years (A.Y. 1987-88 and 1988-89)	-	1,260,182
(ii) For Earlier years (A.Y. 2013-2014)	435,083	435,975
<b>TOTAL</b>	<u>5,814,852</u>	<u>7,717,853</u>
During the Financial year, the Company has received Income Tax Refund of ₹ 20,58,892/- which includes (Advance Income Tax paid for the period 1987-89 ₹ 12,60,182/- and Interest on Income Tax Refund of ₹ 7,98,710/-)		
<b>NOTE 14 : OTHER NON CURRENT ASSETS</b>		
(a) Accruals (Un-secured considered good)		
Interest Accrued on deposits	161,363	87,708
(b) Others (Un-secured considered good)		
Compensation Receivable	46,309	46,309
<b>TOTAL</b>	<u>207,672</u>	<u>134,017</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	48,313,484	38,805,940
(b) Work-in-Progress	61,485,912	55,521,415
(c) Finished Goods	3,880,813	4,647,386
<b>TOTAL</b>	<u>113,680,209</u>	<u>98,974,741</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 )	13,608,206	11,679,614
Less: Provision for doubtful trade receivables	3,831,278	3,831,278
	<u>9,776,928</u>	<u>7,848,336</u>
(b) Others	82,134,125	84,638,498
<b>TOTAL</b>	<u>91,911,053</u>	<u>92,486,834</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, 2015 ( Amt. in ₹ )	As at 31st March, 2014 ( Amt. in ₹ )
<b>NOTE 17 : CASH AND BANK BALANCES</b>		
(a) Cash and Cash Equivalents		
(i) Cash on hand	255,552	118,922
(ii) Balances with Banks		
- In Current Accounts	1,727,779	1,059,858
- In Deposit Accounts	8,188,533	9,889,731
	<u>10,171,864</u>	<u>11,068,511</u>
(b) Other Bank Balances		
Margin Money with Bank	-	12,900
<b>TOTAL</b>	<u><u>10,171,864</u></u>	<u><u>11,081,411</u></u>
Balance with banks in current accounts include unclaimed dividend of ₹ 746,660/- (Previous Year : ₹ 752,870/-)		
<b>NOTE 18 : SHORT TERM LOANS AND ADVANCES</b>		
(unsecured, considered good unless otherwise stated)		
(a) Advance to Suppliers	1,884,194	1,224,998
(b) Advance to Employees	247,715	284,427
(c) Prepaid Expenses	576,090	414,577
(d) Balance with Government Authorities		
- CENVAT Credit receivable	1,909,975	2,298,864
- Service Tax receivable	111,012	294,816
- Advance Income Tax (A.Y. 2014-15)	622,410	603,869
<b>TOTAL</b>	<u><u>5,351,396</u></u>	<u><u>5,121,551</u></u>
	2014-15 ( Amt. in ₹ )	2013-14 ( Amt. in ₹ )
<b>NOTE 19 : SALE OF PRODUCTS</b>		
(a) Semiconductor Devices	178,584,020	166,681,330
(b) Power Rectifier Assemblies	65,344,904	34,672,750
(c) Power Modules	7,007,979	1,514,366
(d) Others	19,624,409	15,267,350
<b>TOTAL</b>	<u><u>270,561,312</u></u>	<u><u>218,135,796</u></u>
<b>NOTE 20 : OTHER INCOME</b>		
(a) Interest Income	2,088,683	1,187,643
(b) Labour Charges	181,050	677,621
(c) Liabilities/Provisions (no longer required) written back	108,876	401,127
(d) Net gains on Foreign Currency Transactions	1,549,439	2,266,064
(e) Miscellaneous Receipts	307,303	1,159,946
<b>TOTAL</b>	<u><u>4,235,351</u></u>	<u><u>5,692,401</u></u>
<b>NOTE 21 : COST OF MATERIALS CONSUMED</b>		
Opening Stock	38,805,940	26,947,490
Add : Purchases	199,036,782	177,437,391
	<u>237,842,722</u>	<u>204,384,881</u>
Less : Closing Stock	48,313,484	38,805,940
<b>TOTAL</b>	<u><u>189,529,238</u></u>	<u><u>165,578,941</u></u>



