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HIND RECTIFIERS LIMITED



46th

ANNUAL REPORT

2003-2004

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REGISTERED OFFICE	:	Lake Road, Bhandup (W), Mumbai - 400 078. (India)
WORKS	i)	Lake Road, Bhandup (W), Mumbai - 400 078. (India)
	ii)	Plot No. 110/111 M.I.D.C., Satpur, Nashik - 422 007. (India)
REGIONS		
Eastern Regional Office	:	Chatterjee International Centre, 15th Floor, Flat No. 10, 33-A, J. N. Road, Kolkata - 700 071.
Western Regional Office	:	Marketing Division Lake Road, Bhandup (W), Mumbai - 400 078.
Northern Regional Office	:	62, Dayanand Road, Daryaganj, New Delhi - 110 002.
Southern Regional Office	:	'Anna Mansion', 1st Floor, No. 7/1 Avenue Road, Nungambakam, Chennai - 600 034.
LIAISON OFFICE		
Bangalore	:	"Srivenkatadri" No. 166, I Block, II Stage, Nagarabhavi, Bangalore - 560072
Secunderabad	:	H No. 5-8-105/5, Bhagat Singh Nagar, Yapral Village, J. J. Nagar, Colony Post, Secunderabad - 500 087.

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

Members who have not yet encashed their dividend warrant(s) for the financial year ended March 31, 1997 and onwards are requested to claim the amount forthwith from the Company.

5. Members desirous of seeking any information concerning the Accounts of the Company are requested to address their queries in writing to the Company at least seven days before the date of the meeting so that the requested information can be made available at the time of the meeting.
6. Members / Proxies are requested to please bring their copies of the Annual Report to the meeting.
7. The Company has listed its shares on The Stock Exchange, Mumbai.
8. Members holding Shares in physical form are requested to notify immediately any change in their address with PIN CODE to the Registrar and Transfer Agent of the Company at the address given below AND in case their shares are held in demat, this information should be passed on directly to their respective Depository Participants and not to the Company.

M/s. ADROIT CORPORATE SERVICES LIMITED

[Unit: Hind Rectifiers Limited]

19, Jafarbhoj Industrial Estate, 1st Floor, Makwana Road, Marol Naka,
Andheri [East], Mumbai - 400 059. Telephone Nos. 2859 0942, 2850 3748.

9. a) Members are informed that in order to avoid fraudulent encashment of dividend warrants they should send to the Registrar and Transfer Agent of the Company at the address given above under the signature of the Sole/First Joint holder the information relating to Name and Address of the Banker along with the Pin Code Number and Bank Account Number to print on the Dividend Warrants.
- b) Members desirous of availing the facility of Electronic Credit of Dividend are requested to send ECS Form to the Registrar and Transfer Agent of the Company at the address given above.
- c) Members holding shares in dematerialized form and desirous to change or correct the bank account details should send the same immediately to the concerned Depository Participant. Members are also requested to give MICR Code to the Depository Participant.
10. All documents referred to in the Notice are open for inspection at the registered office of the Company during office hours on all working days except public holidays between 11.00 a.m. and 1.00 p.m. upto the date of the Annual General Meeting.
11. Members/Proxies holding their Shares in Physical mode are requested to fill the enclosed attendance slip and handover the same at the entrance with signature. In the absence thereof, they may not be admitted to the meeting venue.
12. Members who are holding shares in dematerialised form are requested to bring their Client ID and DP ID numbers for easy identification at the meeting.
13. In all correspondence with the Company, members are requested to quote their Folio No. and in case their shares are held in demat form, they must quote their DP ID and client ID No.

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

Dated : 28th June, 2004.

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

S. K. NEVATIA
Chairman & Managing Director

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DIRECTORS' REPORT TO THE MEMBERS

Your Directors have great pleasure in presenting 46th Annual Report together with the Audited accounts for the year ended 31st March, 2004.

FINANCIAL RESULTS :

	Year ended 31.03.2004	Rs. In Lacs Year ended 31.03.2003
Turnover	3535.88	3386.39
Gross Profit	164.48	128.46
Less : Depreciation	29.42	24.40
Profit before taxes	135.06	104.06
Less : Provision for taxation		
- Current	22.85	
- Deferred	(15.30)	
	7.55	8.20
Profit after taxes	127.51	95.86
Excess/(Short) Provision for taxation of earlier years	11.24	3.35
Adjustment in respect of earlier years	0.02	(0.65)
Surplus of previous year	21.08	10.17
Profit available for appropriation	159.85	108.73
Appropriations :		
Transferred to General Reserve	105.00	65.00
Proposed Dividend	25.10	20.08
Tax on Dividend	3.21	2.57
Surplus Carried to Balance Sheet	26.54	21.08

OPERATIONS :

Further increase in Profits by the Company over last year has been mainly due to successful Value Analysis/Value Engineering, indigenisation of New Products and improved sales volume. The profit before taxes increased to Rs. 135.06 lacs (Previous year Rs. 104.06 lacs) and profit after tax to Rs. 127.51 lacs (Previous year Rs. 95.86 lacs).

