



HIND RECTIFIERS LIMITED

Address : Lake Road, Bhandup (W), Mumbai - 400078.
Tel. : +91-22-25696789 Fax : +91-22-25964114
Email : corporate@hirect.com / marketing@hirect.com
CIN : L28900MH1958PLC011077
Website : www.hirect.com

Ref. No. HIRECT/SEC/2022-23/21

July 14, 2022

BSE Limited
Rotunda Building,
Phiroz Jeejeebhoy Towers,
Dalal Street, Mumbai
400 001 Maharashtra

National Stock Exchange of India Limited
"Exchange Plaza" 5th Floor, C-1, Block 'G'
Bandra Kurla Complex,
Bandra (East) Mumbai 400 051

Security Code No.: 504036

Symbol: HIRECT

Type of Security: Equity

Sub: Annual Report for the financial year 2021-2022 and Notice convening the 64th Annual General Meeting, etc.

Dear Sir/ Madam,

As required under Regulation 30 and Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we submit herewith the Annual Report of the Company for the financial year 2021-2022 along with the Notice convening the 64th Annual General Meeting scheduled to be held on Tuesday, August 9, 2022 at 2:30 pm IST through Video Conferencing (VC)/Other Audio-Visual Means (OAVM) in accordance with the relevant circulars issued by the Ministry of Corporate Affairs and SEBI.

The notice convening the 64th AGM, forming part of Annual Report, being sent to the members by email whose email addresses are registered with the Company/ Depository participant(s). The Annual Report is also uploaded on the website of the Company at www.hirect.com. The details such as manner of casting vote through e-voting and attending the AGM through VC/OAVM has been set out in the Notice of the AGM.

The Company has fixed Tuesday, August 2, 2022 as the cut-off date to record the entitlement of the members to cast their vote (remote e-voting and voting at the Annual General Meeting) for the business to be transacted at the ensuing 64th AGM of the Company scheduled to be held on Tuesday, August 9, 2022.

Kindly acknowledge and take the same on record.

We request you to take the above on records.

Thanking you,

Yours Faithfully,

For Hind Rectifiers Limited

Meenakshi

Meenakshi Anchlia
(Company Secretary & Compliance Officer)
Encl: As above



CC : National Securities Depository Limited/ Central Depository Services (India) Limited



HIND RECTIFIERS LIMITED

Lake Road, Bhandup (W), Mumbai - 400 078 **Tel.:** +91 22 2569 6789 **Fax:** +91 22 2596 4114

E-mail: investors@hirect.com **Website:** www.hirect.com **CIN:** L28900MH1958PLC011077

NOTICE TO THE MEMBERS

NOTICE is hereby given that the **64th Annual General Meeting ("AGM")** of the members of **HIND RECTIFIERS LIMITED** will be held on **Tuesday, August 9, 2022 at 2:30 pm IST through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM")**, to transact the following business:-

ORDINARY BUSINESS

- 1. To consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2022, together with reports of the Board of Directors and Auditors thereon**

To consider passing the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT the Audited Financial Statement of the Company for the financial year ended March 31, 2022 together with the reports of the Board of Directors and the Auditor thereon, as circulated to the members and presented to the meeting be and are hereby adopted."

- 2. To declare a dividend on equity shares for the financial year ended March 31, 2022**

To consider passing the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT a dividend at the rate of ₹ 0.40 (Forty Paise only) per equity share of ₹ 2/- (Two Rupees) each fully paid-up of the Company, as recommended by the Board of Directors, be and is hereby declared for the financial year ended March 31, 2022."

- 3. To appoint a Director in place of Mrs. Akshada Nevatia (DIN: 05357438) who retires by rotation and, being eligible, offers herself for re-appointment.**

To consider passing the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT Mrs. Akshada Nevatia (DIN: 05357438), who retires by rotation under Article 171 and 172 of the Articles of Association of the Company and being eligible has offered herself for re-appointment, be and is hereby re-appointed as a Director of the Company."

- 4. To approve the appointment of Statutory Auditors**

To consider passing the following resolution(s) as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s. GMJ & Co, Chartered Accountants (Firm Registration Number: 103429W be and are hereby appointed as statutory auditors of the Company in the place of M/s. Ravi A. Shah & Associates, Chartered Accountants (Firm Registration Number: 125079W) (Statutory



Hind Rectifiers Limited

Auditor) and M/s Ratan Chandak & Co., Chartered Accountants, (Firm Registration Number: 108696W) (Branch Auditor for Nashik plant), effective from the conclusion of this 64th Annual General Meeting (2022) of the Company.”

“RESOLVED FURTHER THAT M/s. GMJ & Co, Chartered Accountants (Firm Registration Number: 103429W, be and are hereby appointed as statutory auditors of the Company for the first 5 (five) consecutive years from the conclusion of the 64th Annual General Meeting (2022) till the conclusion of the 69th Annual General Meeting (2027) on such terms and conditions including remuneration as may be determined by the Board of Directors of the Company, in addition to reimbursement of out-of-pocket expenses actually incurred by them in connection with the audit and applicable tax.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby severally authorized to do all such acts and take all such steps as may be considered necessary, proper, or expedient to give effect to this resolution.”

SPECIAL BUSINESS

5. Ratification of Remuneration to Cost Auditors

To consider passing the following resolution(s) as an **Ordinary Resolution** :

“RESOLVED THAT pursuant to the provision of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 including any statutory modification(s) or re-enactment(s) thereof for the time being in force, the remuneration payable to M/s. N. Ritesh & Associates, Cost Accountants, having Firm Registration Number R100675, appointed by the Board of Directors of the Company as cost auditors to conduct the audit of the cost records of the Company for the financial year 2022-23, being Rs. 70,000 (Rupees Seventy Thousands only) plus applicable tax be and is hereby ratified and confirmed.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all acts and take all such steps as may be necessary, proper, or expedient to give effect to this resolution.”

6. Approval of Related Party Transaction with Mr. Saurabh Nevatia, Chief Executive Officer, Nashik Plants

To consider passing the following resolution(s) as an **Ordinary Resolution** :

“RESOLVED THAT in partial modification of resolution passed in this regard by the members of the Company at 61st Annual General Meeting held on August 8, 2019 and pursuant to the provisions of Section 188(1) of the Companies Act, 2013 read with Companies (Meeting of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 and applicable provisions of the SEBI Listing Regulations 2015, including statutory modification(s) or re-enactment thereof for the time being in force and as may be enacted from time to time, the consent of the members be and is hereby accorded to the revision in the terms and conditions of the appointment of Mr. Saurabh Nevatia, Chief Executive Officer Nashik Plant (related party) w.e.f. June 27, 2022 as detailed in the Explanatory Statement.”

“RESOLVED FURTHER THAT the Board of Directors on the recommendation of Nomination and Remuneration Committee have the liberty to alter and vary terms and conditions of appointment including promotion, change in designation and the corresponding change in terms and conditions including remuneration in the course of his employment with the Company, as per the policies of the Company for the time being in force and accordance with the provisions of the Companies Act, 2013 and SEBI Listing Regulations 2015.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, and things, as may be necessary, proper, expedient, or incidental for giving effect to this resolution.”



7. Re-appointment of Mrs. Akshada Nevatia as an Executive Director and Approval of Remuneration

To consider passing the following resolution(s) as a **Special Resolution** :

“RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 198 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 17(6)(e) and other applicable provisions of the SEBI Listing Regulations 2015, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, consent of the members be and is hereby accorded to re-appoint Mrs. Akshada Nevatia (DIN: 05357438) as a Whole-time Director designated as "Executive Director" of the Company, liable to retire by rotation, for a further period of 3 (three) years from the expiry of her present term of office, i.e. with effect from January 15, 2023 on the terms and conditions including remuneration, perquisites, commission and other benefits and including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of her appointment, as set out in the Explanatory Statement annexed to the Notice convening this Meeting, with the liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment and/or remuneration in such manner as may be agreed to between the Board of Directors and Mrs. Akshada Nevatia subject to the same not exceeding the limits specified under the Companies Act, 2013 and SEBI Listing Regulations 2015 or any statutory modification or re-enactment thereof.”

“RESOLVED FURTHER THAT the Board of Directors, be and is hereby authorized to revise the remuneration of Mrs. Akshada Nevatia from time to time to the extent the Board of Directors may deem appropriate provided that such revision is within the overall limits of the managerial remuneration as prescribed under the Companies Act, 2013 read with Schedule V thereto, and/or any guidelines prescribed by the Government from time to time.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, and things as in its absolute discretion it may think necessary, expedient or desirable; to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing resolution.”

By order of the Board of Directors
For **Hind Rectifiers Limited**

Place : Mumbai
Date : May 26, 2022

Meenakshi Anchlia
Company Secretary

**Hind Rectifiers Limited****NOTES:**

1. The 64th Annual General Meeting (“AGM”) of the Company is being conducted through VC/OAVM facility, in compliance with General Circular No. 02/2022 dated May 05, 2022, issued by the Ministry of Corporate Affairs (“MCA Circulars”) and the provisions of the Companies Act, 2013 (“Act”) which does not require physical presence of Members at a common venue. The deemed venue for the 64th AGM shall be the Registered Office of the Company. The Company has engaged National Securities Depository Limited (NSDL) for facilitating voting through electronic means i.e., remote e-voting and voting at the AGM.

2. In terms of Section 102 of the Act and Secretarial Standard on General Meetings (SS-2), an explanatory statement setting out the material facts concerning business to be transacted at the AGM is annexed and forms part of this Notice.

3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company.

Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

4. In case of joint holders, the Member whose name appears as the first holder in the order of the names as per the Register of Members of the Company will be entitled to vote at the meeting.

5. The cut-off date for the purpose of determining the eligibility of members for voting in connection with the 64th AGM is Tuesday, August 2, 2022.

6. Pursuant to the relevant provisions of the Act, dividend which remained unclaimed/ unpaid for a period of seven years from the date they became due for payment are required to be transferred to the Investor Education and Protection Fund (IEPF). The shares in respect of such dividend are also liable to be transferred to the Demat account of the IEPF Authority.

Members may note that shares, as well as unclaimed dividends transferred to IEPF authority, can be claimed back from them. Concerned members / investors are advised to visit the website www.iepf.gov.in for lodging claims for refund of shares from the IEPF Authority, in Form No. IEPF-5.

Due dates for transfer of unclaimed/unpaid dividends for the financial year 2018-19 and thereafter to the Investor Education and Protection Fund (IEPF):

Dividend for the year	Dividend Declaration Date	Due Date of transfer to the IEPF
2018 – 2019	08.08.2019	07.08.2026
2019 – 2020	15.09.2020	14.09.2027
2020 - 2021	12.08.2021	11.08.2028

7. Members may also note that the notice of the 64th AGM and the annual report 2022 will be available in the Investors Section on the Company’s website www.hirect.com.

8. Listed companies are required to use the Reserve Bank of India’s approved electronic mode of payment such as National Automated Clearing House (NACH), National Electronic Fund Transfer (NEFT), Real Time Gross Settlement (RTGS) for making payments like dividend to the Members, in terms of Schedule I of the SEBI Listing Regulations 2015.

Accordingly, Members holding securities in Demat mode are requested to update their bank details with their depository participants. Members holding securities in physical form may send a request updating their bank details to the Company’s Registrar and Transfer Agent (“RTA”).



9. Members holding shares in the dematerialized form are requested to notify any change in their name, PAN, addresses, bank details, telephone/mobile numbers, registering of nomination, power of attorney registration, or e-mail address with their respective DP and those holding shares in physical form are requested to notify the RTA in prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021. Further, Members may note that SEBI has mandated the submission of PAN by every participant in the securities market.

RTA Contact details:

ADROIT CORPORATE SERVICES PRIVATE LIMITED

17-20, Jafferbhoy Industrial Estate, 1st Floor, Makwana Road, Marol Naka, Andheri (East), Mumbai 400059, Maharashtra, India

Tel: +91 (0) 22 42270400 Email: info@adroitcorporate.com Website: www.adroitcorporate.com

10. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned depository participant and holdings should be verified from time to time.
11. The Securities and Exchange Board of India (SEBI) has recently mandated furnishing of PAN, KYC details (i.e., Postal Address with Pin Code, email address, mobile number, and bank account details) and nomination details by holders of securities. Effective from January 01, 2022, any service requests or complaints received from the member will not be processed by RTA till the aforesaid details/documents are provided to RTA. On or after April 1, 2023, in case any of the above-cited documents/details are not available in the Folio(s), RTA shall be constrained to freeze such Folio(s). Relevant details and forms prescribed by SEBI in this regard are available on the website of the Company at <https://hirect.com/shareholder-enquiries/>.
12. As per SEBI norms, effective January 25, 2022, all transmission/transfer requests including the issuance of duplicate share certificates, claim from Unclaimed Suspense Account, Renewal/Exchange of share certificate, Endorsement, Sub-division/Splitting of share certificate, Consolidation of share certificates/folios are mandatory to be processed in dematerialized form only.
- Accordingly, Shareholders are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the Company's website at <https://hirect.com/shareholder-enquiries/> and on the website of the Company's RTA at <https://www.adroitcorporate.com/RandTServices.aspx>. It may be noted that any service request can be processed only after the folio is KYC compliant.
- In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard.
13. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to the RTA, for consolidation into a single folio. The share certificate(s) will be returned to the members after necessary endorsements.
14. Members holding shares in single name and physical form are advised to make nomination or change nomination in respect of their shareholding in the Company in the prescribed form to the RTA. The nomination form(s) can also be downloaded from the Company's website www.hirect.com.

As per the provisions of Section 72 of the Act, the facility for making nomination is available to the Members in respect of the shares held by them. Members who have not yet registered their nominations are requested to register the same by submitting Form No. SH-13. If a Member desires to opt-out or cancel the earlier nomination and record a fresh nomination, the Member may submit the same in Form ISR-3 or Form SH-14, as the case may be.

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The said forms can be downloaded from the Company's website at <https://hirect.com/shareholder-enquiries/>. Members are requested to submit the said form to their DPs in case the shares are held in electronic form and to the RTA in case the shares are held in physical form, quoting their folio no(s).

15. The Company has sent individual letters to all the Members holding shares of the Company in physical form for furnishing their PAN, KYC details, and Nomination pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021 in Form ISR-1. The Form ISR-1 is also available on the website of the Company at <https://hirect.com/shareholder-enquiries/>. Attention of the Members holding shares of the Company in physical form is invited to go through and submit the said Form ISR-1.
16. In compliance with the MCA Circulars dated May 05, 2022 and SEBI circular dated May 13, 2022 (read with previous circulars), Notice of the AGM along with the Annual Report 2022 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. The Company shall send the physical copy of the Notice of AGM and Annual Report 2022 to those Members who request the same at investors@hirect.com mentioning their Folio No./DP ID and Client ID. Members may note that the Notice and Annual Report 2022 will also be available on the Company's website www.hirect.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL at www.evoting.nsdl.com.
17. The Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
18. Information pursuant to Regulations 36 of SEBI Listing Regulations 2015 and Secretarial Standard on General Meeting (SS-2) with respect to the Director seeking appointment/re-appointment, as the case may be, at the AGM are furnished in the Annexure to this Notice. The Director has furnished the requisite consents/declarations for her appointment/re-appointment.
19. Members seeking any information with regard to any matter to be placed at the AGM, are requested to write well in advance to the Company at investors@hirect.com. The same will be replied by the Company suitably.
20. Since the AGM will be held through VC/OAVM, the route map is not annexed in this notice.
21. In compliance with provisions of Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014 (including amendments thereto) and SEBI Listing Regulations 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the AGM by electronic means and the business may be transacted through e-voting services.
 - (i) The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") and for poll during the meeting will be provided by National Securities Depository Limited (NSDL e-Voting System).
 - (ii) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depository as on the cut-off date only shall be entitled to avail the facility of 'remote e-voting' or voting at the AGM.
 - (iii) Mr. Mahesh Soni, failing him Ms. Sonia Chettiar, partner of GMJ & Associates, Company Secretaries, has been appointed as the Scrutinizer to scrutinize the 'remote e-voting' process and voting at the AGM, in a fair and transparent manner.
 - (iv) The results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.hirect.com and on the website of NSDL www.evoting.nsdl.com immediately after the declaration of the result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the stock exchanges where the Company's shares are listed.



22. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for one thousand members on a first-come-first-served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee, and Stakeholders Relationship Committee, Auditors, etc. who are allowed to attend the AGM without restriction on account of first-come-first-served-basis.
23. The Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL.
24. Book Closure and Dividend: The register of members and the share transfer books of the Company will be closed from Wednesday, August 3, 2022, to Tuesday, August 9, 2022, both days inclusive. The dividend of Rs. 0.40 per share (i.e. 20%) on the equity shares of the Company of Rs. 2/- each, if declared by the members at the AGM, will be made subject to deduction of income tax at source ("TDS") within a week from the conclusion of AGM:
- to all beneficial owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited and the Central Depository Services (India) Limited as of the close of business hours on Tuesday, August 2, 2022;
 - to all members in respect of shares held in physical form after giving effect to valid transmission or transposition requests lodged with the Company as of the close of business hours on Tuesday, August 2, 2022.
25. (i) Pursuant to the amendments introduced by the Finance Act, 2020 the Company will be required to withhold taxes at the prescribed rates on the dividend paid to its shareholders w.e.f. April 1, 2020. No tax will be deducted on payment of dividend to the resident individual shareholders if the total dividend paid does not exceed Rs. 5,000.
- The withholding tax rate would vary depending on the residential status of the shareholder and documents registered with the Company.
- Shareholders will be able to download the TDS certificate from the Income Tax Department's website <https://incometaxindiaefiling.gov.in> (refer to Form 26AS).
- The aforesaid documents such as Form 15G/15H, documents under Section 196, 197A, FPI Registration Certificate, Tax Residency Certificate, Lower Tax certificate, etc. can be sent at info@adroitcorporate.com on or before July 31, 2022 to enable the Company to determine the appropriate TDS/withholding tax rate applicably. Any communication on the tax determination/deduction received post July 31, 2022 shall not be considered.
 - Application of TDS rate is subject to necessary verification by the Company of the shareholder details as available in the register of members as on the book closure date, and other documents available with the Company/RTA.
 - In case of TDS is deducted at a higher rate, an option is still available with the shareholder to file the return of income and claim an appropriate refund.
 - In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy, or omission of information provided by the member/s, such member/s will be responsible to indemnify the Company and also, provide the Company with all information/documents and co-operation in any appellate proceedings.

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(vi) This communication is not exhaustive and does not purport to be a complete analysis or listing of all potential tax consequences in the matter of dividend payment. Members should consult their tax advisors for requisite action to be taken by them.

26. Updation of the mandate for receiving dividend directly in bank account through Electronic Clearing System or any other means in a timely manner:

Shares held in physical form: Members are requested to send the following details/documents to the Company's RTA, viz. Adroit Corporate Services Private Limited latest by July 31, 2022:

- (a) Form ISR-1 along with supporting documents. The said form is available on the website of the Company at <https://hirect.com/shareholder-enquiries/> and on the website of the RTA at <https://www.adroitcorporate.com/RandTServices.aspx>.
- (b) Cancelled cheque in original, bearing the name of the Member or first holder, in case shares are held jointly. In case the name of the holder is not available on the cheque, kindly submit the following documents:
 - (i) Cancelled cheque in original
 - (ii) Bank attested legible copy of the first page of the Bank Passbook/Bank Statement bearing the names of the account holders, address, same bank account number and type as on the cheque leaf, and full address of the bank branch
- (c) Self-attested copy of the PAN Card of all the holders; and
- (d) Self-attested copy of any document (such as Aadhaar Card, Driving License, Election Identity Card, Passport) in support of the address of the first holder as registered with the Company.

Further, Members are requested to send a mail for any query at info@adroitcorporate.com.

Shares held in electronic form: Members may please note that their bank details as furnished by the respective DPs to the Company will be considered for remittance of dividend as per the applicable regulations of the DPs and the Company will not be able to accede to any direct request from such Members for change/addition/deletion in such bank details. Accordingly, the Members holding shares in Demat form are requested to ensure that their Electronic Bank Mandate is updated with their respective DPs by July 31, 2022.

Further, please note that instructions, if any, already given by Members in respect of shares held in physical form, will not be automatically applied to the dividend paid on shares held in electronic form.

The Members who are unable to receive the dividend directly in their bank account through Electronic Clearing Service or any other means, due to non-registration of the Electronic Bank Mandate, the Company shall dispatch the Warrant/Bankers' Cheque/Demand Draft to such Members.

27. The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act, and relevant documents referred to in the Notice or explanatory statement will be available for inspection by the Members electronically during the AGM. Members seeking to inspect such documents can send an e-mail to investors@hirect.com.

Compliance Certificate under Regulation 13 of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 issued by the Secretarial Auditor of the Company is available at https://hirect.com/wp-content/uploads/2022/05/Compliance-Certificate_GMJ.pdf.

28. The process and manner for e-voting and the process of joining meeting through video conferencing along with other details also form part of the Notice.



THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING ANNUAL GENERAL MEETING ARE AS UNDER:

The remote e-voting period begins on Saturday, August 6, 2022 at 9:00 am and ends on Monday, August 8, 2022 at 5:00 pm. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members/Beneficial Owners as on the record date (cut-off date) i.e. Tuesday, August 2, 2022, may cast their vote electronically. The voting right of Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Tuesday, August 2, 2022. A person who is not a Member on the cut-off date should treat this Notice for information purposes only.