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

	2014-15 ( Amt. in ₹ )	2013-14 ( Amt. in ₹ )
<b>NOTE 22 : CHANGE IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS</b>		
<b>OPENING STOCK</b>		
(a) Work in Progress	55,521,415	29,025,057
(b) Finished Goods	4,647,386	9,549,784
	<u>60,168,801</u>	<u>38,574,841</u>
<b>CLOSING STOCK</b>		
(a) Work in Progress	61,485,912	55,521,415
(b) Finished Goods	3,880,813	4,647,386
	<u>65,366,725</u>	<u>60,168,801</u>
	<u>(5,197,924)</u>	<u>(21,593,960)</u>
<b>NOTE 23 : EMPLOYEE BENEFITS EXPENSES</b>		
(a) Salaries, Wages and Bonus	29,220,935	26,463,408
(b) Contribution to Provident and other Funds	3,941,628	2,558,033
(c) Staff Welfare Expenses	1,192,209	1,027,677
<b>TOTAL</b>	<u>34,354,772</u>	<u>30,049,118</u>
<b>NOTE 24 : FINANCE COST</b>		
(a) Interest Expenses	12,315,709	12,264,148
(b) Other Borrowing Costs	1,761,223	1,774,863
<b>TOTAL</b>	<u>14,076,932</u>	<u>14,039,011</u>
<b>NOTE 25 : OTHER EXPENSES</b>		
<b>(I) OPERATING EXPENSES</b>		
(a) Packing Materials	2,327,528	1,499,646
(b) Freight and Forwarding	2,011,996	2,074,513
(c) Power and Fuel	6,723,051	6,626,864
(d) Rent including Lease Rentals	855,300	858,000
(e) Repairs and Maintenance to :		
- Building	218,230	276,460
- Machinery	185,198	335,211
- Others	267,412	228,390
(f) Insurance	510,402	545,514
(g) Rates and Taxes	619,648	628,520
	<u>13,718,765</u>	<u>13,073,118</u>
<b>(II) ADMINISTRATIVE AND OTHER EXPENSES</b>		
(a) Telephone Expenses	622,726	652,060
(b) Travelling and Conveyance	3,890,785	3,782,196
(c) Printing and Stationery	845,557	605,248
(d) Discount and Commission	564,901	697,787
(e) Advertisement and Sales Promotional Expenses	880,265	804,723
(f) Donation and Contributions	5,000	15,501
(g) Legal and Professional Charges	4,428,153	4,498,116
(h) Directors' Sitting Fees	80,000	90,000
(i) Auditors' Remuneration	80,000	80,000
(j) Miscellaneous Expenses	3,089,445	3,449,684
	<u>14,486,832</u>	<u>14,675,315</u>
<b>TOTAL</b>	<u>28,205,597</u>	<u>27,748,433</u>



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Cont'd...)****NOTE 26 : SIGNIFICANT ACCOUNTING POLICIES****(a) Basis of Preparation of Financial Statements :**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 129 and 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 1956, as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year except for change in the accounting policy for depreciation.

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 the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of materials and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle to be less than 12 months. As a result, current assets comprise elements that are expected to be realised within 12 months after the reporting date and current liabilities comprise elements that are due for settlement within 12 months after the reporting date.

**(b) Use of Estimates :**

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known /materialised.

**(c) 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.

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

**(d) Depreciation :**

Depreciation in respect of fixed assets acquired during the year is charged on a straight line method so as to write-off the cost of the assets over the useful lives.

With respect to the existing class of assets acquired prior to 1<sup>st</sup> April, 2014 the management has estimated useful life which differs from the useful life prescribed under the Act on the basis of internal assessment and as per chartered engineer's technical evaluation. The management believes that the useful lives provided for assets acquired prior to 01/04/2014 best represents the period over which management expects to use these assets. Hence the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

Depreciation method, useful life and residual value are reviewed periodically.

**(e) Borrowing Costs :**

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

**(f) 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 of Inventory 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.

**(g) Revenue Recognition :**

Gross Sales are inclusive of Excise Duty, VAT, and Net of returns, Claims, and Discount etc. The Company recognizes sale of goods when all the obligations connected with the transfer of risks and rewards to the buyer have been fulfilled after the price has been determined and collection of the receivable is reasonably certain.

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

Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

**(h) Employee Benefits :**

- (i) Short term employee benefits are recognised as an expense at the undiscounted amount expected to be paid over the period of services rendered by the employees to the Company.
- (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.

**(i) 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 as income or expenses 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.

**(j) Taxation :**

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities, using applicable tax rates. Deferred income tax reflects the current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier years/period. Deferred tax assets are recognised only to the extent that there is a reasonable certainty that sufficient future income will be available. In case there are unabsorbed depreciation or losses, it is recognised if there is virtual certainty that sufficient future taxable income will be available to realize the same.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date.

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

Provisions is recognized in the accounts when there is a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote.

Contingent assets are neither recognised nor disclosed in the financial statements.

**(l) 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.

**(m) Impairment of Assets :**

The carrying amounts of assets are reviewed periodically for any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use.

**(n) Investments :**

Non current investments are stated at cost. Provision for diminution in the value of Non Current Investments is made only if such a decline is other than temporary.

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

	As at 31 <sup>st</sup> March, 2015 ( Amt. in ₹ )	As at 31 <sup>st</sup> March, 2014 ( Amt. in ₹ )
<b>OTHER DISCLOSURE NOTES : 27 to 40</b>		
<b>NOTE 27 : CONTINGENT LIABILITIES</b>		
Contingent Liabilities not provided for in respect of :		
(a) Guarantee issued to the Development Commissioner in respect of E.O.U. unit	15,000,000	15,000,000
(b) Performance Guarantee issued by Banks	1,422,438	1,583,216

**NOTE 28 : EMPLOYEE BENEFITS**

Disclosure as required by Accounting Standard 15

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

**DEFINED BENEFIT PLAN**

<b>Gratuity</b>	2014-15 ( Amt. in ₹ )	2013-14 ( Amt. in ₹ )
Current service cost	1,747,993	600,022

