



# HIND RECTIFIERS LIMITED

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**42ND  
ANNUAL REPORT  
1999-2000**

## **Hirect**

### **BOARD OF DIRECTORS**

R. P. Nevatia, Chairman Emeritus

S. K. Nevatia, Chairman & Managing Director

Uma S. Nevatia, Additional Director & Vice Chairman  
(w.e.f. 24-03-2000)

J. H. Shah

H. L. Gidwani

D. R. Mehta

Bankey Aggarwal

Bharat Swaroop

Pawan Kumar Golyan

Niraj Ramkrishna Bajaj

### **BANKERS**

The Bank of Rajasthan Limited

Union Bank of India

### **AUDITORS**

M/s. Khandwala & Shah

Chartered Accountants

### **LEGAL ADVISORS**

M/s. Kanga & Co.

### **REGISTERED OFFICE**

Lake Road,

Bhandup (W),

Mumbai 400 078. (India)

### **WORKS**

Lake Road, Bhandup (W),

Mumbai 400 078. (India)

Plot No. 110/111, M.I.D.C.,

Satpur, Nashik 422 007. (India)

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### **42ND ANNUAL GENERAL MEETING**

on Thursday, the 24th August, 2000

at 3.30 p.m. at Kamalnayan Bajaj Hall & Art Gallery,

Ground Floor, Bajaj Bhavan,

Nariman Point,

Mumbai 400 021.

**NOTICE OF FORTYSECOND ANNUAL GENERAL MEETING**

Notice is hereby given that the Fortysecond Annual General Meeting of the members of the Company will be held on Thursday, the 24th August, 2000 at 3.30 p.m. at Kamalnayan Bajaj Hall & Art Gallery, Bajaj Bhavan, Ground Floor, Nariman Point, Mumbai 400 021 to transact the following business :

**ORDINARY BUSINESS :**

1. To receive, consider and adopt the audited Profit and Loss Account for the year ended 31st March, 2000 and the audited Balance Sheet as at that date and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Dhananjaya R. Mehta, who retires by rotation and being eligible offers himself for reappointment.
3. To appoint a Director in place of Shri Pawan Kumar Golyan, who retires by rotation and being eligible offers himself for reappointment.
4. To appoint a Director in place of Shri Niraj Ramkrishna Bajaj, who retires by rotation and being eligible offers himself for reappointment.
5. To appoint the Auditors to hold office from the conclusion of this meeting until conclusion of the next Annual General Meeting and fix their remuneration.

**SPECIAL BUSINESS :**

6. To consider and if thought fit to pass with or without modification, the following resolution as an Ordinary Resolution :

"RESOLVED THAT Smt. Uma S. Nevatia whose term of office as an Additional Director expires at this Annual General Meeting be and is hereby appointed as a Director of the Company liable to retire by rotation in terms of the Articles of Association of the Company."

7. To consider and if thought fit to pass with or without modification, the following resolution as an Ordinary Resolution :

"RESOLVED THAT pursuant to the provisions of Sections 269, 309, 311 read with Schedule XIII and other applicable provisions of the Companies Act, 1956, the consent of the members of the Company be and is hereby granted to the reappointment of Shri S. K. Nevatia as the Managing Director of the Company for a period of 5 years with effect from 1st April, 2000 upon terms and conditions as detailed in the explanatory statement with liberty to the Board of Directors to alter or to vary the same so as not to exceed the limits set out in Section 198, 309 read with Schedule XIII of the Companies Act, 1956 or any amendment thereto as may be agreed to between the Board of Directors of the Company and Shri S. K. Nevatia."

**NOTES :**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. THE DULY COMPLETED PROXY FORMS IN ORDER TO BE EFFECTIVE SHOULD REACH THE COMPANY'S REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE TIME OF THE MEETING.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from 17th August, 2000 to 24th August, 2000 (both days inclusive).
3. Pursuant to Section 205A(5) of the Companies Act, 1956 all unclaimed Dividends for the Accounting Year ended on 31st March, 1995 have been transferred to the General Revenue Account of the Central Government. Members are requested to claim the same from the Registrar of Companies, Maharashtra, Mumbai.
4. Members are requested to notify immediately any change in their addresses to the Company.
5. Members are requested to bring their copies of the Annual report to the Meeting.
6. Members desiring any information on accounts are requested to write to the Company at an early date so as to enable the Management to keep the information ready.