How do I vote electronically using the NSDL e-Voting system?

The way to vote electronically on NSDL e-voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to the NSDL e-Voting system


A. Login method for e-Voting and the joining virtual meeting for Individual members holding securities in Demat mode

In terms of SEBI circular dated December 9, 2020 on e-voting facility provided by Listed Companies, Individual members holding securities in Demat mode are allowed to vote through their Demat account maintained with Depositories and Depository Participants. Members are advised to update their mobile number and email Id in their Demat accounts in order to access e-voting facility.

Login method for Individual members holding securities in Demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with NSDL.	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL viz. https://eservices.nsd.com either on a personal computer or on mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-voting services under Value added services. Click on "Access to e-voting" under e-Voting services and you will be able to see e-Voting page. Click on the Company name or e-voting service provider i.e. NSDL and you will be re-directed to e-voting website of NSDL for casting your vote during the remote e-voting period or joining a virtual meeting and voting during the meeting. If you are not registered for IDeAS e-Services, the option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open a web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on mobile. Once the home page of e-voting system is launched, click on the icon "Login" which is available under the 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit Demat account number hold with NSDL), Password/OTP and a verification code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on the Company name or e-voting service provider i.e. NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining a virtual meeting and voting during the meeting.

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Type of shareholders	Login Method
	<p>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for a seamless voting experience.</p> 
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. The option will be made available to reach e-voting page without any further authentication. The URL for users to login to Easi / Easiest is https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E-Voting Menu. The Menu will have links of e-voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, the option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile and Email as recorded in the Demat Account. After successful authentication, a user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in Demat mode) login through their depository participants	<p>You can also login using the login credentials of your Demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. Upon logging in, you will be able to see e-voting option. Click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on Company name or e-voting service provider i.e. NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting and voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Helpdesk for Individual Shareholders holding securities in Demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact the NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll-free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact the CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43



B. Login Method for e-Voting and joining the virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to the NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open a web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on mobile.
2. Once the home page of the e-voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you have registered for NSDL e-services i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you login to NSDL e-services after using your log-in credentials, click on e-voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in Demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in Demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example, if folio number is 001*** and EVEN is 101456 then user ID is 101456001***.

Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
- b) If you are using the NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your Demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for the NSDL account, the last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in the process for those shareholders whose email ids are not registered.

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If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:

- a) Click on the “Forgot User Details / Password?”(If you are holding shares in your Demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- b) Physical User Reset Password ? (If you are holding shares in physical mode) the option is available on www.evoting.nsdl.com.
- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your Demat account number/folio number, your PAN, your name, your registered address, etc.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL.
 1. After entering your password, tick on Agree to “Terms and Conditions” by selecting the check box.
 2. Now, you will have to click on the “Login” button.
 3. After you click on the “Login” button, the Home page of e-Voting will open.

Step 2 : Cast your vote electronically and join Annual General Meeting on the NSDL e-Voting system

How to cast your vote electronically and join Annual General Meeting on NSDL e-Voting system?

1. After a successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting are in active status.
2. Select “EVEN” of Company for which you wish to cast your vote during the remote e-voting period and cast your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for Members

1. Institutional / Corporate Members (i.e. other than individuals, HUF, NRI, etc.) intending to send their authorized representatives to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to maheshsoni@gmj.co.in with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) can also upload their Board Resolution/Power of Attorney/Authority Letter, etc. by clicking on "Upload Board Resolution/Authority Letter" displayed under the "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.



3. In case of any queries, you may refer to the Frequently Asked Questions (“FAQs”) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll-free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Mr. Sanjeev Yadav, Assistant Manager at evoting@nsdl.co.in.
4. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a member of the Company after the notice is sent through e-mail and holding shares as of the cut-off date i.e. Tuesday, August 2, 2022, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using the “Forgot User Details/Password” or “Physical User Reset Password” option available on www.evoting.nsdl.com or call on toll-free no. 1800 1020 990 and 1800 22 44 30.
5. In the case of Individual Shareholders holding securities in Demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. Tuesday, August 2, 2022, may follow steps mentioned in the Notice of the AGM under “Access to NSDL e-Voting system”.

Process for those shareholders whose email IDs are not registered with the depositories for procuring user ID and password and registration of email IDs for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to info@adroitcorporate.com or investors@hirect.com.
2. In case shares are held in Demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to info@adroitcorporate.com or investors@hirect.com. If you are Individual shareholders holding securities in Demat mode, you are requested to refer to the login method explained in step 1 (A) i.e. Login method for e-voting and joining the virtual meeting for Individual shareholders holding securities in Demat mode.
3. Alternatively shareholders/members may send a request to evoting@nsdl.co.in for procuring user ID and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-voting facility provided by Listed Companies, Individual shareholders holding securities in Demat mode are allowed to vote through their Demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their Demat account in order to access e-voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-voting on the day of the AGM is the same as the instructions mentioned above for remote e-voting.
2. Only those Members, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the AGM.
3. Members who have voted through Remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-voting on the day of the AGM shall be the same person mentioned for remote e-voting.



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INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-voting system. Members may access it by following the steps mentioned above for access to NSDL e-voting system. After successful login, you can see a link of "VC/OAVM link" placed under the "Join meeting" menu against Company name. You are requested to click on VC/OAVM link placed under the Join General Meeting menu. The link for VC/OAVM will be available in the Shareholder/Member login where the EVEN of the Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the notice to avoid the last-minute rush.
2. Members are encouraged to join the Meeting through Laptops for a better experience.
3. Further, Members will be required to allow a Camera and use the Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that participants connecting from mobile devices or tablets or through laptops connecting via mobile hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Members who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least two days prior to the meeting mentioning their name, Demat account number/folio number, email id, mobile number at investors@hirect.com.
6. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
7. Members who do not wish to speak during the AGM but have queries or seeking any information concerning the accounts of the Company are requested to send the same in advance at least two days prior to the meeting mentioning their name, Demat account number/folio number, email id, mobile number at investors@hirect.com. These queries will be replied to by the Company suitably.



EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013, SECRETARIAL STANDARD-2 ON GENERAL MEETINGS, AND REGULATION 36 OF THE SEBI LISTING REGULATIONS 2015

Item No. 4

M/s Ravi Shah & Associates, Chartered Accountants, (Firm Registration Number: 125079W) (Proprietor Firm) hold the office of statutory auditor for a term of five consecutive years from the conclusion of the 59th Annual General Meeting (2017) until the conclusion of the 64th Annual General Meeting (2022).

M/s Ratan Chandak & Co, Chartered Accountants, (Firm Registration Number: 108696W) (Partnership Firm) hold the office of branch auditors for the Company's Nashik plant in the first term of five consecutive years from the conclusion of the 59th Annual General Meeting (2017) until the conclusion of the 64th Annual General Meeting (2022).

In order to enable the statutory auditors of the Company to effectively perform the audit procedures envisaged under various regulatory requirements, it is considered desirable to have a common statutory auditor for all the locations of the Company (except the branch auditor of the Dehradun plant continue up to the conclusion of the 65th AGM). This is also aimed to rationalize all the things and efforts.

The Audit Committee and Board of Directors of the Company, at their respective meetings held on May 26, 2022, have taken note of this intention of a common statutory auditor for the Company without a branch auditor for the Nashik plant. The branch auditor of the Dehradun plant will continue up to the conclusion of the 65th Annual General Meeting (2023) according to his tenure.

As per the provisions of Section 139 of the Companies Act, 2013, an appointment of statutory auditors needs the approval of the members at a general meeting.

After a detailed review of the profile, experience, and expertise of a few audit firms/ entities, the Audit Committee and Board of Directors of the Company have recommended the appointment of M/s GMJ & Co, Chartered Accountants (Firm Registration Number : 103429W) as Statutory Auditors of the Company, for approval of the members at the 64th Annual General Meeting of the Company.

M/s GMJ & Co is a mid-sized Chartered Accountants firm having experience of more than thirty-five years. The Firm's different verticals are headed by Senior Partners. The firm is involved in carrying out professional assignments in the areas of Auditing & Assurance - including Statutory & Internal Audits, Direct Taxation, Indirect Taxation, Corporate Laws, Corporate Advisory Services, Financial Services, etc. The firm caters to diverse industries and supports them in their growth. The Firm's clientele range from Small and Medium Enterprises (SMEs) to Listed Companies.

M/s GMJ & Co have accorded their consent and confirmed that they fulfill all the eligibility criteria envisaged under the Companies Act, 2013 and SEBI Listing Regulations 2015, to hold the office and perform the role of statutory auditor of the Company effectively. They hold a valid peer review certificate which is valid up to March 31, 2024.

Considering the professional experience, expertise and technical competencies of M/s GMJ & Co, the Audit Committee and the Board of Directors are of the opinion that it would be in the best interest of the Company to appoint M/s GMJ & Co as Statutory Auditors. Accordingly, the Board of Directors recommends to the Members the appointment of M/s GMJ & Co, Chartered Accountants, as Statutory Auditors for five (5) years from the conclusion of this 64th Annual General Meeting (2022) till the conclusion of the 69th Annual General Meeting (2027) on a remuneration of Rs. 9 lakhs per annum towards statutory audit and quarterly limited reviews, excluding reimbursement of any out-of-pocket expenses at actuals and applicable taxes and subject to annual revisions as may be determined by the Audit Committee and the Board from time to time.

There is a change in the fee payable from that paid to the outgoing auditor. M/s Ravi Shah & Associates, Chartered Accountants, current Statutory Auditor and M/s Ratan Chandak & Co, Chartered Accountants, current Branch Auditor are receiving fees of Rs. 3.50 lakhs and Rs. 1.00 lakhs respectively excluding tax. The remuneration to proposed Statutory Auditor M/s GMJ & Co is fixed considering the following factors.



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Prevailing economic scenario, Company's business volume, ongoing expansion and set up a new plant at Sinnar Nashik, discontinuation of appointment of the Nashik branch auditor, comparatively bigger & well-known firm, etc.

None of the Directors and Key Managerial Personnel (KMP) of the Company and their relatives is concerned or interested, financial or otherwise, in the above resolutions.

In view of complying with the requirement of Section 139 and 142 of the Companies Act, 2013 and the rules thereunder, the appointment of statutory auditors, being an ordinary business is unavoidable in nature.

The Board recommends passing the resolution as set out in item no. 4 of this notice as an ordinary resolution.

Item No. 5

The Company is required to have its cost records audited by a cost accountant in practice. Accordingly, the Board of Directors, at its meeting held on May 26, 2022 on the recommendation of the Audit Committee has approved the appointment and remuneration of M/s N. Ritesh & Associates, cost accountants (Firm Registration Number: R100675), to conduct the audit of the cost records of the Company for the financial year 2022-23 at a remuneration of Rs. 70,000 (Rupees Seventy Thousands only) plus applicable tax.

M/s N. Ritesh & Associates have the necessary experience in the field of cost audit and have submitted a certificate regarding their eligibility for appointment as cost auditors of the Company.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the cost auditors as recommended by the Audit Committee and approved by the Board has to be ratified by the members of the Company.

Accordingly, ratification by the members is sought to the remuneration payable to the Cost Auditors for the financial year ending March 31, 2023.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution.

In view of complying with the requirement of Section 148 of the Companies Act, 2013 and the rules thereunder, the ratification of remuneration of the cost auditor for the financial year 2022-23, being a special business is unavoidable in nature.

The Board recommends passing the resolution as set out in item no. 5 of this notice as an ordinary resolution.

Item No. 6

The members of the Company at the Annual General Meeting (AGM) held on August 8, 2019, approved the remuneration of Mr. Saurabh Nevatia, CEO Nashik plant (related party). This is an appointment of relative of a Director in the office or place of profit in the Company pursuant to Section 188 and other relevant applicable provisions of the Companies Act, 2013. The ordinary resolution was approved by members with 99.99% of votes cast in favour of the resolution.

Mr. Saurabh Nevatia is working in the Company since 1988 as a regular employee and his present designation is Chief Executive Officer, Nashik Plant. He looks after all the activities of the Nashik Plants.

Mr. Saurabh Nevatia, CEO Nashik Plant of the Company is going to be retired on June 26, 2022 as per the policy of the Company. The Board of Directors of the Company, on the recommendation of the Nomination and Remuneration Committee, at their meeting held on May 26, 2022 has consented to the continuation of office by Mr. Saurabh Nevatia, CEO Nashik Plant, after his retirement, considering his experience, knowledge, and background, as per the Nomination and Remuneration Policy of the Company.

Taking into consideration the increased business activities of the Company at Nashik, the Board finds his experience will be valuable in efficient management of the Nashik plants and the Company.



Out of abundant caution and in view of the good governance practice and relevant extant provisions of law relating to Related Party Transactions, the Company is complying with the relevant provisions of various regulators and the Board, on the recommendation of the Audit Committee, seeks member's approval for the continuation of service as a new contract (continuation of service).

The particulars of the transaction pursuant to para 3 of explanation (1) to Rule 15 of the Companies (Meeting of Board and its Powers) Rules, 2014 are as under:

Name of Related party	Mr. Saurabh Nevatia
Name of the Director or Key Managerial Personnel (KMP) who is related	Mr. Suramya Nevatia, Managing Director & CEO (KMP) Mrs. Akshada Nevatia, Executive Director Mr. Pawan Golyan, Non-Executive Director
Nature of relationship	Mr. Saurabh Nevatia is father of Mr. Suramya Nevatia, father-in-law of Mrs. Akshada Nevatia and brother-in-law of Mr. Pawan Golyan
Nature, material terms, monetary value and particulars of the contract or arrangement	<p>I. Approval is being sought for continuation to office or place of profit as per ordinary resolution furnished under item no. 6 to the notice.</p> <p>II. There is no change in the remuneration of Mr. Saurabh Nevatia, CEO Nashik Plant and the remuneration limits approved by the members in the 61st Annual General Meeting (2019) which are as under and the same will remain intact.</p> <p>1. Salary: Rs. 2,00,000/- p.m.</p> <p>2. Benefits, Perquisites and Allowances:</p> <p>a) House Rent Allowance Rs. 1,00,000/- p.m.</p> <p>b) Special Allowance Rs. 4,00,000/- p.m.</p> <p>c) Company's contribution to Provident Fund</p> <p>d) Mediclaim policy and/or reimbursement of medical expenses including hospitalization, nursing home and surgical charges for self and family whether incurred in India or abroad as per Company's policy.</p> <p>e) Reimbursement of actual traveling expenses for proceeding on leave from Mumbai to any place subject to ceiling of one month's basic.</p> <p>f) Gratuity payable at a rate of 15 days salary for each completed year of service.</p> <p>g) Superannuation, etc.</p> <p>h) Chauffeur driven Company's car.</p> <p>The Board of directors with the recommendation of the Nomination and Remuneration Committee can revise the aforesaid remuneration subject to the limit of Rs. 3.00 crore per annum.</p> <p>He shall continue to be entitled to receive allowances, benefits, perquisites, and contributions to funds, as per the policy of the Company as applicable to employees of similar grade, in force from time to time.</p>
Duration of contract	<p>I. For five years</p> <p>II. Liberty to the Audit Committee and the Board to change/ extension of service, and promote him from time to time as recommended by the Nomination and Remuneration Committee and as per the Nomination and Remuneration Policy of the Company.</p>
Shareholding in the Company	Mr. Saurabh Nevatia holds 21.79 % (3608438 equity shares) of the equity share capital of the Company.



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In view of his current role and future growth prospects in the Company, based on the approval of the Audit Committee, it is proposed to continue service as a new contract with Mr. Saurabh Nevatia and the proposed terms and conditions including remuneration would be commensurate with his domain expertise and experience and is in line with the industry standards prevalent in India.

In terms of the aforementioned provisions of the Act, based on the approval of the Audit Committee and recommendation of Nomination and Remuneration Committee, the Board of Directors at its meeting held on May 26, 2022 has approved entering into a new contract and recommends the ordinary resolution as set out at item no. 6 of this notice for members' approval.

Except for Mr. Suramya Nevatia, Mrs. Akshada Nevatia and Mr. Pawan Golyan, none of the other Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

In view of complying with the requirement of Section 188 of the Companies Act, 2013 and the rules thereunder, the approval of related party transaction, being a special business is unavoidable in nature.

The Board recommends passing the resolution as set out in item no. 6 of this notice as an ordinary resolution.

It is pertinent to note that no related party shall vote to approve this resolution whether the entity is a related party to the particular transaction or not.

Item No. 7

The Board of Directors of the Company at its meeting held on May 26, 2022 has, subject to the approval of members, re-appointed Mrs. Akshada Nevatia (DIN: 05357438) as a Whole-time Director, designated as "Executive Director", for a further period of 3 (three) years from the expiry of her present term, i.e., January 15, 2023, on terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee of the Board.

The Board is proposed to seek member's approval for the re-appointment of and remuneration payable to Mrs. Akshada Nevatia as a Whole-time Director, designated as "Executive Director" of the Company, in terms of the applicable provisions of the Companies Act, 2013 and SEBI Listing Regulations 2015 including any statutory modification(s) or re-enactment(s) thereof for the time being in force.

Broad particulars of the terms of re-appointment and remuneration w.e.f. January 15, 2023 payable to Mrs. Akshada Nevatia are as under:

1. Basic Salary: 1,50,000/- p.m.
2. Benefits, Perquisites, and Allowances:
 - (i) House Rent Allowance Rs. 1,25,000/- p.m.
 - (ii) Special Allowance Rs. 70,000/-p.m.
 - (iii) Company's contribution to Provident Fund
 - (iv) Medclaim Policy and/or reimbursement of medical expenses including hospitalization, nursing home, and surgical charges for self and family whether incurred in India or abroad as per the Company's policy.
 - (v) Reimbursement of actual traveling expenses for proceeding on leave from Mumbai to any place subject to a ceiling of one month's basic.
 - (vi) Gratuity is payable at a rate of half month's salary for each completed year of service.
 - (vii) Chauffer Driven Company's Car.
3. Commission: Such remuneration by way of commission, in addition to the above salary and perquisites, calculated with reference to the net profits of the Company in a particular financial year, subject to the overall ceiling stipulated in Section 198 read with Schedule V of Companies Act, 2013 as may be recommended by Nomination and Remuneration Committee and approved by the Board.



Minimum remuneration: In the event of loss or inadequacy of profits in any financial year during the currency of tenure of service of Mrs. Akshada Nevatia, Executive Director, the payment of salary, perquisites, and other allowances shall be governed by the limits prescribed under Section II of Part II of Schedule V of the Companies Act, 2013 as may for the time being be in force.

As an Executive Director, Mrs. Akshada Nevatia will carry out such functions, exercise such powers, and perform such duties as the Board of Directors of the Company shall from time to time in its absolute discretion determine and entrust to her, subject, nevertheless to the provisions of the Companies Act, 2013 or any statutory modifications or re-enactment thereof for the time being in force.

She will, to the best of her skill and ability, endeavor to promote the interests and welfare of the Company and to conform to and comply with the directions & regulations of the Company and also such orders and directions as may from time to time be given to her by the Board of Directors of the Company.

She shall at all times act in the best interests of the Company and all its stakeholders (including its minority shareholders) and keep the Board of Directors informed of any developments or matters that have materially impaired, or are reasonably likely to materially impair, the interests of the Company and/or any of its stakeholders.

The Executive Director shall devote the whole of her time, attention, and abilities to managing the business of the Company and shall use her best endeavor to promote its interest and welfare.

If at any time the Executive Director ceases to be a Director of the Company, for any reason whatsoever, she shall cease to be the Executive Director and this Agreement with the Company shall stand terminated forthwith. Similarly, if at any time the Executive Director ceases to be in the employment of the Company for any cause/reason whatsoever, she shall cease to be a Director of the Company.

The agreement entered into between the Company and Executive Director is open for inspection at the Registered Office of the Company during office hours on all working days (except Sunday and public holidays) between 11.00 am. and 1.00 pm. up to the date of the Annual General Meeting and also at the Meeting.

The office of the Whole-time Director designated as "Executive Director" may be terminated by the Company or by her by giving the 3 (three) months prior notice in writing.

The Company has received notice under Section 160(1) of the Companies Act, 2013 from a Member signifying his intention to propose Mrs. Akshada Nevatia's re-appointment as a Director. Notice received under Section 160 of the Companies Act, 2013 is available for inspection by the members at the Registered Office of the Company during the business hours on any working day up to the date of the Annual General Meeting.

Mrs. Akshada Nevatia satisfies all the conditions set out in Schedule V to the Companies Act, 2013 as also conditions set out under sub-section (3) of Section 196 of the Companies Act, 2013 for being eligible for her re-appointment. She is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013.

The above explanatory statement together with Annexure thereto shall be construed to be a memorandum setting out the terms of the appointment as specified under Section 190 of the Companies Act, 2013.

Further, this special resolution is in accordance with the provisions of Regulation 17(6)(e) of the SEBI Listing Regulations 2015, annual remuneration payable to Executive Directors, who is a member of promoter group, exceeds five percent of net profit calculated as per Section 198 of Companies Act, 2013.

Mrs. Akshada Nevatia is interested in the resolution as the same is for her own appointment. Mr. Suramya Nevatia, Managing Director & CEO (KMP) and her relatives may be deemed to be interested in the said resolution.

None of the other Directors/Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the resolutions, except to the extent of their shareholding.