During the year under review, the three major foreign collaborations with Transtechnik of Germany for Railway Inverters, Friem of Italy for Water Cooled Rectifiers and Nieke of Germany for AC/DC Traction Transformers for Metro Trains were further renewed.

Company also got the plant at Nashik unit certified and re-certified at Bhandup as per ISO 9001:2000.

The Company expects to successfully commercialize 180 KVA Converter for electric locos for Indian Railways during the current financial year.

DIVIDEND :

The Directors recommend for consideration of the Shareholders at the Annual General Meeting payment of dividend at 25% (Rs. 2.50 per Share) amounting to Rs. 25,09,655/- for the year ended 31st March, 2004 (previous year Rs. 20,07,724/-).

DEPOSITS :

Deposit amounting to Rs. 1,44,000/- due for payment on or before 31st March, 2004 remained unclaimed 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. 86,000/- thereof have been claimed and paid.

BOARD OF DIRECTORS :

As per the Provisions of the Companies Act, 1956 and in terms of the Articles of Association of the Company, Mr. Jayant H. Shah, Mr. Bharat Swaroop and Mr. D. R. Mehta, Directors of the Company retire by rotation and being eligible, offer themselves for re-appointment.

DIRECTORS RESPONSIBILITY STATEMENT :

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

1. In the preparation of the annual accounts, the applicable accounting standards have been followed.

2. Appropriate policies have been selected and applied consistently and judgement and estimates wherever made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2004.
3. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The annual accounts have been prepared on a going concern basis.

AUDITORS :

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

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

AUDITORS' OBSERVATIONS :

The observation of the Auditors contained in their Report have been adequately dealt with in the Notes to the Accounts given in Schedule "T" which are self-explanatory and therefore, do not call for any further comments.

SECRETARIAL COMPLIANCE REPORT :

As required under the amended provisions of the Companies Act, 1956, the Company is required to obtain Secretarial Certificate from a practising Company Secretary. The same is enclosed and forms part of this report.

DEPOSITORY SERVICES :

The Company's Equity Shares have been admitted to the depository mechanism of the National Securities Depository Limited (NSDL) and also the Central Depository Services (India) Limited (CDSL). As a result the investors have an option to hold the shares of the Company in a dematerialised form in either of the two Depositories. The Company has been allotted ISIN No. INE835D01015.

Shareholder's therefore are requested to take full benefit of the same and lodge their holdings with Depository Participants (DPs) with whom they have their Demat Accounts for getting their holdings in electronic form.

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

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

PARTICULARS OF EMPLOYEES :

None of the employees of the Company came within the preview of the information required u/s 217 (2A) of the Companies Act, 1956 read with the Companies (particulars of Employees) Rules, 1975 as amended.

LISTING :

The Company has listed its shares on The Stock Exchange, Mumbai. The Company is regular in payment of listing fee.

SAFETY, ENVIRONMENTAL CONTROL AND PROTECTION :

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

ACKNOWLEDGEMENT :

The Directors wish to convey their appreciation to the Company's shareholders, customers, suppliers, bankers, distributors and all the technology partners for the support they have given to the Company and the confidence, which they have reposed in its management and the employees for the commitment and dedication shown by them.

Mumbai

Dated : 28th June, 2004. .

On behalf of the Board of Directors

S. K. NEVATIA

Chairman & Managing Director

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Information under section 217(1) of the Companies Act, 1956 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, 2004.

I. CONSERVATION OF ENERGY

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

II. TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION

1. Compact Uprated WAG7 / WAP4 for CLW has been developed and approved by RDSO.
2. Alternator Mounted Rectifier for WDM2C Diesel LOCO is under development. Technical design and drawing has been approved by RDSO.
3. Developed High Frequency and High Voltage Rectifier using IGBT base Inverter, which is an import substitute.
4. IGBT based High Power Rectifier is in final stage of development for Indian Navy.
5. Developed serial communication facility in microprocessor based controller for Thyristor Control Rectifier.

III. FOREIGN EXCHANGE EARNING AND OUTGO

To avoid repetition, Members are kindly requested to refer to Notes Nos. 18,19,20 & 21 to the accounts where such information is furnished.