<b>Leave Encashment</b>	2014-15 ( Amt. in ₹ )	2013-14 ( Amt. in ₹ )
Current service cost	160,711	20,388

<b>Provident Fund</b>	2014-15 ( Amt. in ₹ )	2013-14 ( Amt. in ₹ )
Current service cost	1,261,336	1,248,477

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

<b>Particulars</b>	<b>Gratuity ( Amt. in ₹ )</b>	
	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
Opening defined benefits	5,069,348	5,382,494
Current service cost	1,747,993	600,022
Benefits paid during the year	541,090	913,168
Closing defined benefit obligation (as per actuarial valuation)	6,276,251	5,069,348

<b>Particulars</b>	<b>Leave Encashment ( Amt. in ₹ )</b>	
	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
Opening defined benefits	538,932	656,725
Current service cost	160,711	20,388
Benefits paid during the year	60,941	1,38,181
Closing defined benefit obligation (as per actuarial valuation)	638,702	538,932

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 ₹ 19,97,265/- to administer the 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 :

	2014-15 ( Amt. in ₹ )	2013-14 ( Amt. in ₹ )
<b>Expenses :</b>		
Interest	2300,256	2300,256
Rent	720,000	720,000
<b>Outstandings :</b>		
Unsecured Loans	18,401,997	18,401,997
Security Deposit	500,000	500,000

## NOTE 30 : AUDITORS' REMUNERATION

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

## NOTE 31 : MATERIALS CONSUMED

(i) Copper, Bases, Wires, Sheets, etc.	41,850,727	36,921,798
(ii) Diodes, SCR parts and components, Ceramic Housings, Moly Discs, Tungsten and Silicon Diffused Chips, etc.	66,658,967	60,616,658
(iii) Power Equipments, Sub-assemblies, Transformers, Switches, etc.	29,634,808	20,511,579
(iv) Hardware Components, Bakelite and Fibre Sheet Rods and Boxes, etc.	18,946,334	14,488,736
(v) Others	32,438,402	33,040,170
	<u>189,529,238</u>	<u>165,578,941</u>

## NOTE 32 : STOCK OF GOODS PRODUCED

## OPENING 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>

## CLOSING STOCK

(i) Semiconductor Diodes/ Rectifiers	3,880,813	1,025,875
(ii) Power Rectifier Assemblies	Nil	3,621,511
	<u>3,880,813</u>	<u>4,647,386</u>

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

Raw Materials, Components and Spares	<u>85,004,503</u>	<u>74,471,090</u>
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## NOTE 34 : EXPENDITURE IN FOREIGN CURRENCY

Foreign Bank and Other Charges	<u>1,185,515</u>	<u>1,046,173</u>
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## NOTE 35 : EARNINGS IN FOREIGN CURRENCY

F.O.B. value of Exports	<u>47,535,610</u>	<u>44,850,805</u>
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## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Cont'd...)

**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.

**NOTE 37 : INCOME TAX AND SALES TAX ASSESSMENTS**

Income Tax assessments have been completed upto the Assessment Year 2012-13 and adjustments in the accounts have been made upto the said Assessment year.

Sales Tax assessments have been completed upto 31<sup>st</sup> March, 2011.

**NOTE 38 : UNPAID AND UNCLAIMED DIVIDENDS**

Unclaimed dividends of ₹ 7,46,660/- are lying in Unpaid Dividend Accounts 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 124 of the Companies Act, 2013 read with the Companies (Declaration & Payment of Dividend) Rules, 2014, any dividend remaining unpaid/unclaimed for a period of seven years, needs to be transferred to the 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.

**NOTE 39 : EARNINGS PER SHARE**

PARTICULARS	2014-15	2013-14
Net Profit/(Loss) attributable to equity shareholders (Amt. in ₹)	31,41,546	(29,30,713)
Weighted average number of equity shares outstanding	6,957,240	6,957,240
Basic and diluted earnings per share (Amt. in ₹)	0.45	-
Face value per equity share (Amt. in ₹)	10	10

**NOTE 40 :** The financial statements are prepared under Schedule III of the Companies Act, 2013. Accordingly, the previous year's figures have been re-grouped/re-classified to conform to the current year's classification.

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 : 27<sup>th</sup> May, 2015

(**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

46<sup>th</sup> Annual General Meeting – 24<sup>th</sup> September, 2015

Name and Address of the Registered Shareholder

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

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

I/We hereby record my/our presence at the 46<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 Thursday 24<sup>th</sup> September, 2015 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

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



### Form No. MGT-11 PROXY FORM

**46<sup>th</sup> Annual General Meeting  
24<sup>th</sup> September, 2015**

[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 46<sup>th</sup> Annual General Meeting of the Company to be held on Thursday, the 24<sup>th</sup> day of September, 2015 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, 2015		
2.	Re-appointment of Mr. Manoj P. Mehta as a Director who retires by rotation		
3.	Appointment of M/s Ajay Shobha & Co. as Statutory Auditors of the Company		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2015.

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.



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RECTIFIER FOR ELECTRO CHLORINATION PROCESS**



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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