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In view of complying with the requirement of Section 196, 197 and 198 of the Companies Act, 2013 and the rules thereunder, the appointment of Mrs. Akshada Nevatia, being a special business is unavoidable in nature.

The Board accordingly recommends the Special Resolution set out in Item No. 7 of the Notice for approval by the Members of the Company.

By order of the Board of Directors
For **Hind Rectifiers Limited**

Place : Mumbai
Date : May 26, 2022

Meenakshi Anchia
Company Secretary



Annexure

DETAILS OF DIRECTOR SEEKING APPOINTMENT / RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING

(Pursuant to Regulation 36 of SEBI Listing Regulations 2015 and clause 1.2.5 of Secretarial Standard-2 on General Meetings)

Name - Mrs. Akshada Nevatia (DIN: 05357438)	
Date of first appointment on the Board	January 15, 2017
Date of Birth	August 21, 1987
Age	34 years
Qualifications, Experience and Expertise / Brief Resume	<p>Mrs. Akshada Nevatia (DIN: 05357438) has done Graduation in Psychology from S.P. College, Pune, and Masters in Clinical Psychology from Fergusson College, Pune. She has done Diploma in Family Managed Business from S. P. Jain Institute, Mumbai.</p> <p>She is having approximately five years of experience in Darode Jog Properties in the Real Estate Industry. She then served as Management Corporate in Hind Rectifiers Limited from June 2015 to January 2017. She is associated with our Company as an Executive Director w.e.f. January 15, 2017 and was a member of the Corporate Social Responsibility Committee of the Board. She currently serves as a member of the Business Responsibility Report Committee (now BRSR Committee) and Executive Committee.</p> <p>Mrs. Nevatia is having approximately five years of experience in the construction industry. She has more than twelve years of experience as an entrepreneur. She is looking after General Corporate and Corporate Governance and involving in all the financial, accounting, and Banking matters of the Company. She understands the need and viewpoints of customers, partners, employees, governments, and other stakeholders. She is the 'Promoter Group entity' of the Company.</p>
Number of Meetings of the Board attended during the financial year 2021-22	Four out of four
List of Directorship / Membership / Chairmanship of Committees of other Board as on March 31, 2022	<p>Directorship of other Board:</p> <p>1. Elventive Tech Private Limited</p> <p>Directorship of other listed entities: Nil</p> <p>Membership of Committees of other Board: Nil</p> <p>Chairmanship of Committees of other Board: Nil</p>

**Hind Rectifiers Limited**

Shareholding in Hind Rectifiers Limited as on March 31, 2022	5850 Equity Shares
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Mr. Suramya Nevatia, Managing Director & CEO and Mrs. Akshada Nevatia are related to each other.
Terms and Conditions of appointment or re-appointment along with details of remuneration sought to be paid and remuneration last drawn by such person	Terms and Conditions of appointment/re-appointment along with details of remuneration sought to be paid and remuneration last drawn by such person has been given in the Corporate Governance Report part of the Annual Report and Notice of 64th AGM. Mrs. Akshada Nevatia's office as Director shall be subject to retirement by rotation.
Justification for choosing the appointee for appointment as Independent Director : NA	
Skills and capabilities required for the role for which appointment is proposed and the manner in which the proposed appointee meets such requirements in the case of Independent Director: NA	
List of listed companies from which the new Director / proposed appointee has resigned in the last three years : NA	



Hind Rectifiers Limited

ANNUAL REPORT

2021-2022

PERFECTLY ENGINEERED POWER CONVERSION SYSTEMS



Hind Rectifiers Limited

64th Annual Report 2021-2022

hirect.com

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Board of Directors

Suramya Nevatia
Managing Director & CEO

Akshada Nevatia
Executive Director

Independent Director

Pradeep V. Goyal
Chairman of the Board

V. K. Bhartia

Parimal Merchant

Vandan Shah

Ashlesha Bodas

Non-Executive Non-Independent

Pawan Kumar Golyan

Key Managerial Personnel

Suramya Nevatia
Managing Director & CEO

A. K. Nemani
Chief Financial Officer

Meenakshi Anchlia
Company Secretary & Compliance Officer

Bankers

ICICI Bank Ltd.

IDFC First Bank Ltd.

Standard Chartered Bank

TJSB Sahakari Bank Ltd.

Apna Sahakari Bank Ltd.

Saraswat Co-operative Bank Ltd.

Statutory Auditors

M/s Ravi A. Shah & Associates
Chartered Accountants

Secretarial Auditors

M/s GMJ & Associates
Company Secretaries

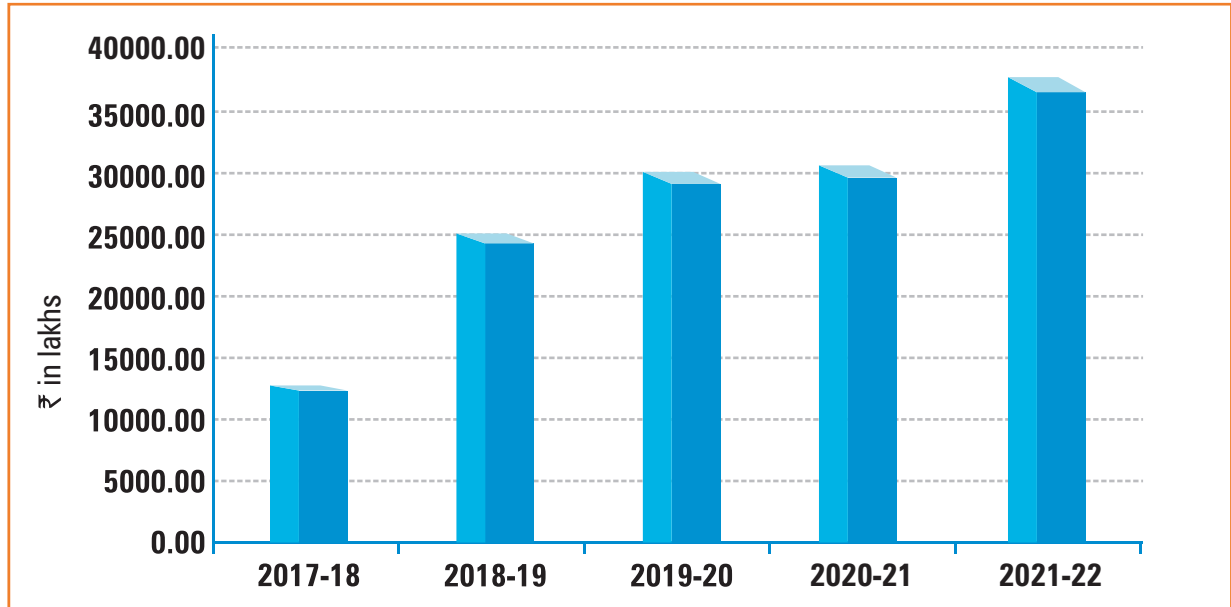
Registrar And Transfer Agent

Adroit Corporate Services Private Limited

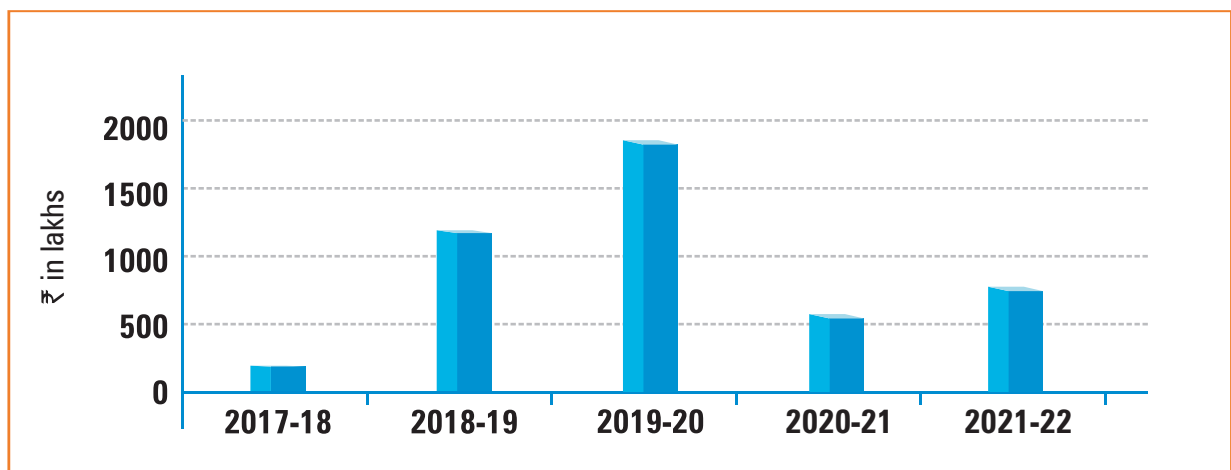
19-20, Jafferbhoy Industrial Estate,
1st Floor, Makwana Road, Marol Naka,
Andheri (East), Mumbai 400059.



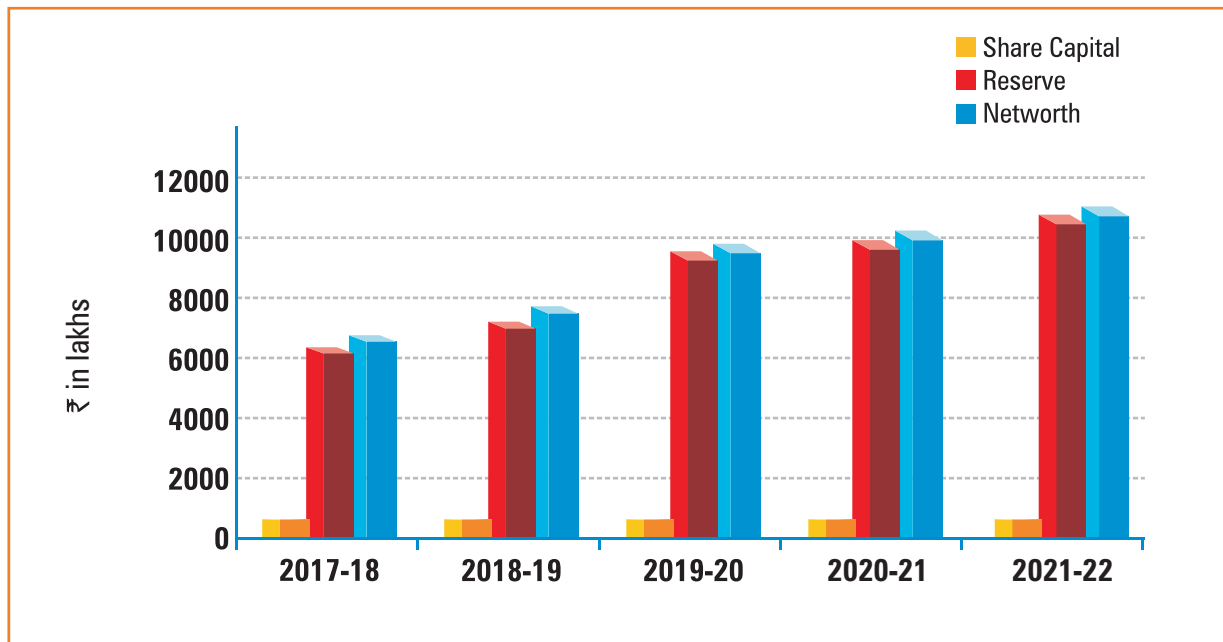
SALES



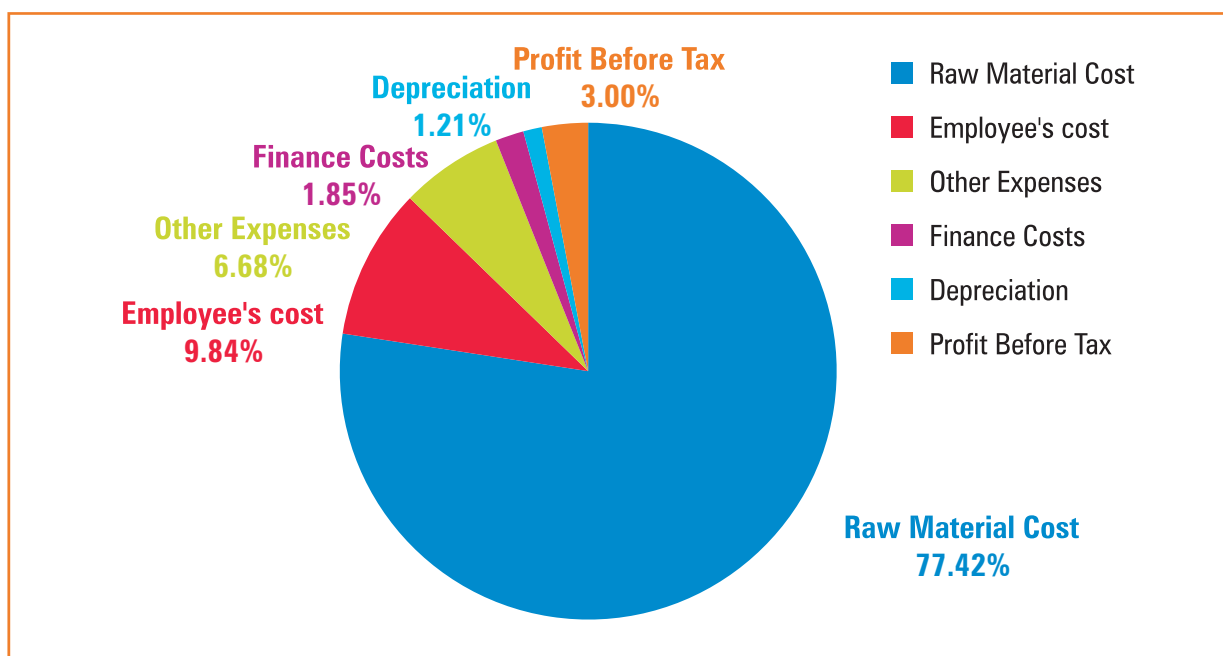
NET PROFIT AFTER TAX



NET WORTH



PERCENTAGE OF RUPEE SPENT DURING 2021 - 2022





HIGHLIGHTS

		2021-22	2020-21	2019-20	2018-19	2017-18	
INCOME :							
1	Net Operational Income	(₹ in lakhs)	37210.06	30509.71	29962.05	25514.29	12,569.20
2	Profit before Finance Cost, Depreciation & Tax	(₹ in lakhs)	2253.45	1990.31	3762.96	2591.96	962.23
3	Finance Cost	(₹ in lakhs)	688.13	871.54	731.63	700.24	529.74
4	Depreciation	(₹ in lakhs)	449.12	382.50	407.26	271.86	230.73
5	Gross Profit after Finance Cost & Depreciation but before Tax	(₹ in lakhs)	1116.2	736.27	2624.07	1619.86	201.76
6	Exceptional Items	(₹ in lakhs)	-	-	-	45.05	-
7	Profit after Tax	(₹ in lakhs)	779.85	533.14	1847.91	1179.08	131.45
EQUITY SHARE DATA :							
8	Sales & other Income per equity Share	(₹)	225	184	181	154	76
9	Earnings per equity share						
	- Basic	(₹)	4.71	3.22	11.16	7.12	0.79
	- Diluted	(₹)	4.68	3.22	11.16	7.12	0.79
10	Book value of equity share	(₹)	64.86	60.23	57.74	47.17	40.02
11	Networth	(₹ in lakhs)	10743.95	9977.12	9563.82	7813.53	6628.85
12	Market Price :						
	a) High	(₹)	238.90	180.20	269.95	165.00	164.00
	b) Low	(₹)	119.25	108.50	89.00	95.90	75.19
13	Dividend	(%)	20	20	40	20	-
RATIO :							
14	PBT / Net Operational Income	(%)	3.00	2.41	8.76	6.35	1.61
15	Profit after Tax / Networth	(%)	7.26	5.34	19.32	15.09	1.98
16	Total Liabilities / Total Assets	Times	0.56	0.59	0.61	0.58	0.57
17	Total Debt / Equity	Times	0.69	0.84	0.94	0.81	0.77
18	Total Outside Liability / Total net worth	Times	1.29	1.42	1.54	1.32	1.26
19	Current Ratio	Times	1.46	1.40	1.38	1.49	1.39
20	PBDIT / Finance Costs	Times	3.27	2.28	5.14	3.70	1.82



CHAIRMAN'S STATEMENT

Dear Shareholders,

We are pleased to share the Annual Report of Hind Rectifier's Limited for the Financial Year 2022.

As you can witness our top line has grown by 21.96% from the previous year.

Our profitability has improved by 24.48% from the previous year.

Despite the ongoing challenges we face globally such as the Pandemic, increase in commodity prices, fluctuation in forex and shortage of electronic components, we have and we will continue to withstand and overcome any extenuations that come our way.

Moreover, we are pleased to announce the completion of the construction of our new world class manufacturing setup at Sinnar near Nasik.

The new facility is spread over seven acres, making it our biggest yet. We will be manufacturing our new range of products from Sinnar such as our Rotating Machines and HVAC.

We thank you for your trust and belief in Hind Rectifiers Ltd.

We will ensure continued growth and success for your company.

Pradeep Goyal
Chairman

DIRECTORS' REPORT

Dear Members,

Your Directors present the 64th Annual Report together with the Audited Financial Statements for the year ended March 31, 2022.

(₹ in lakhs)

FINANCIAL RESULTS	Year ended 31.03.2022	Year ended 31.03.2021
Revenue from Operation	37210.06	30509.71
Other Income	34.38	35.74
Total Revenue	37244.44	30545.45
Profit Before Interest, Tax, Depreciation and Amortization (PBITDA)	2253.45	1990.31
Less: Finance Cost	688.13	871.54
Profit/Loss before Depreciation and Tax	1565.32	1118.77
Less : Depreciation	449.12	382.50
Profit/(Loss) before Exceptional Item	1116.20	736.27
Profit/(Loss) before Tax	1116.20	736.27
Less : Provision for Taxation - Current	313.02	170.17
Deferred	23.33	32.96
Profit/(Loss) after taxes	779.85	533.14
Other Comprehensive Income (Net of Tax)	10.05	12.67
Total Comprehensive Income for the year	789.90	545.81

OPERATIONS

Turnover of the Company during the year 2021-22 was ₹ 37210.06 lakhs as compared to ₹ 30509.71 lakhs in the year 2020-21. Profit before interest, depreciation, and tax was ₹ 2253.45 lakhs compared to ₹ 1990.31 lakhs.

In the first three months of the year 2021-22, the second wave of the pandemic disrupted the operations; however, with better preparedness Company was able to minimize the impact of the same. Margins still continued to be lower because of increased competition and increasing raw material prices.

The Company continues to focus on the development of new products for Railway and also for other applications. With increased Electric Locomotive production & electrification of routes and Modernization of Railway facilities, demand from Railways is expected to be good. Considering the growth anticipated in various international and domestic projects in power sector and also infrastructure planned by Govt. of India, demand from the industrial sector is likely to be good.

Considering the increased business, in the financial year 2020-21 the Company decided to set up a new plant at MIDC Sinnar. The Company has already received an occupancy certificate of the built-up area of 12929.145 sq. meters. Various machinery is under installation. The Company do expect to start commercial production from the third quarter of financial year 2022-23.

The Company has healthy order bookings for the financial year 2022-23.

DIVIDEND

The Board of Directors is pleased to recommend a dividend of ₹ 0.40 (subject to deduction of tax) per equity share of the face value of ₹ 2/- each (@ 20%), payable to those shareholders whose names appear in the Register of Members as on the Book Closures.



The dividend on equity shares, if approved by the members would involve a cash outflow of ₹ 66.25 lakhs.

As per the prevailing provisions of the Income Tax Act, 1961, the dividend, if declared, will be taxable in the hands of the shareholders at the applicable rates. For details, shareholders are requested to refer to the Notice of Annual General Meeting.

TRANSFER TO RESERVES

The Board of Directors has decided to retain the entire amount of profit for the financial year 2021-22 appearing in the statement of profit and loss.

FINANCE AND ACCOUNTS

As mandated by the Ministry of Corporate Affairs, the financial statement for the year ended on March 31, 2022 has been prepared in accordance with the Indian Accounting Standards (IND AS) notified under Section 133 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 as amended from time to time. The estimates and judgments relating to the financial statements are made on a prudent basis, so as to reflect in a true and fair manner, the form and substance of transactions and reasonably present the Company's state of affairs, profits and cash flows for the year ended March 31, 2022. Notes to the financial statement adequately cover the Audited Statements and form an integral part of this report.

COMPANY'S RESPONSE TO COVID

During the year, we launched several health and wellness programs for our employees covering various aspects of physical and emotional wellbeing, counseling support, and awareness. We offered COVID-19 related care for our employees and their families. Necessary safety and hygiene protocols like wearing face masks, social distancing norms, workplace sanitation, and employee awareness programs were followed in compliance with the regulations of the local authorities.

Amid the pandemic, the Company launched a vaccination drive for its employees and their families to ensure the safety and well-being of the associates and their families.

SHARE CAPITAL

The paid-up Equity Share Capital as on March 31, 2022 was ₹ 3,31,27,446. During the year under review, the Company has not issued shares or convertible securities or shares with differential voting rights nor has granted sweat equity except Employee Stock Options. None of the Directors of the Company hold instruments convertible into equity shares of the Company as on March 31, 2022.