Mumbai

Dated : 28th June, 2004.

On behalf of the Board of Directors

S. K. NEVATIA

Chairman & Managing Director

SECRETARIAL COMPLIANCE CERTIFICATE

Company No. 11-11077.

Authorised Share Capital : Rs. 300,00,000/-

Paid up Share Capital : Rs. 100,38,620/-

To,

THE MEMBERS OF HIND RECTIFIERS LIMITED

I have examined the registers, records, books and papers of **M/s. HIND RECTIFIERS LIMITED** (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the year ended on March 31, 2004. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company and its officers, I certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in **ANNEXURE - 'A'** to this certificate as per the provisions and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as required with the Registrar of Companies or other authorities as prescribed under the Act and the rules made hereunder wherever applicable as per **ANNEXURE - 'B'**.
3. The Company being a Limited Company, Comments not required.
4. The Board of Directors duly met 5 (FIVE) times during the aforesaid Financial Year i.e. on 24/06/2003, 31/07/2003, 30/08/2003, 28/10/2003 AND 29/01/2004 and in respect of each meeting proper notices were given and proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company closed its Register of Members during the financial year.
6. The Company held its Annual General Meeting during the year in time i.e. on August 30, 2003 and in respect of which proper notice was given and proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
7. No Extra Ordinary General Meeting was held during the financial year.
8. The Company has complied with the provisions of section 293 (1) (d) of the Act.
9. The Company has entered into contracts falling within the purview of section 297 of Act and necessary compliances of the Act were made.
10. The Company has entered necessary particulars in the register maintained under Section 301 of the Companies Act, 1956.
11. The Company has complied with the provisions of Section 314 of the Companies Act, 1956.
12. The Company has issued duplicate share certificates during the financial year and complied with the provisions of the companies Act, 1956.
13. The Company has:
 - i. delivered all the certificates on allotment of Shares in accordance with the provisions of the Companies Act, 1956.
 - ii. duly complied with the requirements of Section 217 of the Act.
 - iii. other clauses are not applicable.
14. The Board of Directors of the Company is duly constituted.
15. There was no appointment of Managing Director / Whole Time Director / Manager during the financial year.
16. The Company has not appointed any Sole Selling Agents during the financial year.
17. The Company was not required to obtain any approvals of the Company Law Board, Regional Director, Registrar and / or such authorities prescribed under the various provisions of the Act during the financial year.
18. The Directors have disclosed their interest in other firms / companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The Company has not issued any Equity Shares during the financial year.
20. The Company has not bought back any shares during the financial year.
21. The Company has not issued any preference shares/debentures and hence the question of redemption of preference shares/debentures does not arise during the financial year under review.
22. There were no transactions necessitating the Company to keep in abeyance the rights of dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has accepted deposits during the financial year and complied with the provisions of Section 58A of the Companies Act, 1956.
24. The Company has complied with the provisions of 293 (1) (a) of the Act.
25. The Company has not made any loans or advances or given any guarantees or provided securities to other bodies corporate.

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26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from the one state of another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the Object of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to Name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to Share Capital of the Company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the year.
31. There was no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment has imposed on the Company during the financial year, for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. The Company was regular in depositing the Provident Fund dues during the year.

ANNEXURE - 'A' TO THE SECRETARIAL COMPLIANCE CERTIFICATE :

NAME OF THE COMPANY : M/S. HIND RECTIFIERS LIMITED

DETAILS OF REGISTERS MAINTAINED :

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

ANNEXURE - 'B' TO THE SECRETARIAL COMPLIANCE CERTIFICATE :

NAME OF THE COMPANY : M/S. HIND RECTIFIERS LIMITED

DETAILS OF FORMS FILED WITH THE REGISTRAR OF COMPANIES :

Sr. No.	Document/Under Section	Filed on	Whether Filed in time	Whether additional fee paid
1.	Return of Deposit U/s. 58A	22/06/2003	Yes	No
2.	Statement in Lieu of Advertisement	22/06/2003	Yes	No
3.	Annual Return U/s. 159	15/09/2003	Yes	No
4.	Balance Sheet U/s. 210	15/09/2003	Yes	No
5.	Secretarial Compliance Certificate U/s. 383A	15/09/2003	Yes	No
6.	Form 23 U/s. 192	15/09/2003	Yes	No
7.	Statement in Lieu of Advertisement	29/10/2003	Yes	No

Note : During the year the Company transferred a sum of Rs. 21,686/- being unclaimed Dividend for the year 1995-96 into the Investor Education and Protection Fund.

(MAHESH SONI)

FCS : 3706 ; COP : 2324.

Place : Mumbai

Date : 28th June, 2004.