**Registered Office :**

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

Dated : 30th June, 2000.

By order of the Board of Directors  
For **HIND RECTIFIERS LIMITED**

**S. K. NEVATIA**  
Chairman & Managing Director

## **Hirect**

### **Explanatory statement pursuant to Section 173 (2) of the Companies Act, 1956 :**

#### **Item No. 6 of the Notice :**

Smt. Uma S. Nevatia was appointed as an Additional Director of the Company on 24th March, 2000. Under Section 260 of the Companies Act, 1956 and Article 116 of the Articles of Association of the Company, Smt. Uma S. Nevatia will hold Office till the conclusion of 42nd Annual General Meeting. The Company has received a notice in writing from a member together with requisite deposit under Section 257 of the Companies Act, 1956 signifying his intention to propose Smt. Uma S. Nevatia as a candidate for the Office of Director. Smt. Uma S. Nevatia is associated with the Company since last 30 years and actively involved with the various functions of the company. She has also considerable working experience. It will be in the interest of the Company to draw on the valuable expertise and counsel of Smt. Uma S. Nevatia by appointing her as a Director on the Board of Directors of the Company.

The Board recommends her appointment.

None of the Directors except Shri R. P. Nevatia, Shri S. K. Nevatia, Shri Bharat Swaroop and Shri Pawan Kumar Golyan as relatives under Section 6 (c) of the Companies Act, 1956 and Smt. Uma S. Nevatia herself are concerned or interested in the said resolution.

#### **Item 7 :**

The present term of Shri S. K. Nevatia as Managing Director of the Company has expired on 31st March, 2000. The Board of Directors of the Company have reappointed Shri S. K. Nevatia as Managing Director of the Company for a further period of 5 years with effect from 1st April, 2000 subject to approval at the General Body Meeting. The terms of reappointment of the Managing Director remains the same as were during his earlier tenure which are as under :

#### **1. SALARY : Rs. 42,000/- p.m.**

#### **2. PERQUISITES :**

- a) Free furnished residential accommodation with Electricity, Water and Furnishing.
- b) Company's contribution to Provident Fund.
- c) Mediclaim Policy and/or reimbursement of medical expenses including hospitalisation, nursing home and surgical charges for self and family whether incurred in India or abroad.
- d) Reimbursement of actual travelling expenses for proceeding on leave from Mumbai to any place and return therefrom in respect of self and family in accordance with the rules specified by the Company from time to time.
- e) Reimbursement of membership fees for clubs.
- f) Gratuity at the rate of half month's salary for each completed year of service.

#### **3. COMMISSION :**

Such remuneration by way of commission in addition to the above salary and perquisites with reference to the net profit of the Company in a particular financial year subject to the overall ceiling stipulated in Section 198 & 309 of the Companies Act, 1956.

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

None of the Directors except Shri R. P. Nevatia, Smt. Uma Nevatia and Shri Pawan Kumar Golyan as relatives under Section 6(c) of the Companies Act, 1956 and Shri S. K. Nevatia himself, since if related to his reappointment are concerned or interested in the said resolution.

#### **Registered Office :**

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

Dated : 30th June, 2000.

By order of the Board of Directors  
For **HIND RECTIFIERS LIMITED**

**S. K. NEVATIA**  
Chairman & Managing Director

**DIRECTORS' REPORT TO THE MEMBERS**

The Directors present their 42nd Annual Report and Audited Statements of Accounts for the year ended 31st March, 2000.