EMPLOYEES' STOCK OPTION SCHEME

With a view to attract and retain key talents working with the Company by way of rewarding their performance and motivate them to contribute to the overall corporate growth and profitability, the Company grants share based benefits to eligible employees under the ESOP Scheme.

The Company's Employees Stock Option Scheme viz. 'HIRECT Employees Stock Option Plan - 2018' or 'ESOP 2018' was passed by the members of the Company in the 60th Annual General Meeting on August 13, 2018 for 250000 Options convertible into the equal number of equity shares.

The Nomination and Remuneration Committee of the Board of Directors of the Company, inter alia, administers and monitors the Employees' Stock Option Plan of the Company. The options granted shall vest based upon the performance of the Employee, as may be determined by the Nomination and Remuneration Committee from time to time but shall not be less than 1 (one) year and not more than 4 (four) years from the date of grant of options. Vesting may happen in one or more tranches.

The Exercise Price shall be based on the Market Price of the Company which shall mean the latest closing price on a recognized stock exchange on which the shares of the Company are listed on the date immediately prior to the date of meeting of Committee on which grant is to be made. The maximum term of the options granted under the scheme shall be five years from the date of grant. The scheme contemplates a new issue of shares by the Company ("Primary Shares"). There is no change in the scheme. The scheme is in compliance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

During the year the Nomination and Remuneration Committee granted 108445 stock options while 99945 stock options were accepted.

Hind Rectifiers Limited

The details of the ESOP 2018, including terms of reference, and the requirement specified under Regulation 14 of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, are available on the Company's website, at <https://hirect.com/wp-content/uploads/2022/06/Disclosures-pursuant-to-SEBBI.pdf>.

Compliance Certificate under Regulation 13 of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 issued by the Secretarial Auditor of the Company is available and accessible for inspection by the Members at https://hirect.com/wp-content/uploads/2022/05/Compliance-Certificate_GMJ.pdf.

PUBLIC DEPOSITS

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

BOARD OF DIRECTORS

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mrs. Akshada Nevatia, Executive Director of the Company is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, has offered herself for re-appointment. The Board recommends her re-appointment for the consideration of the members of the Company at the Annual General Meeting. A brief profile of Mrs. Akshada Nevatia has been given in the Notice convening the Annual General Meeting.

Further, the term of Mrs. Akshada Nevatia as Executive Director is up to January 14, 2023. The Board of Directors on the recommendation of Nomination and Remuneration Committee has re-appointed Mrs. Akshada Nevatia as Whole-time Director designated as an "Executive Director" of the Company for a period of three years with effect from January 15, 2023 to January 14, 2026, subject to the approval of members in forthcoming Annual General Meeting. The Company has received requisite notice in writing under Section 160 of the Companies Act, 2013. Accordingly, the Board recommends the resolution in relation to the re-appointment of Mrs. Akshada Nevatia as Whole-time Director designated as "Executive Director" for the approval by the members of the Company.

None of the Directors are disqualified under Section 164(2) of the Companies Act, 2013.

All Independent Directors have submitted the declarations that each of them meets the criteria of independence as laid down under the Companies Act, 2013 and SEBI Listing Regulations 2015. The Independent Directors have also confirmed that they have complied with the Company's Code of Conduct. There has been no change in the circumstances affecting their status as Independent Directors of the Company. Further, they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence and that they are independent of the management.

In the Board's opinion, the Independent Directors are persons of high repute & integrity and possess the relevant expertise & experience in their respective fields and fulfill the conditions of independence specified in the Companies Act, 2013 and SEBI Listing Regulations 2015. All the Independence Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Companies Act, 2013. Further, Independent Directors of the Company have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs and they have passed the online proficiency self-assessment test if required.

During the year under review, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees and reimbursement of expenses, if any, incurred by them for the purpose of attending meetings of the Board / Committees of the Company.

The familiarization program and other related information are detailed in the Corporate Governance Report, which forms part of this Report.

KEY MANAGERIAL PERSONNEL

Mr. Suramya Nevatia, Managing Director & CEO, Mr. A. K. Nemani, Chief Financial Officer, and Ms. Meenakshi Anchlia, Whole Time Company Secretary & Compliance Officer are the Key Managerial Personnel of the Company.

Mr. A. K. Nemani's current tenure as an employee is expiring on June 19, 2022 as per the Company's HR Policy. He is going to be re-appointed / will continue the office as Chief Financial Officer, w.e.f. June 20, 2022 as recommended by the Nomination



and Remuneration Committee and approved by the Board. During the year under review, there were no changes in the Key Managerial Personnel of the Company.

BOARD MEETINGS

Four meetings of the Board of Directors were held during the year. The particulars of meetings held and attended by each Director are detailed in the Corporate Governance Report.

The details of the Committees along with their composition, number of meetings, attendance at the meetings, and other related information are provided in the Corporate Governance Report. The Board has accepted all the recommendations of all the Committees.

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India to conduct the meetings.

SIGNIFICANT AND MATERIAL ORDERS

There were no significant and material orders passed by the Regulators/Courts that would impact the going concern status of the Company and its future operations.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of the Directors, to the best of its knowledge and ability confirms that:

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed, and there are no material departures;
- (ii) they 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 profit of the Company for that period;
- (iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) they have prepared the annual accounts on a going concern basis;
- (v) they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively; and
- (vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

BOARD EVALUATION

The Board of Directors has carried out an annual evaluation of its own performance, board committees, individual directors, etc. pursuant to the provisions of the Companies Act, 2013 and SEBI Listing Regulations 2015.

The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017. In a separate meeting of Independent Directors, the performance of each Director, the Board as a whole, committees of the Board, Chairman and Managing Director & CEO of the Company, and flow of information were evaluated, taking into account the views of Executive Directors and Non-Executive Directors.

The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

Hind Rectifiers Limited

At the Independent Directors meeting, the performance of the Board, its Committees, and individual Directors was also discussed. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint venture, or Associate Companies as on March 31, 2022.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The particulars of loans, guarantees and investments as per Section 186 of the Companies Act, 2013 by the Company, have been disclosed in the financial statement. For details, please refer to note no. 6 forming part of financial statement.

RELATED PARTY TRANSACTIONS

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were on an arm's length basis and in the ordinary course of business. Disclosure in Form AOC-2 in terms of Section 134 and 188 of the Companies Act, 2013 for material-related party transactions is annexed as Annexure D and forms an integral part of this report. All related party transactions are mentioned in the notes to the financial statements.

The Board has approved the criteria to grant omnibus approval by the Audit Committee. Prior omnibus approval is obtained for related party transactions which are of repetitive nature and entered in the ordinary course of business and at arm's length. All related party transactions are placed before the Audit Committee for review and approval. The Shareholders have approved related party transactions by way of postal ballot on March 23, 2022.

The policy on Related Party Transactions as approved by the Board of Directors is available on the website of the Company viz. www.hirect.com. The Policy has been amended to incorporate the regulatory amendments in the SEBI Listing Regulations 2015.

VIGIL MECHANISM / WHISTLEBLOWER POLICY

The Company is committed to adhering to the highest standards of ethical, moral, and legal conduct of business operations. In line with these objectives, the Company has adopted a whistleblower mechanism for Directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct. The policy is reviewed periodically by the Board and updated as needed.

During the year under review, no complaint was received by the Company. The 'Vigil Mechanism/Whistleblower Policy' is available on the website of the Company viz. www.hirect.com.

BOARD DIVERSITY

Board diversity is the breadth of perspective, not the mere of various diverse traits that will benefit the organization. The Company believes that a diverse Board will enhance the quality of the decision made by the Board by utilizing the different thoughts, perspectives, skills, qualifications, experience, knowledge, region and industry experience, cultural and geographical background, age, ethnicity, race, and gender, etc. of the Board members necessary for achieving sustainable and balanced development. The Board Diversity Policy has been adopted by the Company and sets out its approach to diversity. The Board Diversity Policy is available on the website of the Company viz. www.hirect.com.

NOMINATION AND REMUNERATION POLICY

The Company has the appropriate mix of Executive, Non-Executive Directors to maintain the independence of the Board. The policy of the Company on the Director's appointment and remuneration, including the criteria for determining qualifications, positive attributes, independence of a Director, and other matters, as required under sub-section (3) of Section 178 of the Companies Act, 2013, is available on the website of the Company viz. www.hirect.com. We affirm that the remuneration paid to the Directors is as per the terms laid out in the Nomination and Remuneration Policy of the Company.

The salient features of the policy are:

- (i) It acts as a guideline for matters relating to appointment and re-appointment of directors;
- (ii) It contains guidelines for determining qualifications, positive attributes of directors, and independence of a director;
- (iii) It lays down the criteria for Board Membership.



CORPORATE SOCIAL RESPONSIBILITY

HIRECT's CSR initiatives and activities are aligned with the requirements of Section 135 of the Companies Act, 2013. The brief outline of the CSR Policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in Annexure E of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. The Policy is available on the Company's website at www.hirect.com.

The Board has decided to dissolve the Corporate Social Responsibility Committee w.e.f. June 11, 2021. For other details regarding the CSR Committee, please refer to the Corporate Governance Report, which is a part of this report.

AUDIT COMMITTEE

The details pertaining to the composition of the Audit Committee are included in the Corporate Governance Report, which is a part of this report.

During the year all the recommendations made by the Audit Committee were accepted by the Board.

MANAGEMENT DISCUSSION AND ANALYSIS

In terms of the provisions of Regulation 34 of SEBI Listing Regulations 2015, the Management Discussion and Analysis is set out in this report.

CORPORATE GOVERNANCE REPORT AND BUSINESS RESPONSIBILITY REPORT

The Company has complied with the corporate governance requirements under the Companies Act, 2013 and the SEBI Listing Regulations 2015. A separate section on corporate governance, along with a certificate from the statutory auditors confirming compliance is annexed and forms part of this Report.

The Company has provided the Business Responsibility Report which indicates the Company's performance against the principles of the 'National Guidelines on Responsible Business Conduct'. This would enable the Members to have an insight into the environmental, social, and governance initiatives of the Company. The Business Responsibility Report is attached which forms part of this report.

The Company has decided to follow the Business Responsibility and Sustainability Report ('BRSR') w.e.f. April 1, 2022. BRSR is a notable departure from the existing Business Responsibility Report ('BRR') and a significant step towards giving a platform to the companies to report the initiatives taken by them in areas of environment, social, and governance.

STATUTORY AUDITOR AND BRANCH AUDITORS

M/s Ravi Shah & Associates, Chartered Accountants, (Firm Registration Number: 125079W) (Proprietor Firm) hold the office of statutory auditor for a term of five consecutive years from the conclusion of the 59th Annual General Meeting (2017) until the conclusion of the 64th Annual General Meeting (2022). The proviso of Section 139(2) states that an individual auditor who has completed his term of five consecutive years shall not be eligible for re-appointment as auditor in the same company for five years from the completion of his term. M/s Ratan Chandak & Co, Chartered Accountants, (Firm Registration Number: 108696W) (Partnership Firm) hold the office of branch auditors for the Company's Nashik plant in the first term of five consecutive years from the conclusion of the 59th Annual General Meeting (2017) until the conclusion of the 64th Annual General Meeting (2022).

In order to enable the statutory auditors of the Company to effectively perform the audit procedures envisaged under various regulatory requirements, the Board has recommended the appointment of M/s GMJ & Co, Chartered Accountants (Firm Registration Number: 103429W) as the statutory auditors of the Company for a term of five consecutive years (for all the locations of the Company except the branch auditor of the Dehradun plant who will continue up to the conclusion of the 65th AGM) from the conclusion of the 64th Annual General Meeting to be held in the year 2022 till the conclusion of 69th Annual General Meeting to be held in the year 2027, for approval of shareholders of the Company, based on the recommendation of the Audit Committee. This is also aimed to rationalize all the things and efforts.

During the year, the statutory auditor and branch auditors have confirmed that they satisfy the independence criteria required under the Companies Act, 2013 and the Code of Ethics issued by the Institute of Chartered Accountants of India.

The Auditors' Report does not contain any qualification, reservation, adverse remark, or disclaimer.

Hind Rectifiers Limited

During the financial year under review, the Auditors had not reported any matter under Section 143 (12) of the Companies Act, 2013 therefore no detail is required to be disclosed under Section 134 (3)(ca) of the Companies Act, 2013.

COST AUDITOR

As per the requirement of the Central Government and pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, the Company has been maintaining cost records and carrying out the audit of the same.

The Board of Directors on the recommendation of the Audit Committee, has re-appointed M/s N. Ritesh & Associates, Cost Accountants, (Firm Registration Number R100675) as Cost Auditor to audit the cost accounts of the Company for the financial year 2022-23. The Company has received his written consent that the appointment will be in accordance with the applicable provisions of the Companies Act, 2013 and the rules framed thereunder. The Cost Auditors have confirmed that they are not disqualified to be appointed as the Cost Auditors of the Company for the year ending March 31, 2023.

The remuneration of the Cost Auditors has been approved by the Board of Directors on the recommendation of the Audit Committee and in terms of the Companies Act, 2013 and rules thereunder. Requisite resolution for ratification of remuneration of the Cost Auditors by the members has been set out in the Notice of the 64th Annual General Meeting of the Company.

SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors, on the recommendation of the Audit Committee, has re-appointed M/s GMJ & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Company has received their written consent that the appointment is in accordance with the applicable provisions of the Companies Act, 2013 and rules framed thereunder. The Secretarial Auditors have confirmed that they are not disqualified to be appointed as the Secretarial Auditors of the Company for the financial year ending March 31, 2023.

The Secretarial Audit Report is annexed as Annexure A (i) and forms an integral part of this report. The Secretarial Audit Report does not contain any qualifications, reservations or adverse marks or disclaimers.

The Annual Secretarial Compliance Report is annexed as Annexure A (ii) and forms an integral part of this report. The Annual Secretarial Compliance Report does not contain any qualifications, reservation or adverse remark, or disclaimer.

During the financial year under review, the Secretarial Auditors had not reported any matter under Section 143 (12) of the Companies Act, 2013, therefore no detail is required to be disclosed under Section 134 (3)(ca) of the Companies Act, 2013.

SECRETARIAL STANDARDS

The Company has devised proper systems to ensure compliance with the provisions of all applicable and mandatory Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

INTERNAL FINANCIAL CONTROLS

The establishment of effective corporate governance and internal control system is essential for sustainable growth and long-term improvements in corporate value, and accordingly, the Company works to strengthen such structures. The Company believes that a strong internal control framework is an important pillar of Corporate Governance.

The scope of the audit activity is broadly guided by the annual audit plan approved by the top management and the Audit Committee. The Internal Auditor prepares regular reports on the review of the internal systems and procedures and monitors the actions to be taken.

The Audit Committee of the Board of Directors reviews the adequacy and effectiveness of the internal financial controls system and suggests improvements to strengthen the same.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory, and secretarial auditors, including the audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by management and the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2021-22.



RISK MANAGEMENT

The Company has in place a Risk Management Policy which was reviewed by the Risk Management Committee and approved by the Board of Directors of the Company. The policy provides for a robust risk management framework to identify and assess risks such as operational, strategic, financial, regulatory, human resource, and other risks and put in place an adequate risk management infrastructure capable of addressing these risks. The Audit Committee has oversight in the area of financial risks and controls. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The risk management framework is reviewed regularly. The development and implementation of a risk management policy have been monitored by the Management regularly.

CREDIT RATING

The particulars of Credit Rating are detailed in the Corporate Governance Report, which forms part of this report.

CODE OF CONDUCT

The Company is committed to conducting its business in accordance with the applicable laws, rules and regulations and the highest standards of business ethics. In recognition thereof, the Board of Directors has implemented a Code of Conduct for adherence by the Directors and Senior Management Personnel of the Company. This will help in dealing with ethical issues and also foster a culture of accountability and integrity.

LISTING

The Company has listed its shares on BSE Limited and National Stock Exchange of India Limited. The Company is regular in payment of Listing Fees.

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). The Company has been allotted ISIN No. INE835D01023.

The shareholders, 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 OF EMPLOYEES

The information required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as Annexure B and forms an integral part of this Annual Report.

Further, a statement showing the names and other particulars of employees drawing remuneration in excess of the limits as set out in the Rules 5(2) and 5(3) of the aforesaid Rules form part of this Report. However, in terms of the first provision of Section 136(1) of the Companies Act, 2013, the Annual Report and Accounts are being sent to the members and others entitled thereto, excluding the aforesaid information. The said information is available for inspection by the members at the Registered Office of the Company during business hours on working days up to the date of the ensuing Annual General Meeting. If any member is interested in obtaining a copy thereof, such member may write to the Company secretary to email ID investors@hirect.com, whereupon a copy would be sent.

POLICY ON SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Company has zero-tolerance toward sexual harassment at the workplace and to this end, has adopted a policy in line with the provisions of sexual harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. All employees (permanent, contractual, temporary, trainees, etc.) are covered under the said Policy. An Internal Complaints Committee (ICC) has also been set up to redress complaints received on sexual harassment.

The following is a summary of sexual harassment complaints received and disposed of during the year.

- (i) Number of complaints pending at the beginning of the year – NIL
- (ii) Number of complaints received during the year – NIL

Hind Rectifiers Limited

(iii) Number of complaints disposed of during the year – NIL

(iv) Number of cases pending at the end of the year – NIL

No cases of child labour, forced labour, involuntary labour, and discriminatory employment were reported during the period. The Company is committed to providing a safe and conducive work environment to all its employees and associates.

INFORMATION ON MATERIAL CHANGES AND COMMITMENTS

There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this report. There has been no change in the nature of the business of the Company. There was no revision in the financial statements.

ANNUAL RETURN

In terms of Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company is available on the website of the Company at <https://hirect.com/wp-content/uploads/2022/07/Annual-Return-FY2122.pdf>.

INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the applicable provisions of the Companies Act, 2013, read with IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules'), all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF, established by the Central Government, after the completion of seven years. Further, according to the Rules, the shares in respect of which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the Demat account of the IEPF Authority. During the reporting year, the Company has transferred the unclaimed and unpaid dividends of ₹ 67,776.20. Further, 30913 equity shares on which dividends were unclaimed for seven consecutive years have transferred to the IEPF as per the requirements of the IEPF Rules and details of which are provided on the Company's website viz. www.hirect.com.

ENERGY, TECHNOLOGY, AND FOREIGN EXCHANGE

Information on the conservation of energy, technology absorption, foreign exchange earnings and outgo is required to be given pursuant to the provisions of Section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules 2014. The same is annexed as Annexure C and forms an integral part of this Report.

SAFETY, ENVIRONMENTAL CONTROL, AND PROTECTION

The Company is conscious of the importance of environmentally clean and safe operations. The Company's policy requires the conduct of operations in such a manner so as to ensure the safety of all concerned and compliance with environmental regulations.

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

ACKNOWLEDGMENT

The Directors would like to express their sincere appreciation for the assistance and co-operation received from the banks, Government authorities, customers, vendors, and investors during the year under review.

The Directors hereby wish to place on record their appreciation of the efficient and loyal services rendered by each and every employee, without whose whole-hearted efforts, the overall performance would not have been possible. Your Directors look forward to the long-term future with confidence.

The Directors regret the loss of life due to the COVID-19 pandemic and are deeply grateful and have immense respect for every person who risked their life and safety to fight this pandemic.

The Directors appreciate and value the contribution made by every member of the HIRECT family.

For and on behalf of the Board of Directors

Place : Mumbai
Date : May 26, 2022

Pradeep Goyal **Suramya Nevatia**
Chairman Managing Director & CEO



ANNEXURE "A (i)" TO THE DIRECTORS' REPORT

FORM NO. MR-3 SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

(Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014)

To,

The Members,

HIND RECTIFIERS LIMITED

Lake Road, Bhandup (West), Mumbai – 400078.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **HIND RECTIFIERS LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our 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, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on **March 31, 2022**, complied with the statutory provisions of the applicable Acts 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **HIND RECTIFIERS LIMITED** for the Financial Year ended on March 31, 2022 according to the provisions of:

- i. The Companies Act, 2013 ("the Act"); and Rules made thereunder;
- ii. The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment;
- iii. The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;
- iv. The Securities Contracts (Regulation) Act, 1956 ('SCRA) and the rules made thereunder;
- v. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz
 - (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not applicable to the Company during the Audit period)
 - (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (d) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (e) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the company during the Audit period)
 - (f) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 [Formerly known as Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014];
 - (g) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the company during the Audit period)
 - (h) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; (Not applicable to the company during the Audit period)
- vi. We have also examined compliance with the applicable clauses of the following:
 - a) Secretarial Standards 1&2 issued by The Institute of Company Secretaries of India.
 - b) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited and BSE Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.



Hind Rectifiers Limited

Further, the Company being engaged in developing, designing, manufacturing and marketing of Power Semiconductors, Power Electronic Equipment & Railway Traction Equipment, there are no specific laws applicable to the Company, which require approvals or compliances under any Act or Regulations.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc.

We report having regard to the compliance system prevailing in the Company and as per explanations and management representations obtained and relied upon by us the Company has adequate systems and processes commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines etc.

We further report that the Compliance by the Company of applicable financial laws, like direct, indirect tax laws and Goods and Service Tax Act, has not been reviewed in this Audit since the same has been subject to review by statutory auditor and other designated professionals.

We further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors that took place during the period under review.
2. 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.
3. Adequate notices is given to all Directors to schedule the Board Meetings, Board Committee Meetings, agenda and detailed notes on agenda were sent well 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 decisions are carried through while the dissenting members' views, if any, are captured and recorded as part of Minutes.

We further report that during the audit period, the Company had following specific events:

1. The Company has passed an Ordinary Resolution for seeking approval of Related Party transactions with Force Motion Technology LLP for the period commencing from February 1, 2022 till March 31, 2024 through Postal Ballot, which was approved by the Members on March 23, 2022 in accordance with the provisions of the Act & SEBI (LODR), 2015.
2. The shareholders of the Company have approved the ESOP Scheme on August 13, 2018, accordingly, the Company has received in-principle approval from the BSE Limited and National Stock Exchange of India Limited. Thereafter, the Nomination and Remuneration Committee has granted 108445 Employee Stock Options ("Options") convertible into an equal number of Equity Shares of the Company of the face value of ₹ 2 each, to the eligible employees of the Company under the HIRECT Employees Stock Option Plan – 2018 at an Exercise Price of ₹ 85 per Option. As on March 31, 2022, the Company has not issued any equity shares pursuant to the ESOP Scheme.

As informed, the Company has responded appropriately to notices received from various statutory/regulatory authorities including initiating actions for corrective measures, wherever found necessary.

For **GMJ & ASSOCIATES**
Company Secretaries

[MAHESH SONI]

PARTNER

FCS: 3706 COP: 2324

UDIN: F003706D000394404

Place : Mumbai
Date : May 26, 2022.

Note: This report is to be read with our letter of even date which is annexed as 'ANNEXURE I' and forms an integral part of this report.



ANNEXURE I

To,
The Members,
HIND RECTIFIERS LIMITED
Lake Road,
Bhandup (West),
Mumbai - 400078

Our report of even date is to be read along with this letter:

1. Maintenance of secretarial records is the responsibility of management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We 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. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we 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 and regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company..

For **GMJ & ASSOCIATES**
Company Secretaries

[MAHESH SONI]

PARTNER

FCS: 3706 COP: 2324

UDIN: F003706D000394404

Place : Mumbai

Date : May 26, 2022.

ANNEXURE "A (ii)" TO THE DIRECTORS' REPORT**SECRETARIAL COMPLIANCE REPORT OF HIND RECTIFIERS LIMITED FOR THE YEAR ENDED MARCH 31, 2022**

To,
HIND RECTIFIERS LIMITED
Lake Road,
Bhandup (West),
Mumbai - 400078.

We GMJ & Associates, Company Secretaries have conducted the Secretarial Compliance Audit of the applicable SEBI Regulations and the circulars/ guidelines issued thereunder for the Financial Year ended March 31, 2022 of **Hind Rectifiers Limited** ("the listed entity"). The audit was conducted in a manner that provided us a reasonable basis for evaluating the statutory compliances and expressing our opinion thereon.

We have examined:

- (a) all the documents and records made available to us and explanation provided by the listed entity,
 - (b) the filings / submissions made by the listed entity to the stock exchanges,
 - (c) website of the listed entity,
 - (d) any other document / filing, as may be relevant, which has been relied upon to make this certification,
- for the year ended 31.03.2022 ("Review Period") in respect of compliance with the provisions of :
- (i.) The Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
 - (ii.) The Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");
 - (iii.) The following Regulations prescribed under The Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the circulars / guidelines issued thereunder, have been examined:-
 - (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not applicable to the Company during the Audit period);
 - (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (d) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (e) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the company during the Audit period);
 - (f) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 [Formerly known as Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014];
 - (g) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the company during the Audit period)
 - (h) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; (Not applicable to the company during the Audit period)



Based on our examination and verification of the documents and records produced to us and according to the information and explanations given by the Company, we report that:-

- (a) The listed entity has complied with the provisions of the above Regulations and circulars / guidelines issued thereunder.
- (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars / guidelines issued thereunder insofar as it appears from my/our examination of those records.
- (c) There are no actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts / Regulations and circulars/ guidelines issued thereunder.
- (d) The Company was required to take action with regard to compliance with the observations made in previous reports as the same was applicable.

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended (The years are to be mentioned)	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
1.	The Company has delayed the appointment of a Woman Independent Director on its Board w.e.f.1st April, 2020.	The observation was made in the Annual Secretarial Report for the year ended March 31, 2021.	<p>The Company has complied with the Regulation 17(1) of the SEBI (LODR) Regulations, 2015 by appointing a Woman Independent Director at its meeting held on June 26, 2020.</p> <p>The Company has replied to notices received from National Stock Exchange of India Ltd. and has paid a fine of ₹ 4,30,000/- on April 19, 2021.</p>	The Company has complied with the Regulation 17(1) and has paid a fine of ₹ 4,30,000/- on April 19, 2021.

For **GMJ & ASSOCIATES**
Company Secretaries

[MAHESH SONI]

PARTNER

FCS: 3706 COP: 2324

UDIN: F003706D000394459

Place : Mumbai

Date : May 26, 2022.

ANNEXURE "B" TO THE DIRECTORS' REPORT

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- (i) The percentage increase in remuneration of each director, chief executive officer, chief financial officer and company secretary during the financial year 2021-22 and ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2021-22 are as under:

(₹ In lakhs)

Sr. No.	Name of Director / KMP and Designation	Remuneration of Director/ KMP for financial year 2021-22	% increase in Remuneration in the financial year 2021-22	Ratio of remuneration of each Director, CEO, CFO & CS to median remuneration of employees
1	Pradeep Goyal Chairman of the Board and Non-Executive & Independent Director	3.00	(14.19)	0.58
2	Suramya Nevatia Managing Director & CEO (KMP)	61.47	0.00	11.84
3	Akshada Nevatia Executive Director	52.74	14.13	10.16
4	Pawan Golyan Non-Executive Director	0.25	(66.67)	0.05
5	V. K. Bhartia Non-Executive and Independent Director	3.25	8.33	0.63
6	Parimal Merchant Non-Executive and Independent Director	3.00	(14.29)	0.58
7	Vandan Shah Non-Executive and Independent Director	1.50	20.00	0.29
8	Ashlesha Bodas Non-Executive and Independent Director	0.50	(33.33)	0.10
9	Anil Kumar Nemani Chief Financial Officer (KMP)	38.70	15.56	7.46
10	Meenakshi Anchlia Company Secretary (KMP)	11.80	22.92	2.27

- (ii) The median remuneration of employees (excluding managerial personnel) of the Company during the financial year was ₹ 5.19 lakhs. The median remuneration is based on remuneration paid during the period April 1, 2021 to March 31, 2022.
- (iii) In the financial year, there was an increase of 10.43% in the median remuneration of employees (excluding managerial personnel).
- (iv) There were 375 permanent employees (excluding workers) on the rolls of the Company as on March 31, 2022.



- (v) Average percentage increase in the salaries of employees (excluding managerial personnel) in the last financial year i.e. 2021-2022 was 10.43%. The average increase in the remuneration of the employees other than the Managerial Personnel is in line with the industry practice and is within the normal range.
- (vi) It is hereby affirmed that the remuneration is as per the remuneration policy of the Company.

For and on behalf of the Board of Directors

Place : Mumbai

Date : May 26, 2022

Pradeep Goyal

Chairman

Suramya Nevatia

Managing Director & CEO

ANNEXURE "C" TO THE DIRECTORS' REPORT

Information under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 and forms part of the Director's Report for the year ended March 31, 2022.

I CONSERVATION OF ENERGY

A regular audit is being conducted to identify the area of energy wastage. The Company is in the advanced stage of development of regeneration back-to-back system which will be installed for saving energy wasted during the heat load test of converters.

The power factor has been maintained at an optimum level to minimize losses.

II TECHNOLOGY ABSORPTION, ADOPTION, INNOVATION

(i) Efforts in brief made towards technology absorption

- Successfully completed the type tests on Loco Transformers with Hirect Make Aluminium Tank and supplied around 40 Nos Transformers to Indian Railways.
- Successfully developed and commissioned the new version of 3x130KVA Aux converter with version 2 control cards with Hirect software for Propulsion system required by Indian Railways.
- Successfully developed type test and commissioned Traction Motor for 3 Phase Locomotive.
- Successfully developed and commissioned Smart Switch Board Panel (SBC 192) for LHB coaches.
- Successfully developed and commissioned Flameproof, IEC Ex, Zone 1 classification, IP 66, Rectifier for Electro chlorination application.
- Successfully tied up for the new generation High-Frequency TR sets for Electrostatic Precipitator application and received development orders.

(ii) Benefits derived as a result of the above efforts

- Avoiding major imports of Aluminium Tanks making Hirect most competitive for the Loco Transformers to Indian Railways.
- Traction motor & Flameproof off shore Rectifiers will generate more sales revenue for the organization in the coming years.
- Development of smart panel & Indigenous version cards for 3x130kva converter will have competitive advantage in the market.
- New Generation HF Rectifiers will increase the efficiency of the electrostatic precipitator and improve our Industrial sales with the complete solution.

(iii) In the case of imported technology

(Imported during the last three years reckoned from the beginning of the financial year)

- The details of technology Imported-
 - a) Power modules design along with IGBT selection, gate driver selection, Cold plate selection, etc.
 - b) Liquid cooling system design
 - c) Laminated bus bars
 - d) Converter mechanical design
- The year of import - 2019-20
- Whether the technology has been fully absorbed - Yes. Modules are assembled and tested up to full current rating in Hirect power electronics lab.
- If not fully absorbed, areas where absorption has not taken place, and reasons thereof – Control electronics and SW development are pending from the collaborator's side.



(iv) Expenditure incurred on Research and development

(₹ In lakhs)

Particulars	2021-22	2020-21
Capital	341.03	463.79
Recurring	560.50	397.87
Total	901.53	861.66
Total R&D expenditure as % of net operational income	2.42	2.82

III Foreign exchange earnings and outgo

(₹ In lakhs)

Particulars	2021-22	2020-21
Foreign exchange earned		
1. Export of goods on FOB Basis, Commission and Service charges	511.52	361.61
Foreign exchange used		
1. Raw materials, stores, and spare parts, capital goods, and other products	3712.19	3172.83
2. Expenditure in foreign currency	224.31	162.28

For and on behalf of the Board of Directors

Place : Mumbai
Date : May 26, 2022

Pradeep Goyal **Suramya Nevatia**
Chairman Managing Director & CEO

ANNEXURE "D" TO THE DIRECTORS' REPORT

FORM NO. AOC - 2

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto (Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

1. Details of contracts or arrangements or transactions not at arm's length basis

The Company has not entered into any contract/arrangement/ transaction with its related parties, which is not in the ordinary course of business or at arm's length during the financial year 2021-22. The Company has laid down policies and processes/procedures so as to ensure compliance with the subject, section in the Companies Act, 2013 and the corresponding Rules and SEBI Listing Regulations 2015.

2. Details of material contracts or arrangements or transactions at arm's length basis

(a) Name(s) of the related party and nature of the relationship

- (i) Mr. Saurabh Nevatia, CEO, Nashik Plant is the relative of Mr. Suramya Nevatia, Managing Director & CEO (KMP), and Mrs. Akshada Nevatia, Executive Director of the Company.
- (ii) Force Motion Technology LLP ("FMT LLP")
Mr. Suramya Nevatia and Mrs. Akshada Nevatia are Designated Partners in FMT LLP. Mr. Saurabh Nevatia is a partner in FMT LLP.

(b) Nature of contracts/arrangements/transactions

- (i) Mr. Saurabh Nevatia is a regular employee of the Company and remuneration is paid as a senior employee of the Company. The said remuneration has been approved by the members in the 61st Annual General Meeting as a related party transaction.
- (ii) The transaction involves the sale of loco transformer to FMT LLP. The consideration for the sale of loco transformers up to ₹ 100 crore excluding GST, freights, and price variation clause. The said transaction has been approved on March 23, 2022, by the members by way of postal ballot.

(c) Duration of the contracts/arrangements/transactions

- (i) Mr. Saurabh Nevatia is a regular employee of the Company. He has been working in the Company since 1988.
- (ii) The transaction involves the sale of loco transformer to FMT LLP from February 1, 2022 to March 31, 2024.

(d) Salient terms of the contracts or arrangements or transactions including the value, if any:

- (i) Total remuneration ₹ 90.27 lakhs paid to Mr. Saurabh Nevatia in the financial year 2021-22.
- (ii) Terms and conditions with respect to price will be determined at prevailing railway tenders price and such other arms' length criteria and factors as are generally accepted for related party transactions.

(e) Date(s) of approval by the Board:

- (i) The Board has approved the said transactions as on May 18, 2019.
- (ii) The Board has approved the said transactions as on February 12, 2022.

(f) Amount paid as advances if any: Nil

3. Details of contracts or arrangements or transactions not in the ordinary course of business.

There were no contracts or arrangements or transactions entered into during the financial year 2021-22, which were not in the ordinary course of business.

For and on behalf of the Board of Directors

Place : Mumbai
Date : May 26, 2022

Pradeep Goyal **Suramya Nevatia**
Chairman Managing Director & CEO

ANNEXURE "E" TO THE DIRECTORS' REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013 and the Companies
(Corporate Social Responsibility Policy) Rules, 2014]

1. Brief outline on CSR Policy of the Company :

Our CSR initiatives are guided and regulated by our CSR Policy ('Policy'). The Policy was first adopted on March 2, 2016. On February 10, 2021, the Policy was amended to be aligned with applicable regulatory changes including:

- (i) Formulation and recommendation of Annual Action Plan.
- (ii) Oversight of the Board of Directors of the Company on utilization/disbursement of CSR Funds towards sanctioned CSR activities of the Company, including noting of the utilization certificate to be placed by the CFO of the Company.

At present, our CSR activities focus on skill development, livelihood, disaster relief, etc.

2. Composition of CSR Committee :

Sr. No.	Name of Director	Designation	Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. V. K. Bhartia	Chairman	Independent Non-executive	1	1
2.	Mrs. Akshada Nevatia	Member	Executive Director	1	1
3.	Mr. Vandan Shah	Member	Independent Non-executive	1	Nil

Note: The Board has decided to dissolve the Corporate Social Responsibility Committee w.e.f. June 11, 2021, as the amount required to be spent on CSR, does not exceed ₹ 50 lakhs and the functions of such committee would be performed by the Board of Directors of the Company.

3. Provide the web-link where the Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company.

Composition of the CSR Committee : NA

CSR Policy : <https://hirect.com/wp-content/uploads/2022/02/Corporate-Social-Responsibility-Policy.pdf>

CSR Projects : <https://hirect.com/wp-content/uploads/2022/06/annualactionplan.pdf>

4. Provide the details of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).

Not applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and the amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
NIL			

6. Average net profit of the Company as per Section 135(5) of the Act : ₹ 11,66,59,897

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7. (a) Two percent of average net profit of the Company as per Section 135(5) of the Act : ₹ 23,33,198
- (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years : Nil
- (c) Amount required to be set off for the financial year, if any : Nil
- (d) Total CSR obligation for the financial year (7a+7b-7c) : ₹ 23,33,198
8. (a) CSR amount spent or unspent for the financial year :

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6) of the Act		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5) of the Act		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
38,95,198	NIL		NIL		

- (b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes / No)	Location of the project		Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) of the Act (in ₹)	Mode of Implementation - Direct (Yes / No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
NIL												

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1) S. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local area (Yes / No)	(5) Location of the project		(6) Amount spent for the project (in ₹)	(7) Mode of Implementation - Direct (Yes / No)	(8) Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
				(i)	Skill development - enhance employment through providing training to Apprentice under The Apprentices Act, 1962 and *National Apprenticeship Promotion Scheme (NAPS)			Skill training under Schedule VII(ii)	Yes
(ii)	Vaccination Drive	VII(i)	Yes	1. Mumbai, Maharashtra 2. Nashik, Maharashtra		65,250	Yes	NA	
(iii)	Relief & Rehabilitation during Natural Calamities	VII(xii)	No	Maharashtra and Mumbai suburban		93,600	Yes	NA	
Total						38,95,198			

*Through Yashaswi Academy for Skills, TPA (Third Party Aggregator) empanelled with Ministry of Skill Development & Entrepreneurship.

(d) Amount spent in Administrative Overheads : Nil

(e) Amount spent on Impact Assessment, if applicable : Not applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) : ₹ 38,95,198

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per Section 135(5)	23,33,198
(ii)	Total amount spent for the Financial Year	38,95,198
(iii)	Excess amount spent for the financial year [(ii)-(i)]	15,62,000
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set-off in succeeding financial years [(iii)-(iv)]	15,62,000

The Board has decided to avail set off the excess CSR amount spent in financial year 2021-2022 for succeeding financial years.

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9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135(6) of the Act (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per Section 135(6) of the Act, if any			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
Nil							

- (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sr. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project - Completed / Ongoing
Nil								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details) :

- (a) Date of creation or acquisition of the capital asset(s): None
- (b) Amount of CSR spent for creation or acquisition of capital asset: NIL
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address, etc. : Not Applicable
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) : Not Applicable

11. Specify the reason(s), if the Company has failed to spend two percent of the average net profit as per Section 135(5) :
Not applicable

Place : Mumbai
Date : May 26, 2022

Pradeep Goyal
Chairman & Independent Director

Suramya Nevatia
Managing Director

V. K. Bhartia
Independent Director



REPORT ON CORPORATE GOVERNANCE

Hind Rectifiers Limited is respected in the industry for its professional style of management and best business practices for more than six decades. Its core values are based on integrity, respect for the law and compliance thereof, emphasis on product quality, and a caring spirit. We believe that good governance is a systemic process that enables the Company to operate in a manner that meets the ethical, legal, and business expectations and at the same time fulfills its social responsibilities. It also focuses on the need to provide a sustainable competitive return for its investors.

The Board endeavors to achieve this first, by leveraging the resources at its disposal and fostering an environment for the growth and development of human resources. The management team is fully empowered to take the Company forward within the framework of effective accountability, which in turn enables the conversion of opportunities into achievements for the betterment of the Company and its stakeholders. Second, the Board has institutionalized best management practices to bring about an atmosphere of accountability. Systems are in place for strategic planning, risk management, financial plans and budgets, the integrity of internal controls and reporting, communications guidelines with an emphasis on transparency and full disclosure of the various facets of the Company's operations, its functioning, and its financials, and total compliance with all statutory/regulatory requirements not only in the letter of the law but also in its spirit. We believe that good governance generates goodwill among business partners, customers, investors, regulators, employees, and vendors and earns respect from society at large. We consider it our inherent responsibility to protect the rights of our shareholders and disclose timely, adequate, and accurate information regarding our financials and performance, as well as the leadership and governance of the Company.

The Company has a strong legacy of fair, transparent, and ethical governance practices.

CORPORATE ETHICS

The Company endeavors to adhere to the highest possible standards of business ethics, compliance, and commitment to transparency in business dealings.

BOARD OF DIRECTORS

As on March 31, 2022, the Board comprised eight members, consisting of one non-executive and independent Chairman. There are two Executive Directors and the remaining six Directors are Non-Executive Directors. Out of the two Executive Directors, one is the Managing Director & CEO (Promoter of the Company) and the other is an Executive Director (woman director and member of the Promoter Group). One Director is a Non-Independent Non-Executive Director. The remaining five Non-Executive Directors are Independent Directors including one Woman Director.

The Board comprises qualified members who bring in the required skills, competence, and expertise that allow them to make effective contributions to the Board and its Committees. The Board members are committed to ensuring that the Board is in compliance with the highest standards of corporate governance.

Name of the Director	Expertise in the specific functional area
Mr. Pradeep Goyal	Industrialist, Manufacturing domain, Business Management and Administration, significant background in technology, anticipate technological trends
Mr. Suramya Nevatia	Operation and Management, Strategic Development, and Implementation Management, Performance Review and Marketing Management, Planning and Risk Management
Mrs. Akshada Nevatia	Entrepreneur, Finance, Accounts and Banking, General Corporate Management, Corporate Governance, Understanding of the needs and viewpoints of customers, partners, employees, governments, and other stakeholders
Mr. Pawan Kumar Golyan	Industrialist, Financial Services, Sustainable Energy, Marketing and Management, Business and Corporate Planning and Strategy, create new business models

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Name of the Director	Expertise in the specific functional area
Mr. V. K. Bhartia	Organizational and Business Management, Accounts-Finance, capital allocation, and financial reporting processes, Principal Executive Officer, Manufacturing and Marketing
Mr. Parimal Merchant	Law, Capital Markets, Family Managed Business, Extend and create new business models, Evaluate Corporate Strategy and Culture
Mr. Vandan Shah	Industrialist, Manufacturing domain, Exports, Experience in developing strategies to grow sales and enhance enterprise reputation.
Mrs. Ashlesha Bodas	Strategy Management, Business Development, Statutory and Legal Compliances, Fund raising and Project Management

Accordingly, the Company has a healthy mix of Executive and Non-Executive Directors and ensures the desired level of independence, functioning, and decision making.

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 March 31, 2022 have been made by the directors. None of the Directors on the Board holds directorships in more than ten public companies. None of the Independent Directors of the Company serves as independent director in more than seven listed companies and where any independent director is serving as whole-time director in any listed company, such director is not serving as independent director in more than three listed companies.

In the wake of the COVID-19 pandemic and to adhere to the lockdown and social distancing norms, generally, the Directors participated in the meetings of the Board, Committees, and Annual General Meeting held after March 2020 through video conferencing/other audio visual means.