**FINANCIAL RESULTS :**

	1999-2000 (Rs. lacs)	1998-1999 (Rs. lacs)
Turnover	2204.57	2422.96
<b>Gross Profit/(Loss)</b>	<b>(89.98)</b>	<b>(64.08)</b>
Less: Depreciation	28.40	30.94
<b>Profit/(Loss) for the year</b>	<b>(118.38)</b>	<b>(95.02)</b>
Provision for taxation of earlier years written back	0.23	14.77
<b>Surplus of previous year</b>	<b>-</b>	<b>26.87</b>
Net Surplus/(Deficit)	<u>(118.15)</u>	<u>(53.38)</u>

**OPERATIONS :**

During the year under review the performance of the Company continued to be adversely affected due to continued recession in the infrastructure and capital goods sector. Per unit realisation is also lower due to increased competition in the shrinking market. Imports of devices due to liberalised Import policy of the government has also started affecting the Domestic manufactures like us.

Efforts are being made to improve the performance of the company during the current year by aggressive cost reduction and faster commercialisation of new products. Marketing function has been given further thrust by focusing on it independently for increasing the turnover inspite of sluggish market and increased competition. More emphasis is being laid on developing business with the Railways where the company already enjoys good image and acceptance. Company has received an order for new 180 KVA converter for Rs. 3 Crores from Indian Railways. This item is being developed with the technical Collaboration of Transtechnik of Germany.

Supplies to Railways of 25 KVA inverter & EMU Transformer with technical collaboration of NIEKE of Germany could not be made during 1999-2000 due to delay in indigenisation of various components. However supplies have already commenced in the current year.

A three years agreement commencing from 01.01.2000 has been signed with the Workmen's Union of Bhandup. A voluntary retirement scheme for the Employees of Bhandup unit has been introduced and it is expected that this will reduce the manpower cost of the company substantially in the long run.

**DIVIDEND :**

In view of loss for the year, the directors are not recommending any dividend.

**Y2K PREPAREDNESS**

The Company has already made the hardwares and softwares Y2K compliant and tested the same satisfactorily. The expenses incurred to make the system Y2K compliant do not have any material financial impact.

**DEPOSITS**

Deposits amounting to Rs. 56,500/- due for payment on or before 31.03.2000 not claimed by the depositors on that date. Letters have been sent to such depositors reminding them to claim their deposits. As at the date of this report, Rs. 53,500/- thereof have been claimed.

**DIRECTORS**

Smt. Uma S. Nevatia was appointed as an additional director on 24.03.2000. She holds office upto the conclusion of the Annual General Meeting. The Company has received from a member notice under Section 257 of the Companies Act, 1956 proposing her appointment as director subject to retirement by rotation.

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Shri Dhananjaya R. Mehta, Shri Pawan Kumar Golyan and Shri Niraj Ramkrishna Bajaj retire by rotation and being eligible offer themselves for reappointment.

### **AUDITORS :**

M/s Khandwala & Shah, the Auditors of the Company retire, and are eligible for reappointment. The Members are requested to appoint the Auditors for the current year, and fix their remuneration.

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

The required information under section 217(1) (e) of the Companies Act, 1956 and the Rules thereunder is given in the prescribed format as an Annexure I to this Report.

### **PARTICULARS OF EMPLOYEES :**

Particulars required under section 217(2A) of the Companies Act, 1956 and the Rules thereunder, as amended, are given in the format as an Annexure II to the Directors' Report.

The Relations with the employees remained cordial throughout the year.

*On behalf of the Board of Directors*

**MUMBAI**

Dated : 30th June, 2000.

**S. K. NEVATIA**

Chairman

## **ANNEXURE I TO THE DIRECTORS' REPORT**

Information under section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 31st March, 2000.