The Board has accepted all the recommendations of all the Committees.

The details of composition of the Board, category, the shareholding of directors, number of directorships held by the directors in other companies, and memberships/chairmanships of the committees in other companies are given below:-

Name of the Director, DIN and Date of Appointment	Category of Director	Directorship in other Listed Companies and Category of Directorship (as on 31.3.2022)	No. of Directorships in other Indian Companies (as on 31.03.2022) excluding Hind Rectifiers Limited		No. of Board Committee positions in other Indian Public Companies (as on 31.03.2022)		Shareholding in the Company as on 31.03.2022
			Public	Private	Member	Chairman	
Mr. Pradeep Goyal DIN 00008370 (28.03.2008)	Independent Non-Executive Director (Chairman of the Board)	Pradeep Metals Limited (Chairman and Managing Director) UPL Limited (Non-Executive Independent Director) Uniphos Enterprises Limited (Non-Executive Independent Director)	3	3	4	3	NIL
Mr. Suramya Nevatia DIN 06703910 (17.08.2020)	Non-independent Executive and Promoter Director (Managing Director & CEO)	-	0	1	0	0	2024768



Name of the Director, DIN and Date of Appointment	Category of Director	Directorship in other Listed Companies and Category of Directorship (as on 31.3.2022)	No. of Directorships in other Indian Companies (as on 31.03.2022) excluding Hind Rectifiers Limited		No. of Board Committee positions in other Indian Public Companies (as on 31.03.2022)		Shareholding in the Company as on 31.03.2022
			Public	Private	Member	Chairman	
Mrs. Akshada Nevatia DIN 05357438 (15.01.2017)	Non-Independent Executive Director and member of Promoter Group	-	0	1	0	0	5850
Mr. Pawan Kumar Golyan DIN 00356807 (24.03.1998)	Non-Independent Non-Executive Director	-	0	0	0	0	NIL
Mr. V. K. Bhartia DIN 00019810 (18.04.2007)	Independent Non-Executive Director	-	0	1	0	0	NIL
Mr. Parimal Merchant DIN 00201962 (07.02.2013)	Independent Non-Executive Director	-	0	3	0	0	NIL
Mr. Vandan Shah DIN 00759570 (15.01.2017)	Independent Non-Executive Director	Hercules Hoists Limited (Non-Executive Independent Director)	1	4	2	0	50655
Mrs. Ashlesha Bodas DIN 00935512 (26.06.2020)	Independent Non-Executive Director	-	0	11	0	0	NIL

Note:

1. Directorship in companies registered under the Companies Act, 2013 or any earlier enactments, excluding companies under Section 8 of the Companies Act, 2013.
2. Only covers membership / chairpersonship of audit committee and stakeholders' relationship committee of public limited companies.
3. In the committee details provided, every chairmanship is also considered as a membership.
4. Maximum tenure of Independent Directors is in accordance with the Companies Act, 2013 and SEBI Listing Regulations 2015.

INDEPENDENT DIRECTORS

Independent Directors are Non-executive Directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations 2015 and Section 149(6) of the Companies Act, 2013 read along with rules framed thereunder. In terms of Regulation 25(8) of the SEBI Listing Regulations 2015 they have confirmed that they are not aware of any circumstance or situation that exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Further, the Independent Directors have in terms of Section 150 of the Companies Act, 2013 read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014, confirmed that they have enrolled themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs.

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All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI Listing Regulations 2015. In the opinion of the Board, the Independent Directors fulfill the conditions of independence as specified in the Companies Act, 2013 and SEBI Listing Regulations 2015 and are independent of the management. Terms and conditions of appointment/re-appointment of Independent Director as provided in the Companies Act, 2013 and the SEBI Listing Regulations, 2015 have been issued and available on the website of the Company viz. www.hirect.com.

Mr. V. K. Bhartia, Independent Director has already attended the age of seventy-five; therefore, the members have passed the special resolution in the 60th Annual General Meeting held on August 13, 2018.

MEETING OF INDEPENDENT DIRECTORS

During the year under review, the Independent Directors of the Company met on February 12, 2022.

Attendance record at the meetings of the Independent Directors during the financial year 2021-22 is given below.

Name of Independent Directors	No. of Meetings held during the tenure of the Director	No. of Meetings attended
Mr. V. K. Bhartia, Chairman	1	1
Mr. Pradeep Goyal	1	1
Mr. Parimal Merchant	1	1
Mr. Vandan Shah	1	1
Mrs. Ashlesha Bodas	1	Nil

The Independent Directors were highly satisfied with the overall functioning of the Board and its various committees, which displayed a high level of commitment and engagement. They also appreciated the exemplary leadership of the Chairman of the Board and its committees in upholding and following the highest values and standards of corporate governance.

The Independent Directors, inter alia, evaluated the performance of the Non-Independent Directors and the Board of Directors as a whole, evaluated the performance of the Chairman of the Board taking into account views of Executive and Non-Executive Directors and discussed aspects relating to the quality, quantity and timeliness of the flow of information between the Company, the Management and the Board.

PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and SEBI Listing Regulations 2015, the Board has carried out an annual performance evaluation of its own performance, the chairman, and the directors individually, as well as the evaluation of the working of its committees, etc.

The evaluation of Independent Directors shall be done by the entire Board which was include fulfillment of the independence criteria as specified in the Companies Act, 2013 and SEBI Listing Regulations 2015 and their independence from the management.

The performance was evaluated through a structured questionnaire, discussion, and evaluation process. The Directors have expressed their satisfaction with the evaluation process and are highly satisfied with the performances of all the Directors, Chairman of the Company, and Board as a whole, Committees, and flow of information.

PERFORMANCE EVALUATION CRITERIA FOR DIRECTORS

The Nomination and Remuneration Committee has devised criteria for evaluation of the performance of the Directors including Independent Directors. The said criteria provide certain parameters like attendance, acquaintance with business, communicate inter se Board members, effective participation, domain knowledge, compliance with code of conduct, vision & strategy, integrity and maintenance of confidentiality, independence of behavior and judgment, etc. which is in compliance with applicable laws, regulations, and guidelines.

BOARD MEETING

The Board meets at least once a quarter to review the quarterly results and other items on the agenda, and also on the occasion of the AGM. Additional meetings are held as and when necessary.

The maximum gap between any two Board meetings was less than one hundred and twenty days except when extended time is allowed by regulators. The dates and timings of the meetings are decided well in advance. Video-conferencing facilities are used to facilitate Directors to participate in the meetings.

The notice and detailed agenda along with the relevant notes and other material information are sent in advance separately to each Director and in exceptional cases tabled at the meeting with the approval of the Board. This ensures timely and informed decisions by the Board. Every Board member can suggest the inclusion of additional items in the agenda. Inputs and feedback from Board members are taken and considered while preparing the agenda and documents for the Board meetings. At these meetings, Directors can provide their inputs and suggestions on various strategic and operational matters. At Board meetings, senior management or functional head who can provide additional insights into the items being discussed are invited.

The Board members are expected to rigorously prepare for, attend and participate in Board and applicable Committee meetings. Each member is expected to ensure their other current and planned future commitments do not materially interfere with their responsibilities with us.

The Board of Directors met four times during the financial year 2021-22 i.e. on 10.06.2021, 12.08.2021, 01.11.2021, and 12.02.2022.

The details of attendance of Directors at Board meetings held during the financial year 2021-22 and at the last AGM held on August 12, 2021 are as follows:

Name of the Director	No. of Board Meetings held during the tenure of the Director	No. of Board Meetings Attended	Whether attended last AGM
Mr. Pradeep Goyal	4	4	Yes
Mr. Suramya Nevatia	4	4	Yes
Mrs. Akshada Nevatia	4	4	Yes
Mr. Pawan Kumar Golyan	4	1	No
Mr. V. K. Bhartia	4	4	Yes
Mr. Parimal Merchant	4	4	Yes
Mr. Vandan Shah	4	4	Yes
Mrs. Ashlesha Bodas	4	2	Yes

RELATIONSHIP BETWEEN DIRECTORS

Mr. Suramya Nevatia and Mrs. Akshada Nevatia are related to each other and no other Director is related to them or related to each other.

INFORMATION SUPPLIED TO THE BOARD

The Board has complete access to all the information available with the Company.

All Board meetings are governed by a structured agenda backed by comprehensive background information. The following information is regularly provided to the Board, as part of the agenda papers well in advance of the Board meetings or is tabled in the course of the Board meeting:

- Annual operating plans and budgets and any updates;

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- Capital budgets and any updates;
- Quarterly results for the Company and its operating divisions or business segments;
- Minutes of the meetings of the Audit Committee and other committees of the Board of Directors;
- The information on recruitment and remuneration of senior officers just below the level of Board, including the appointment or removal of Chief Financial Officer and the Company Secretary;
- Materially important show cause, demand, prosecution notices, and penalty notices;
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems;
- Any material default in financial obligations to and by the Company or substantial non-payment for goods sold by the Company;
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgment or order which, may have passed strictures on the conduct of the listed entity or taken an adverse view regarding another enterprise that may have negative implications on the Company;
- Details of any joint venture or collaboration agreement;
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property and any other acquisition;
- Significant labour problems and their proposed solutions. Any significant development in Human Resources/Industrial Relations front like the signing of wage agreement, implementation of Voluntary Retirement Scheme, etc;
- Developing a succession plan for the Board;
- Sale of investments, subsidiaries, and assets, which is not in the normal course of business;
- Foreign exchange exposures and steps are taken by the Management to limit the risks of adverse exchange rate movement, if material;
- Non-compliance with any regulatory, statutory, or listing requirements and shareholders' service, such as non-payment of the dividend, delay in share transfer, etc;
- Details of investment of surplus funds available with the Company;
- Details of commercial dealings by firms / Companies in which members of the Board/ Senior Management or their relatives hold shares with the Company;
- Any issue which involves possible public or product liability claims of a substantial nature; and
- Detailed status on the business risks being faced by the Company and its mitigation plan;

The Board is routinely presented with all the information mentioned aforesaid whenever it is applicable and materially significant.

The Board periodically reviews the compliance reports of all laws applicable to the Company.

POST-MEETING MECHANISM

The important decisions taken at the Board/Board Committee meetings are communicated to the concerned departments / divisions.

BOARD SUPPORT

The Company Secretary attends the Board and Committee meetings and advises the Board on Compliances and governance.

FAMILIARIZATION PROGRAMME

At the time of appointing a Director, a formal letter of appointment is given to the Director, which inter alia explains the role, functions, duties, and responsibilities expected from him as a Director of the Company. The Director is also explained in detail



the compliances required from him under the Companies Act, 2013, and SEBI Listing Regulations 2015 and relevant acts, rules, and regulations. In a view to familiarize him with the Company's operations, the Managing Director & CEO, and Executive Director have a personal discussion with the newly appointed Director. They are also informed of the important policies of the Company including the Code of Conduct for Board members and Senior Management Personnel and the Code of Conduct to regulate, monitor, and report trading by designated persons.

Senior Management makes presentations giving an overview of the Company's operations, products, markets, Board constitution, matters reserved for the Board, and the major risks & risk management strategy. This enables the Directors to get a deep understanding of the Company, its people, values, and culture and facilitates their active participation in overseeing the performance of the Management.

At various Board meetings during the year, quarterly information is made on operations that include information on business performance, operations, projects, market share, financial parameters, working capital management, fund flows, regulatory changes, etc.

The above initiatives help the Director to understand the Company, its business, and the regulatory framework in which the Company operates and equips him to effectively fulfill his role as a Director of the Company. Details of the familiarization program imparted to the Independent Directors are available on the website of the Company <https://hirect.com/familiarization-programme-for-independent-director/>.

CONFLICT OF INTERESTS

Each Director informs the Company on an annual basis about the Board and the Committee positions he occupies in other Companies including Chairmanships and notifies changes during the year. The members of the Board while discharging their duties avoid conflict of interest in the decision-making process. The members of the Board restrict themselves from any discussions and voting in transactions in which they have concern or interest.

INSIDER TRADING CODE

In accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the Board of Directors of the Company has adopted the 'Code of Conduct to Regulate, Monitor and Report Trading by Insiders' and 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information'.

Ms. Meenakshi Anchia, Company Secretary & Compliance Officer is the 'Compliance Officer' in terms of this Insider Trading Code.

COMMITTEES OF THE BOARD

For better Corporate Governance, promoting transparency, and enhancing the credibility of the financial disclosures of the Company, the Board has constituted Committees that conforms to the requirements of the SEBI Listing Regulations 2015 and the Companies Act, 2013. Details of the Committees of the Board and other related information are as follows:

AUDIT COMMITTEE

The constitution and the broad terms of reference for the Audit Committee of the Company are in accordance with provisions of the SEBI Listing Regulations 2015 and the Companies Act, 2013. The Audit Committee comprises of five Directors with a majority of Independent Directors. All members of the Audit Committee are financially literate and have related financial management expertise by the virtue of their comparable experience and background. The CEO Nashik Plant and the Chief Financial Officer of the Company are permanent invitees to the Audit Committee meeting. The Statutory Auditor and Internal Auditor are invited to the meetings of the Audit Committee. The Company Secretary acts as the Secretary to the Audit Committee.

The previous Annual General Meeting of the Company was held on August 12, 2021, and was attended by Chairman of the Audit Committee.

The Audit Committee met four times during the year i.e. on 10.06.2021, 12.08.2021, 1.11.2021, and 12.02.2022. The maximum gap between any two meetings was less than one hundred and twenty days except when extended time is allowed by regulators. All the decisions at the Audit Committee meetings were taken unanimously.

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The composition of the Audit Committee and the attendance of its members at the aforesaid meetings held during the financial year 2021-22 are given below.

Name of Committee Members	Position	No. of Committee Meetings held during the tenure of the Director	No. of Committee Meetings Attended
Mr. V. K. Bhartia, Chairman	Independent Non-Executive	4	4
Mr. Pradeep Goyal	Independent Non-Executive	4	4
Mr. Parimal Merchant	Independent Non-Executive	4	4
Mr. Vandan Shah ^	Independent Non-Executive	1	1
Mr. Suramya Nevatia ^	Managing Director & CEO	NA	NA

^ Mr. Vandan Shah and Mr. Suramya Nevatia were appointed as members of the Audit Committee w.e.f. November 2, 2021 and February 13, 2022 respectively.

TERMS OF REFERENCE

The powers, role, and terms of reference of the Audit Committee cover the areas as contemplated under Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI Listing Regulations 2015, as applicable, besides other terms as referred by the Board of Directors.

The primary objective of the Audit Committee is to monitor and provide an effective supervision of the financial reporting process, to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting. The Committee oversees the work carried out in the financial reporting process by the Management, the internal auditor, the statutory auditor and the cost auditor. The Committee further reviews the processes and controls including compliance with laws, Code of Conduct and Insider Trading Code, Whistle Blower Policies and related cases thereto.

NOMINATION AND REMUNERATION COMMITTEE

The powers, role and terms of reference of the Nomination and Remuneration Committee cover the areas as contemplated under Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations 2015, besides other terms as referred by the Board.

The purpose of the Nomination and Remuneration Committee ('NRC') is to oversee the Company's nomination process including succession planning for the senior management and the Board and specifically to assist the Board in identifying, screening and reviewing individuals qualified to serve as Executive Directors, Non-Executive Directors and determine the role and capabilities required for Independent Directors consistent with the criteria as stated by the Board in its Policy on Appointment and Removal of Directors.

The NRC also assists the Board in discharging its responsibilities relating to compensation of the Company's Executive Directors and Senior Management. The NRC has formulated Remuneration Policy for Directors, KMPs and all other employees of the Company and the same is available on Company's website at <https://hirect.com/wp-content/uploads/2022/02/Nomination-and-Remuneration-Policy.pdf>.

The NRC has the overall responsibility of approving and evaluating the compensation plans, policies and programmes for Executive Directors and the Senior Management. The NRC reviews and recommends to the Board for its approval, the salary, incentives/commission, other benefits, compensation and employment agreements for the Executive Directors and Senior Management.

The Committee is working as a compensation committee under SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 for HIRECT Employees Stock Option Plan-2018 (ESOP 2018).

The Committee met one time during the year i.e. on 10.06.2021.



The previous Annual General Meeting of the Company was held on August 12, 2021, and was attended by the Chairman of the Nomination and Remuneration Committee.

The composition of the Committee and the attendance of its members at the aforesaid meeting held during the financial year 2021-22 are given below.

Name of Committee Members	Position	No. of Committee Meetings held during the tenure of the Director	No. of Committee Meetings Attended
Mr. V. K. Bhartia, Chairman	Independent Non-Executive	1	1
Mr. Pradeep Goyal	Independent Non-Executive	1	1
Mr. Parimal Merchant	Independent Non-Executive	1	1

The Company Secretary acts as the Secretary to the Committee.

NOMINATION AND REMUNERATION POLICY

The policy lays down a framework in relation to the remuneration of Directors, Key Managerial Personnel, and Senior Management Personnel of the Company. The key objectives would be:

- (i) To guide the Board in relation to the appointment and removal of Directors, Key Managerial and Senior Management Personnel;
- (ii) To recommend to the Board the remuneration payable to the Directors, Key Managerial and Senior Management Personnel; and
- (iii) To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.

This policy of the Company is designed to create a high-performance culture. It enables the Company to attract, retain and motivate employees to achieve results. The Company pays remuneration by way of salary, benefits, perquisites, allowances (fixed component), and commission (variable component). The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, decides the commission, if any payable out of the profits for the financial year and within the ceilings prescribed under the Companies Act, 2013, based on the Board evaluation process considering the criteria such as the performance of the Company as well as that of the Managing Director & CEO and Executive Director.

REMUNERATION OF DIRECTORS

The appointment and remuneration of Managing Director & CEO and Executive Directors are governed by the recommendation of the Nomination and Remuneration Committee, resolutions passed by the Board of Directors and shareholders of the Company. The remuneration of Managing Director & CEO and Executive Director comprises of salary, perquisites, and allowances, contributions to provident fund, retirement benefit funds, commission if any, etc. as approved by the shareholders at the General Meetings. Increments are decided by the Nomination and Remuneration Committee and recommended to the Board for approval thereof under the ceiling of applicable laws and regulations.

Non-Executive Directors do not draw any remuneration from the Company except the sitting fees for attending the meetings of the Board / Committee. The Non-Executive Directors are paid sitting fees of ₹ 25,000 for attending each meeting of the Board, Independent Directors, Audit Committee, Nomination & Remuneration Committee, Stakeholder Relationship Committee, and Corporate Social Responsibility Committee.

Hind Rectifiers Limited

The details of remuneration/sitting fees paid to the Directors of the Company during the financial year 2021-22 are as under:

(₹ in lakhs)

Name of the Director	Salary	Benefits	Bonus / Commission / Stock Options	Sitting Fees	Total
Mr. Pradeep Goyal	-	-	-	3.00	3.00
Mr. Suramya Nevatia	24.00	37.47	-	-	61.47
Mrs. Akshada Nevatia	18.00	28.21	6.53	-	52.74
Mr. Pawan Kumar Golyan	-	-	-	0.25	0.25
Mr. V. K. Bhartia	-	-	-	3.25	3.25
Mr. Parimal Merchant	-	-	-	3.00	3.00
Mr. Vandan Shah	-	-	-	1.50	1.50
Mrs. Ashlesha Bodas	-	-	-	0.50	0.50

Mr. Suramya Nevatia and Mrs. Akshada Nevatia are entitled to remuneration comprising of salary, perquisites, commission, and benefits as per the applicable provisions of the Companies Act, 2013 and SEBI Listing Regulations 2015 and resolutions passed by the shareholders in the respective Annual General Meeting. The Company enters into service contracts with all Executive Directors for a period of three years. The commission is subject to adequate profits being earned.

The notice period is three months and there is no provision for payment of severance fees. The sitting fee indicated above also includes payment for Board level committee meetings.

In accordance with the SEBI Listing Regulations 2015, no employee including Key Managerial Personnel or Director or Promoter of a listed Company shall enter into any agreement for himself or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit-sharing in connection with dealings in the shares of the Company, unless prior approval for the same has been obtained from the Board of Directors as well as members of Company by way of ordinary resolution. No such instances were reported during the reporting period.

A brief profile and other particulars of the Director seeking appointment/re-appointment are given in the notice of the 64th Annual General Meeting and forms part of the Report.

STAKEHOLDERS RELATIONSHIP COMMITTEE

The constitution and the broad terms of reference of the Stakeholders Relationship Committee of the Company are in accordance with provisions of the SEBI Listing Regulations 2015 and the Companies Act, 2013.

The Committee has been constituted to strengthen the investor relations and to inter-alia, resolve the grievances of security holders including complaints related to the transposition/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate share certificates, general meeting, issues concerning de-materialization, review of measures taken for the effective exercise of voting rights by shareholders, various services being rendered by the Registrar & Share Transfer Agent, review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company, etc. The Committee reviews the annual audit report submitted by the independent auditors on the annual internal audit conducted on the RTA operations as mandated by SEBI including the mechanism of investor grievance redressal, compliances stipulated by SEBI, and other matters concerning the functioning of the RTA.

The roles and responsibilities of the Stakeholders Relationship Committee are as prescribed under Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI Listing Regulations 2015.

The Stakeholders Relationship Committee of the Company comprises of three Independent Directors. Ms. Meenakshi Anchlia is the Company Secretary and Compliance Officer of the Company. Her contact details are given below:

Address : Hind Rectifiers Limited, Lake Road, Bhandup West, Mumbai - 400078, Maharashtra.

Phone : 022- 25696789

Email : investors@hirect.com

The Company has designated the e-mail ID 'investors@hirect.com' exclusively for the purpose of registering complaints by investors electronically. This e-mail ID is available on the Company's website viz. www.hirect.com.

The previous Annual General Meeting of the Company was held on August 12, 2021 and was attended by the Chairman of the Stakeholders Relationship Committee.

The following table shows the nature of complaints received from the shareholders during the financial year 2021-22.

Nature of complaints	No. of complaints received during the financial year 2021-22	No of complaints resolved during the financial year 2021-22
Non-receipt of Dividend Warrant	Nil	Nil
Non-receipt of Annual Report	Nil	Nil
Non-receipt of Share Certificate	Nil	Nil
Other	Nil	Nil

The above table includes complaints received from SEBI SCORES by the Company.

There were no complaints pending as on March 31, 2022.

The Stakeholders Relationship Committee met two times during the financial year i.e. on 10.06.2021 and 1.11.2021.

The composition of the Stakeholders Relationship Committee and the attendance of its members at the aforesaid meeting held during the financial year 2021-22 are given below.

Name of Committee Members	Position	No. of Committee Meetings held during the tenure of the Director	No. of Committee Meetings Attended
Mr. V. K. Bhartia, Chairman	Independent Non-Executive	2	2
Mr. Pradeep Goyal	Independent Non-Executive	2	2
Mr. Parimal Merchant	Independent Non-Executive	2	2

RISK MANAGEMENT COMMITTEE

Business Risk Evaluation and Management is an ongoing process within the organization. The Company has made Risk Management Committee. The Company has a robust risk management framework to identify, monitor, and minimize risks and also identify business opportunities. The roles and responsibilities of the Risk Management Committee are as prescribed under Regulation 21 of SEBI Listing Regulations 2015.

The Risk Management Committee of the Company comprises three members i.e. Mr. Parimal Merchant, Non-Executive and Independent Director, Mr. Suramya Nevatia, Managing Director & CEO and Mr. A. K. Nemani, Chief Financial Officer of the Company. The Risk Management Committee met two times during the financial year i.e. on 12-08-2021 and 6-02-2022. All the members were attended both meetings.

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The roles and responsibilities of the Risk Management Committee are as follows:

- The committee shall meet at least twice a year;
- To identify and evaluate the impact of risk reported by various departments;
- To review the effectiveness of the corrective measures submitted by the concerned departments;
- To provide guidance to the concerned departments, in case, a better course of action is there to tackle/reduce/mitigate the risk(s);
- To generally monitor, review and whenever necessary, update the risk management plan/policy and process to ensure that there is timely and effective reporting of risks;
- To inform the management from time to time; and
- Any other functions as may be necessary or required under the SEBI Listing Regulations 2015.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The constitution and the broad terms of reference for the Corporate Social Responsibility Committee of the Company were in accordance with provisions of the Companies Act, 2013. The composition of the Corporate Social Responsibility Committee was pursuant to the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014. The details of CSR spending have been provided in Annexure E to the Director's Report i.e. Annual Report on CSR Activities. The Company formulated a Corporate Social Responsibility Policy, which is available on the website of the Company at <https://hirect.com/wp-content/uploads/2022/02/Corporate-Social-Responsibility-Policy.pdf>.

The Board has decided to dissolve the Corporate Social Responsibility Committee w.e.f. June 11, 2021, as the amount required to be spent on CSR, does not exceed ₹ 50 lakhs and the functions of such committee would be performed by the Board of directors of the company.

The Corporate Social Responsibility committee met one time during the year i.e. on 10.06.2021.

The composition of the Corporate Social Responsibility Committee and the attendance of its members at the aforesaid meeting held during the financial year 2021-22 are given below.

Name of Committee Members	Position	No. of Committee Meetings held during the tenure of the Director	No. of Committee Meetings Attended
Mr. V. K. Bhartia, Chairman	Independent Non-Executive	1	1
Mrs. Akshada Nevatia	Executive Director	1	1
Mr. Vandan Shah	Independent Non-Executive	1	Nil

GENERAL BODY MEETINGS

The last three Annual General Meetings were held as under:

AGM	Financial Year	Date	Time	Venue
61st AGM	31.03.2019	08.08.2019	2:00 pm	Babubhai Chinai Committee Room, 2nd Floor, IMC Bldg., IMC Marg, Churchgate, Mumbai 400020 Maharashtra
62nd AGM	31.03.2020	15.09.2020	11:30 am (IST)	The meeting were held through Video Conferencing (VC) / Other Audio-Visual Means (OAVM)
63rd AGM	31.03.2021	12.08.2021	4:00 pm (IST)	



All the matters as set out in the respective notices were passed by the members. The summary of the special resolution at the last three Annual General Meetings and the status of implementation thereof are reproduced below:

61st AGM		
Sr. No.	Subject matter of the resolutions	Status of implementation
1.	Increase in Borrowing Limits from ₹ 150 crore to ₹ 250 crore	Implemented
2.	Creation of Charges on the Movable and Immovable Properties of the Company, both Present and Future in respect of Borrowings under Section 180(1)(a) of the Companies Act, 2013	Implemented
3.	Re-appointment of Mrs. Akshada Nevatia as an Executive Director and Approval of Remuneration	Implemented
4.	Approval of giving Guarantee(s) and/or providing Comfort Letter for loan under Section 185 of Companies Act, 2013	The Company plans to implement in the future.

62nd AGM		
Sr. No.	Subject matter of the resolutions	Status of implementation
1.	Appointment of Mr. Suramya Nevatia as the Joint Managing Director & CEO (KMP)	Implemented

63rd AGM		
NIL		

No extraordinary general meeting of the members was held during the financial year 2021-22.

POSTAL BALLOT

During the financial year 2021-2022, the Company sought the approval of the shareholders by way of postal ballot, through notice dated February 12, 2022, on the approval of related party transactions with Force Motion Technology LLP as an ordinary resolution.

The Board of Directors had appointed Mr. Mahesh Soni (Membership No. 3706), failing him Ms. Sonia Chettiar (Membership No. 27582), partner of GMJ & Associates, Practicing Company Secretaries as the Scrutinizer to scrutinize the postal ballot process in a fair and transparent manner.

The voting period for remote e-voting commenced on Tuesday, February 22, 2022 at 9.00 a.m. (IST) and ended on Wednesday, March 23, 2022 at 5.00 p.m. (IST). The report on the result of the postal ballot through remote e-voting for approving aforementioned resolutions was provided by the Scrutinizer on Thursday, March 24, 2022.

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The details of e-voting on the aforementioned resolution(s) are provided hereunder:

Description of the Resolution	Votes in favour of the Resolution(s)			Votes against the Resolution(s)			Total number of members whose votes were declared invalid	Invalid Votes Total number of invalid votes cast (shares)
	Number of Members Voted	Number of valid Votes cast (shares)	% of total number of valid votes cast	Number of Members Voted	Number of valid Votes cast (shares)	% of total number of valid votes cast		
Approval of related party transactions with Force Motion Technology LLP	152	2057252	99.96	7	890	0.04	Nil	

The Ordinary Resolution was passed with requisite majority on March 23, 2022.

PROCEDURE FOR POSTAL BALLOT

The Postal Ballot was carried out as per the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Rules framed thereunder and General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021 and Circular No. 20/2021 dated December 8, 2021, issued by the Ministry of Corporate Affairs.

MEANS OF COMMUNICATION

The unaudited quarterly / half-yearly financial results are announced within forty-five days of the close of the quarter except when extended time is allowed by regulators.

The audited annual financial results are announced within sixty days from the closure of the financial year as per the requirement of the SEBI Listing Regulations 2015 except when extended time is allowed by regulators.

The approved financial results are forthwith sent to the Stock Exchanges and are published in Free Press (English newspaper) and Navshakti (local language (Marathi) newspaper) within forty-eight hours of approval thereof.

The financial results are available on the Company's website viz. www.hirect.com.

The quarterly financial results, shareholding pattern, quarterly compliances, and all other corporate communication to the Stock Exchanges viz. BSE Limited and National Stock Exchange of India Limited are filed electronically. The Company has complied with filing submissions through BSE's BSE Listing Centre. Likewise, the said information is also filed electronically with NSE through NSE's NEAPS portal and digitalexchange.nseindia.com.

A separate section on the Company's website gives information on unclaimed dividends, unclaimed shares, shareholding patterns, quarterly / half-yearly results, and other relevant information of interest to the investors / public.

SEBI processes investor complaints in a centralized web-based complaints redressal system i.e. SCORES. Through this system, shareholders can lodge complaints against a company for their grievances. The Company uploads the action taken on the complaint which can be viewed by the shareholder. The Company and shareholders can seek and provide clarifications online through SEBI.

NOMINATION

Individual shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in case of death of the registered shareholder(s). A nomination facility in respect of shares held in electronic



form is also available with the Depository Participants as per the bye-laws and business rules applicable to NSDL and CDSL. Nomination forms can be obtained from the Company's Registrar and Share Transfer Agent.

GENERAL SHAREHOLDER INFORMATION

AGM: 64th Annual General Meeting for the financial year 2021-22 is scheduled to be held on Tuesday, August 9, 2022 at 2:30 pm. The Company is conducting the meeting through VC/OAVM pursuant to the MCA and SEBI Circulars. For details please refer to the notice of this Annual General Meeting.

As required under Regulation 36(3) of the SEBI Listing Regulations 2015 and Secretarial Standard-2, particulars of Director seeking appointment at this Annual General Meeting are given in the Annexure to the notice of this Annual General Meeting.

FINANCIAL YEAR

The Company follows April to March as its financial year. The financial results for every quarter have been declared within the time prescribed in the SEBI Listing Regulations 2015 except when extended time is allowed by regulators. The details for the forthcoming financial year 2022-23 are as follows.

Financial Year 2022-23	April 1, 2022 to March 31, 2023
Financial reporting for the quarter ended June 30, 2022	On or before August 14, 2022
Financial reporting for the quarter ended September 30, 2022	On or before November 14, 2022
Financial reporting for the quarter ended December 31, 2022	On or before February 14, 2023
Financial reporting for the year ended March 31, 2023	Audited Results on or before May 30, 2023

DIVIDEND PAYMENT DATE

In case the dividend as recommended by the Board of Directors is approved at the 64th Annual General Meeting to be held on Tuesday, August 9, 2022 payment of such dividend will be paid within a week from the conclusion of the Annual General Meeting.

The Company has adopted the Dividend Distribution Policy to determine the distribution of dividends in accordance with the provisions of applicable laws. The Dividend Distribution Policy of the Company is available on Company's website at <http://hirect.com/policies/>.

DATE OF BOOK CLOSURE

The Register of Members and the Share Transfer Books of the Company will remain closed from Wednesday, August 3, 2022 to Tuesday, August 9, 2022 both days inclusive, for annual closing and determining the entitlement of the members to the dividend for the financial year 2021-22.

UNCLAIMED DIVIDEND / SHARES

Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, if the dividend transferred to the Unpaid Dividend Account of the Company remains unpaid or unclaimed for a period of seven years from the date of such transfer then such unclaimed or unpaid dividend shall be transferred by the Company along with interest accrued if any to the Investor Education and Protection Fund ('the IEPF'), a fund established under sub-section (1) of Section 125 of the Companies Act, 2013. The details of unclaimed/unpaid dividends are available on the website of the Company viz. www.hirect.com.

MANDATORY TRANSFER OF SHARES TO DEMAT ACCOUNT OF INVESTORS EDUCATION AND PROTECTION FUND AUTHORITY (IEPFA) IN CASE OF UNPAID/ UNCLAIMED DIVIDEND ON SHARES FOR A CONSECUTIVE PERIOD OF SEVEN YEARS

In terms of Section 124(6) of the Companies Act, 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer, and Refund) Rules, 2016, (as amended from time to time) (IEPF Rules) shares on which the dividend has not been paid or claimed by a shareholder for a period of seven consecutive years or more shall be

**Hind Rectifiers Limited**

credited to the Demat Account of Investor Education and Protection Fund Authority (IEPFA) within a period of thirty days of such shares becoming due to be so transferred. Upon transfer of such shares, all benefits (like a bonus, etc.), if any, accruing on such shares shall also be credited to such Demat Account and the voting rights on such shares shall remain frozen till the rightful owner claims the shares.

Shares that are transferred to the Demat Account of IEPFA can be claimed back by the shareholders from IEPFA by following the procedure prescribed under the IEPF Rules.

DISCLOSURE RELATING TO UNCLAIMED SUSPENSE ACCOUNT

In accordance with the requirement of Regulation 34(3) and Part F of the Schedule V of SEBI Listing Regulations 2015, the Company reports the following details in respect of equity shares lying in the suspense account:

Particulars	Number of Shareholders	Number of Equity Shares
The aggregate number of shareholders and outstanding shares in the suspense account at the beginning of the financial year 2021-22	7	9250
Less: Number of shareholders who approached the Company for transfer of shares and shares transferred from suspense account during 2021-22	1	250
Less: Number of shares transferred to Investor Education and Protection Fund (IEPF)	2	1125
The aggregate number of shareholders and outstanding shares in the suspense account at the end of the financial year 2021-22	4	7875

The voting rights on these shares will remain frozen till the rightful owner claims the shares.

LISTING ON STOCK EXCHANGES

The Company's equity shares are listed on BSE Limited and National Stock Exchange of India Limited. The Company has paid listing fees to the Stock Exchanges for the financial year 2022-23.

Address of Stock Exchanges**BSE Limited**

P. J. Towers, Dalal Street, Mumbai – 400 001 Maharashtra

National Stock Exchange of India Limited

Exchange Plaza, 5th Floor, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051 Maharashtra

STOCK CODE / SYMBOL

BSE Limited – 504036

National Stock Exchange of India Limited – HIRECT

Demat ISIN: INE835D01023

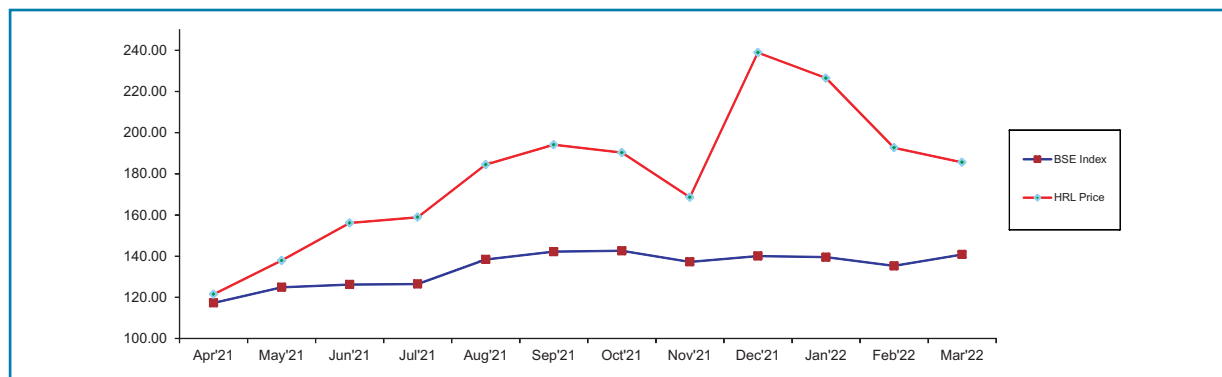


MARKET PRICE DATA

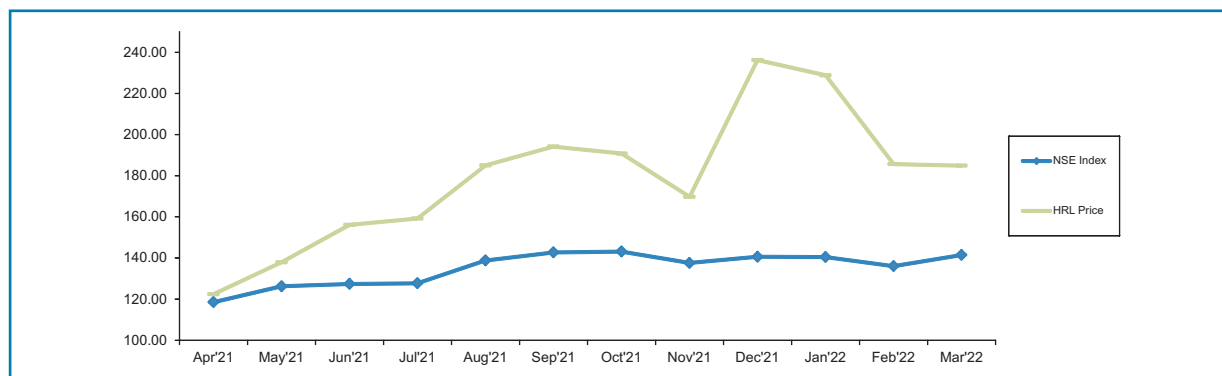
The monthly high/low market price of equity shares of Hind Rectifiers Limited during the financial year 2021-22:

Month	BSE		NSE	
	High	Low	High	Low
April 2021	132.90	118.50	131.40	116.95
May 2021	153.95	118.00	154.30	120.00
June 2021	176.90	133.00	177.00	133.45
July 2021	174.40	149.50	175.00	150.30
August 2021	209.40	142.75	209.90	144.00
September 2021	232.25	181.65	233.00	184.00
October 2021	199.00	165.50	197.80	165.20
November 2021	204.00	164.45	202.25	149.00
December 2021	255.00	165.50	255.00	166.25
January 2022	286.00	215.20	288.00	215.00
February 2022	254.9	175.55	254.70	177.00
March 2022	198.50	176.80	200.80	175.10

RELATIVE PERFORMANCE OF HIND RECTIFIERS SHARES VERSUS BSE SENSEX



RELATIVE PERFORMANCE OF HIND RECTIFIERS SHARES VERSUS NSE SENSEX



Hind Rectifiers Limited

The Company has appointed the below-mentioned agency as Registrars and Transfer Agent (RTA) for both physical and Demat segments of Equity Shares of the Company.

ADROIT CORPORATE SERVICES PRIVATE LIMITED

[Unit: Hind Rectifiers Limited]

19-20, Jafferbhoy Industrial Estate, 1st Floor, Makwana Road, Marol Naka,

Andheri (East), Mumbai – 400059 Maharashtra

Tel: +91 22 4227 0400 Fax: +91 22 28503748

Email: info@adroitcorporate.com

Website: www.adroitcorporate.com

SHARE TRANSFER SYSTEM

Securities of the listed companies can be transferred only in dematerialized form w.e.f. April 1, 2019. Further, SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, mandated all listed companies to issue securities in dematerialized form only, while processing the service request of issue of duplicate securities certificate, claim from Unclaimed Suspense Account, renewal / exchange of securities certificate, endorsement, sub-division / splitting of securities certificate, consolidation of securities certificates / folios, transmission and transposition. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard.

Shareholding Pattern As On March 31, 2022

Category	No. of shares held	% of Shareholding
Promoters and Associates	6998856	42.25
Mutual Funds and UTI	750	0.00
Banks / Financial Institutions	2250	0.01
Private Bodies Corporate	318765	1.93
NRI / OCBs	2535777	15.31
Others	6707325	40.50
Total	16563723	100.00

Distribution of Shareholding as on March 31, 2022

No. of Equity Shares held	No. of Shareholders	No. of Shares held	% of Equity Capital
Upto 500	8575	766524	4.63
501-1000	495	385654	2.33
1001-2000	372	552047	3.33
2001-3000	131	339749	2.05
3001-4000	59	213408	1.29
4001-5000	30	138469	0.84
5001-10000	77	540464	3.26
10001 and above	83	13627408	82.27
Total	9822	16563723	100



DEMATERIALIZATION OF SHARES

13655823 equity shares representing 82.44 % of total equity share capital were held in dematerialized form with NSDL and CDSL as on March 31, 2022.

Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition.

Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company’s website at www.hirect.com and on the website of the Company’s Registrar and Transfer Agents, Adroit Corporate Services Private Limited at www.adroitcorporate.com. Any service request can be processed only after the folio is KYC Compliant.

STATUS OF DEMATERIALIZATION OF EQUITY SHARES AS ON MARCH 31, 2022

Particulars	No. of Shareholders	No. of Shares	% to Paid-up Capital
National Securities Depository Limited	4460	11996202	72.42
Central Depository Services (India) Limited	5224	1659621	10.02
Total Dematerialized	9684	13655823	82.44
Shares held in Physical form	138	2907900	17.56
Grand Total	9822	16563723	100

NOMINATIONS

Individual shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in the case of the death of all the registered shareholders. Nomination facility in respect of shares held on the electronic form is also available with the Depository Participant (DP) as per the bye-laws and business rules applicable to NSDL and CDSL.

Shareholders whose shares are in physical form and wish to make/change a nomination in respect of their shares in the Company, as permitted under Section 72 of the Companies Act, 2013 may submit to RTA the prescribed Forms SH-13/SH-14. The Nomination Form can be downloaded from the Company’s website www.hirect.com under the section ‘Investors’.

Shares held in Electronic Form

Shareholders holding shares in electronic form may please note that instructions regarding change of address, bank details, e-mail ids, nomination and power of attorney should be given directly to the DP.