### **I. CONSERVATION OF ENERGY**

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

### **II. TECHNOLOGY ABSORPTION**

1. First proto of EMU Transformer with Niece technical know-how under production expected to be completed and tested by July, 2000.
2. Capacitor charging power supply 16KV/6A for potato, onion preservation as required by CAT Indore designed and under development.
3. Klystron Amplifier H. V. beam supply 25KV/7A successfully developed and tested at factory for Centre for Advanced Technology, Indore.
4. Plasma Torch Rectifier with microprocessor controlled developed and tested successfully for BARC.
5. IGBT based H. F. power supply for HAL is under design/development.
6. Technology Absorption, Adoption and innovation :
  - a. Battery plate forming rectifier with control through PC and PLC successfully commissioned.
  - b. Hard anodising Pulse Power Supply successfully commissioned.
  - c. Hard anodising Pulse Power Supply with RS-485 communication for setting/changing parameters from remote developed and successfully commissioned.
  - d. Two numbers 5400KVA Loco Transformer supplied, commissioned and working satisfactory.

### **III. FOREIGN EXCHANGE EARNINGS AND OUTGO**

To avoid repetition, Members are kindly requested to refer to notes Nos. 14, 15, 16 & 17 to the accounts where such information is furnished.

*On behalf of the Board of Directors*

**MUMBAI**

Dated : 30th June, 2000.

**S. K. NEVATIA**

Chairman

**ANNEXURE II TO THE DIRECTORS' REPORT**

Statement of Particulars under Section 217 (2A) of the Companies Act, 1956 for the year ended 31st March, 2000.

Sr. Name No.	Designation	Remuneration Received		Qualification	Experience (Years)	Date of Joining	Age (Yrs)	Particulars of the last employment	
		(Gross Rs.	Net Rs.)					Company & the last post	Period (Yrs)
<b>(A) Employed throughout the year</b>									
1. Shri S. K. Nevatia	Chairman & Managing Director	8,94,698	3,52,367	M.I.B.M. (London)	44 Years	25.04.58	68	Mukand Ltd. Executive	5
<b>(B) Employed for the part of the year</b>									
1. Shri S. N. Shintre	Dy. G.M. P. & A.	2,69,361	2,69,161	B.A. Dip. Business Management	37 years.	06.02.95	58	Zinc Smeltes & Rectifiers (India)	32
2. Shri C. B. Suvarna	Manager Production	4,10,053	4,03,582	Dip. Electrical Engineering	35 Years	15.07.68	55	Harshad & Co.	3½
3. Shri Manual D'Souza	Supervisor	1,83,323	1,77,622	Non-Matric	40 Years	02.08.58	60	-	-
4. Shri V. A. Chipkar	Worker	1,90,328	1,83,448	Non-Matric	31 Years	10.10.68	60	-	-
5. Shri Shriram Upadhaya	Worker	1,82,955	1,77,393	Non-Matric	36 Years	15.01.63	60	-	-
6. Shri Babu B. Jadhav	Worker	1,84,249	1,77,796	S.S.C.	36 Years	08.02.63	60	-	-
7. Shri S. G. Kolwankar	Worker	1,86,333	1,79,732	Non-Matric	41 Years	10.12.57	60	-	-
8. Shri Ram Ujjagir Sharma	Worker	3,45,025	3,39,185	Non-Matric	31 Years	04.06.68	53	-	-
9. Shri Mohanlal Jain Kori	Worker	3,32,727	3,26,626	Non-Matric	32 Years	25.03.67	54	-	-
10. Shri L. D'Souza	Worker	3,61,742	3,51,588	Non-Matric	21 Years	01.02.79	54	-	-

**Notes :**

1. All appointments are contractual and terminable by stipulated notice. Appointment of Shri S. K. Nevatia, the Chairman & Managing Director is for a period of Five years from 01.04.95.
2. Gross remuneration includes salary, adhoc payment, arrears, allowances, bonus, leave encashment, employers contribution to provident fund, medical expenses reimbursement, leave travel concession and terminal benefits etc.
3. None of the above employees is related to any Director of the Company except Shri S. K. Nevatia, who is the son of Shri R. P. Nevatia, the Chairman Emeritus of the Company.
4. None of the employees is drawing remuneration at the rate which in the aggregate is in excess of that drawn by the Managing Director and who holds by himself or alongwith his spouse or dependent children not less than 2% of the equity share of the Company.

*On behalf of the Board of Directors*

**MUMBAI**

Dated : 30th June, 2000.

**S. K. NEVATIA**  
Chairman