Shares held in Physical Form

Shareholders holding shares in physical form may please note that instructions regarding change of address, bank details, e-mails IDs, nomination and power of attorney should be given to the Company’s RTA i.e., Adroit Corporate Services Private Limited.

OUTSTANDING GDRs / ADRs / WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE, AND LIKELY IMPACT ON EQUITY SHARES

The Company does not have any GDRs/ADRs/Warrants or any Convertible Instruments as on date.

COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK

The details are disclosed in note no. 65 to the financial statement.

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Details of the utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) : Not Applicable

A certificate from a Company Secretary in practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/ Ministry of Corporate Affairs or any such statutory authority.

The certificate of Company Secretary in practice is annexed herewith as a part of the report.

Where the Board had not accepted any recommendation of any committee of the Board which is mandatorily required, in the relevant financial year : Not Applicable

Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part

Details relating to fees paid to the Statutory Auditors are given in note no. 40 to the Financial Statement. Consolidated Financial Statement is not applicable to the Company.

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The details of the number of complaints filed and disposed of during the year and pending as on March 31, 2022, are given in the Directors' report.

Plant Locations

- i. Lake Road, Bhandup West, Mumbai - 400 078 Maharashtra
- ii. Plot No.110/111, M.I.D.C., Satpur, Nashik - 422 007 Maharashtra
- iii. New Khasara No. 64-67 & 74, Village Chharba, Langha Road, Vikas Nagar, Dehradun – 248197 Uttarakhand

Compliance Officer

Ms. Meenakshi Anchlia
A Company Secretary and Compliance Officer

Address for Correspondence

HIND RECTIFIERS LIMITED
Lake Road, Bhandup (West), Mumbai – 400078
CIN : L28900MH1958PLC011077
E-mail : investors@hirect.com
Tel. No. +91 22 25696789
Fax No. +91 22 25964114

CREDIT RATING

The Company has obtained a credit rating. Rating rationale issued by CRISIL on May 19, 2022. Details are as under:-
Ratings reaffirmed at 'CRISIL BBB-/CRISIL A3'; outlook revised to 'Positive'; rated amount enhanced for bank debt

Total Bank Loan Facilities Rated	₹ 132 Crore (Enhanced from ₹ 120 Crore)
Long-Term Rating	CRISIL BBB-/Positive (Outlook revised from 'Stable' and rating reaffirmed)
Short-Term Rating	CRISIL A3 (Reaffirmed)

Credit rating issued by CRISIL on May 31, 2021 has already been reported in the Annual Report 2020-2021.

LOANS AND ADVANCES IN WHICH DIRECTORS ARE INTERESTED

The Company has not provided any loans and advances to any firms/companies in which Directors are interested.



DISCLOSURES

COMPLIANCES WITH GOVERNANCE FRAMEWORK

The Company is in compliance with all mandatory requirements under the SEBI Listing Regulations 2015.

RELATED PARTY TRANSACTIONS

All the related party transactions entered into by the Company are in the ordinary course of business and on an arm's length basis. All the related party transactions are approved by the Audit Committee and if required with the permission of the Board and/or shareholders.

Transactions with related parties are disclosed in note no. 64 to the Annual Audited Financial Statement. The material-related party transaction as per the provisions of SEBI Listing Regulations 2015 and Section 188 of the Companies Act, 2013 is stated in AOC-2.

The Board has approved a policy for related party transactions. The policy is available on the Company's website at <https://hirect.com/policies/>.

The Board has received disclosures from KMPs and Members of Senior Management relating to material, financial and commercial transactions where they and/or their relatives have personal interest.

DETAILS OF NON-COMPLIANCE

There were no instances of non-compliance on any matter related to the capital market during the last three years except the delayed appointment of the Independent Woman Director. No penalties or strictures were imposed on the Company by any Stock Exchanges or SEBI or any other statutory authority on any matter related to the capital market during the last three years except a fine of ₹ 4,30,000 paid to NSE on the delayed appointment of Independent Woman Director.

CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT

The Company has in place a detailed Code of Conduct for Board members and senior management. The said Code of Conduct is available on the website of the Company viz. www.hirect.com. The Code of Conduct is applicable to all Directors and Senior Management Executives. The members of the Board and senior management have submitted their affirmation on compliance with the code for the effective period. A declaration by the Managing Director & CEO affirming compliance with the Code of Conduct is appended to this report.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has established a mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud, or violation of the Code. It also provides adequate safeguards against the victimization of employees who avail the mechanism and allows direct access to the chairperson of the audit committee in exceptional cases. The policy is available on the website of the Company viz. www.hirect.com. It is affirmed that no personnel has been denied access to the Chairman of the Audit Committee.

The Company has adopted the policy on 'Determination of Materiality for Disclosures' and 'Archival and Preservation of Documents'. The said policies are available on the Company's website viz. www.hirect.com.

SUBSIDIARY COMPANIES

The Company does not have any subsidiary company.

DISCLOSURE OF ACCOUNTING TREATMENT

In the preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013.

NON-MANDATORY (DISCRETIONARY) REQUIREMENTS UNDER REGULATION 27 OF THE LISTING REGULATIONS

The status of compliance with the non-mandatory requirements of the SEBI Listing Regulations 2015 is provided below:

Hind Rectifiers Limited

THE BOARD

There is a separate post of Chairman (Independent and Non-Executive Director) and Managing Director & CEO. The Company may pay or reimburse to the Non-Executive Director such fair and reasonable expenditure, as may have been incurred by him while performing his role.

SHAREHOLDERS RIGHTS

The Company has not adopted the practice of sending out a half-yearly declaration of financial performance to shareholders. Quarterly results as approved by the Board are disseminated to the Stock Exchanges and available on the website of the Company.

MODIFIED OPINION(S) IN AUDIT REPORT

There are no modified opinions in the audit report.

REPORTING OF INTERNAL AUDITOR

In accordance with the provisions of Section 138 of the Companies Act, 2013, the Company has appointed Internal Auditors who report to the Audit Committee. The Internal Auditors are invitees to the Audit Committee meetings of the Company. The Internal audit report is placed on a quarterly basis before the Audit Committee. The Internal Auditors may, if necessary, report directly to the Audit Committee.

CONSOLIDATION OF FOLIOS AND AVOIDANCE OF MULTIPLE MAILING

In order to enable the Company to reduce costs and the duplicity of efforts for providing services to investors, members who have more than one folio in the same order of names are requested to consolidate their holdings under one folio. Members may write to the Registrars and Share Transfer Agents indicating the folio numbers to be consolidated along with the original share certificates to be consolidated.

RECONCILIATION OF SHARE CAPITAL AUDIT REPORT

As required by SEBI, a quarterly audit of the Company's share capital is being carried out by a Practicing Company Secretary with a view to reconciling the total share capital admitted with National Securities Depository Limited and Central Depository Services (India) Limited and held in physical form, with the issued and listed capital. The report in regard to the same is submitted to BSE Limited and National Stock Exchange of India Limited and is also placed before the Board of Directors and available on the Company's website at <https://hirect.com/share-capital-audit-report/>.

MANAGEMENT DISCUSSIONS AND ANALYSIS

Management Discussion and Analysis Report is given in a separate section forming part of this report.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has complied with all applicable mandatory Secretarial Standards issued by the Institute of Company Secretaries of India.

AUDITOR CERTIFICATE ON CORPORATE GOVERNANCE

The Company has obtained a certificate from the Auditor of the Company regarding compliance with the provisions relating to the corporate governance laid down in the SEBI Listing Regulations 2015 with the Stock Exchanges. The certificate does not contain any adverse remarks. The certificate is annexed to this report.

CEO /CFO CERTIFICATION

As required under the SEBI Listing Regulations 2015, a certificate duly signed by Mr. Suramya Nevatia, Managing Director & CEO and Mr. A. K. Nemani, Chief Financial Officer has been obtained. The certificate is annexed to this report.

Place : Mumbai
Date : May 26, 2022

For and on behalf of the Board of Directors

Pradeep Goyal **Suramya Nevatia**
Chairman Managing Director & CEO



DECLARATION

I, Suramya Nevatia, Managing Director & CEO of Hind Rectifiers Limited hereby confirm that:

The Board of Directors of Hind Rectifiers Limited has laid down a Code of Conduct for all Board Members and Senior Management Personnel of the Company.

The said Code of Conduct is available on the Company's website viz. www.hirect.com.

All the Board members and Senior Management Personnel have affirmed their compliance with the said Code of Conduct for the year ended on March 31, 2022.

For and behalf of the Board of Directors

Place : Mumbai

Date : May 26, 2022

Suramya Nevatia
Managing Director & CEO



INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of
Hind Rectifiers Limited

We have examined the compliance of conditions of Corporate Governance by Hind Rectifiers Ltd. ('the company') for the year ended March 31, 2022 as stipulated in regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ('Listing Regulations') pursuant to the Listing Agreement of the Company with the National Stock Exchange Limited and the Bombay Stock Exchange Limited (collectively referred to as the 'Stock Exchanges').

Management's Responsibility for compliance with the conditions of Listing Regulations

The compliance with the terms and conditions contained in the corporate governance is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents.

Auditor's Responsibility

Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations for the year ended 31st March, 2022.

We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) (the 'Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

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

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.

Restriction on Use

The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

UDIN: 22116667AJQNP4035
for **RAVI A. SHAH & ASSOCIATES**
Chartered Accountants
ICAI Firm Reg. No.: .125079W

Ravi A. Shah

Proprietor

Membership No. 116667

Place : Mumbai
Date : May 26, 2022



CEO AND CFO CERTIFICATION

The Board of Directors
Hind Rectifiers Limited
Mumbai, Maharashtra

Re: Compliance Certificate for the Financial Statements for 2021-2022

We, Suramya Nevatia, Managing Director & CEO and A. K. Nemani, Chief Financial Officer of Hind Rectifiers Limited, hereby certify that:

1. We have reviewed financial statements and the cash flow statement for the year ended on March 31, 2022 and to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws, and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which is fraudulent, illegal, or violative of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the auditors and the Audit Committee:
 - (i) significant changes, if any, in internal control over financial reporting during the year;
 - (ii) significant changes, if any, in accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud, if any, of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place : Mumbai
Date : May 26, 2022

Suramya Nevatia
Managing Director & CEO

A. K. Nemani
Chief Financial Officer

Hind Rectifiers Limited**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (LODR) Regulations, 2015)

To,
Hind Rectifiers Limited
Lake Road,
Bhandup (West),
Mumbai - 400078.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **HIND RECTIFIERS LIMITED (CIN : L28900MH1958PLC011077)** and having registered office at Lake Road, Bhandup West, Mumbai – 400078 (hereinafter referred to as ‘the Company’), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para – C, Sub-clause 10(i) of the SEBI (LODR) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers. We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment in Company
1.	Mr. Pradeep Goyal	00008370	28/03/2008
2.	Mr. Suramya Nevatia	06703910	17/08/2020
3.	Ms. Akshada Nevatia	05357438	15/01/2017
4.	Mr. Pawan Kumar Golyan	00356807	24/03/1998
5.	Mr. Vijay Kumar Bhartia	00019810	18/04/2007
6.	Mr. Parimal Merchant	00201962	07/02/2013
7.	Mr. Vandan Sitaram Shah	00759570	15/01/2017
8.	Ms. Ashlesha Bodas	00935512	26/06/2020

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate 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 **GMJ & ASSOCIATES**
Company Secretaries

[MAHESH SONI]
PARTNER

Place : Mumbai
Date : May 26, 2022

FCS: 3706 COP: 2324
UDIN: F003706D000394316

BUSINESS RESPONSIBILITY REPORT 2021-22

[Regulation 34 (2) (f) of SEBI Listing Regulations 2015]

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. Corporate Identity Number (CIN) of the company: L28900MH1958PLC011077
2. Name of the company: Hind Rectifiers Limited
3. Registered Address: Lake Road, Bhandup West, Mumbai 400078 Maharashtra
4. Website: www.hirect.com
5. E-mail id: investors@hirect.com
6. Financial year reported: 2021-22
7. Sector(s) that the company is engaged in (industrial activity code-wise):

Industrial Group	Description
Rail transportation (31)	IGBT-based converters, Transformers, Auxiliary panels, electronics for 3 phase locomotives and LHB coaches.
Power Sector (31)	Electrostatic High Voltage Power supplies for a pollution control system for the power sector
Automobile industry, Chemical industry (31)	Large Power supplies for Electrolysis and Electrochemical process equipment of higher Technology.
As per National Industrial Classification – Ministry of Statistics and Programme Implementation.	

8. List three key products/services that the company manufactures/provides (as in the balance sheet)
 - i. IGBT-based 3x130 kva Aux Converter, & Auxiliary panels for 3 phase locos & specially designed auxiliary panels for LHB coaches for Railway transportation
 - ii. 3 phase locomotive transformers (6531 kva & 7775 kva) for passenger and goods loco for Indian Railways
 - iii. High voltage power supplies for pollution control for power plants and large power rectifiers for electrochemical industries from the industrial division
9. Total number of locations where business activity is undertaken by the company
 - i. Number of International Location
Sweden
 - ii. Number of National Locations:
Manufacturing Unit
Mumbai, Dehradun, Nashik
Branch Offices
Chennai, Kolkata, New Delhi
10. Markets served by the company – Local / State / National / International :
Indian Railways & Industrial sector - National & International

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. Paid-up Capital: ₹ 3,31,27,446
2. Total Turnover: ₹ 372.10 crores
3. Total profit after taxes: ₹ 7.80 crores
4. Total Spending on Corporate Social Responsibility (CSR) as a percentage of profit after-tax (%):
The details of CSR spending have been provided in Annexure E to the Director's Report i.e. Annual Report on CSR Activities.
5. List of activities in which expenditure in 4 above has been incurred:
Skill Development, Vaccination Drive, and Relief & Rehabilitation during Natural Calamities

Hind Rectifiers Limited

SECTION C: OTHER DETAILS

1. Does the company have any subsidiary company / companies?
No, the Company does not have any subsidiaries.
2. Do the subsidiary company / companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)
Not applicable
3. Do any other entity/entities (e.g. suppliers, distributors, etc.) that the company does business with; participate in the BR initiatives of the company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]
At present, the suppliers and distributors do not participate in the BR Initiatives of the Company.

SECTION D: BR INFORMATION

1. Details of Director / Directors responsible for BR
(a) Details of the Director / Directors responsible for the implementation of the BR policy / policies:

Particular	Details of Directors	
1. DIN Number	06703910	05357438
2. Name of Director	Mr. Suramya Nevatia	Mrs. Akshada Nevatia
3. Designation	Managing Director & CEO	Executive Director

- (b) Details of the BR head:

Particular	Director Details
1. DIN Number (If applicable)	06703910
2. Name of Director	Mr. Suramya Nevatia
3. Designation	Managing Director & CEO
4. Telephone number	022- 25696789
5. Email ID	corporate@hirect.com

2. Principle-wise (as per NVGs) BR Policy / policies:
The National Voluntary Guidelines on Social, Environmental, and Economic Responsibilities of Business released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These are as follows:

P1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
P3	Businesses should promote the well-being of all employees.
P4	Businesses should respect the interests of, and be responsive to all stakeholders, especially those who are disadvantaged, vulnerable, and marginalized.
P5	Businesses should respect and promote human rights.
P6	Businesses should respect, protect, and make efforts to restore the environment.
P7	Businesses, when engaged in influencing public and regulatory policy should do so in a responsible manner.
P8	Businesses should support inclusive growth and equitable development.
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner.



(a) Details of compliance (Reply in Y / N)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy / policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	The Company's Business Responsibility Policies abide by the spirit and content of the Code of Conduct, and all applicable laws & standards. The policies are framed to comply with applicable regulatory requirements.								
4	Has the policy been approved by the Board? If yes, has it been signed by MD / owner / CEO / appropriate Board Director?	Yes. All the policies are approved by the Board of Directors and signed by Mrs. Akshada Nevatia, Executive Director.								
5	Does the company have a specified committee of the Board / Director / Official to oversee the implementation of the policy?	Yes. Mr. Suramya Nevatia, Managing Director & CEO through the Committee of Business Responsibility Reporting, and the functional heads of the departments / plant heads of the Company are empowered to ensure the implementation of the policies. The Committee consists of Mr. Suramya Nevatia, Managing Director & CEO, Mrs. Akshada Nevatia, Executive Director, and Mr. A. K. Nemani, Chief Financial Officer. The Committee is authorized to monitor and evaluate the compliance of the policies and submit this report to the Board.								
6	Indicate the link for the policy to be viewed online?	https://hirect.com/policies/								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	The policies have been communicated to key internal stakeholders of the Company. The policies are available on the website of the Company.								
8	Does the company have an in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The Whistleblower Mechanism provides employees and directors a mechanism to report any concerns or grievances pertaining to any potential or actual violation of the Code of Conduct. The customer complaint mechanism is available on the Company's website at hirect.com. It records the grievances of customers on product and service quality and other issues. An investor grievance mechanism is in place to respond to investor grievances. The Company has an exclusive e-mail id for redressal of investor grievances. Investors can email at investors@hirect.com .								
10	Has the company carried out an independent audit / evaluation of the working on this policy by an internal or external agency?	All policies are evaluated internally.								

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Note: While there may not be formal consultation with all stakeholders, the relevant policies have been drafted after taking inputs from concerned internal stakeholders.

(b) If the answer to the question at serial number 1 against any principle is “No”, please explain why: (Tick up to 2 options)

S.No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The company has not understood the principles.	Not applicable								
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles.									
3	The company does not have financial or manpower resources available for the task.									
4	It is planned to be done within the next 6 months.									
5	It is planned to be done within the next 1 year.									
6	Any other reason (please specify)									

3. Governance related to BR:

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assess the BR performance of the company.

Half-yearly

(b) Does the company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The Company publishes the information on BR in the Annual Report which is available on the website of the Company at www.hirect.com.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Businesses should conduct and govern themselves with ethics, transparency, and accountability.

The Company believes that a company without ethics is like a body without a soul. Further, it is firmly believed that for a successful and sustainable business, a strong foundation of ethical corporate citizenship and the establishment of good corporate culture is essential.

The Company is committed to operating its business ethically in a manner such that all stakeholders i.e. investors, creditors, distributors, customers, employees, and even competitors, the governments, and society at large, are dealt with in a fair manner. The Company has always believed in adhering to the best governance practices to ensure the protection of interests of all stakeholders of the Company in tandem with the healthy growth of the Company.

The core value of the Company’s ethical policy and practices are trustworthiness, respect, responsibility, fairness, and caring. The Company takes a ‘zero-tolerance’ approach to bribery and corruption and is committed to acting professionally, fairly, and with integrity in all the business dealings and relationships, wherever it operates.

The Company believes that the ethical behavior of the Company is predicted by the ethical behavior of its owners, directors, managers, and employees towards its stakeholders i.e. investors, creditors, distributors, customers, employees, the governments, and society at large.

The measurement of ethical behavior revolves around:-

- (i) Fairness to all stakeholders
- (ii) Transparency in all business dealings
- (iii) Raising the trust and confidence of stakeholders in the way the Company operates
- (iv) Understanding and discharging societal responsibility

- (v) Long term thinking
- (vi) Overcoming greed, insecurity, and lack of confidence
- (vii) Following every law of the land even when the law enforcers may not be able to detect the violation

Besides the above, it is also expected from every member of the Board and Senior Management including the functional heads:-

- (i) To participate in a Company meeting, depending upon their eligibility and / or requirement, and do not involve in related party transactions.
 - (ii) Do not take directorship in a competitor's company.
 - (iii) Do not enter into an agreement / contract / transaction for himself or on behalf of any relatives that may have a potential conflict with the interest of the Company.
 - (iv) Do not enter into an agreement for himself or on behalf of any other person, with any shareholder or any other party / third party with regard to compensation or profit-sharing in connection with dealings in the equity share of the Company.
 - (v) Disclose to the Board of directors relating to all financial and commercial transactions entered by the Company with a third party / any party, where they have a personal interest that may have a potential conflict with the interest of the Company at large.
1. Does the policy relating to ethics, bribery, and corruption cover only the company? Yes / No. Does it extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others ?
Yes, a wide variety of stakeholders are covered under our policies.
 2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

Stakeholder	Complaints Received during FY 2021-22	Complaints Resolved during FY 2021-22	Complaints Resolved (%)
Investors Complaints	Nil	Nil	Nil
Consumers' Complaints			
Railway	1057	1057	100
Industrial (Non-railway)	251	247	98.41
Total	1308	1304	99.69

Four complaints were outstanding as on March 31, 2022. The Company has a mechanism for receiving and dealing with complaints from various stakeholders like investors, customers, employees, and suppliers, etc.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

Locomotive Transformers for 3 Phase goods Locomotive

Auxiliary Converters for 3 Phase Locomotive

High Voltage Power supplies for Mega Power Plants

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks, and/or opportunities.
 - (i) Rectifiers for Electro chlorination/ Saltwater treatment
 - (ii) High Voltage Power supplies for ESP pollution control
 - (iii) Comprehensive services contracts for coaches for passenger services

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2. For each such product, provide the following details in respect of resource use (energy, water, raw material, etc.) per unit of product (optional):
 - (i) Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain ?
 During the year Company achieved reduction of a material of 1.4 to 1.8 %. Water is not required for the production of these products. Consumption of energy is not significant.
 - (ii) Reduction during usage by consumers (energy, water) has been achieved since the previous year ?
 As above-mentioned products are used for a variety of purposes and by a large number of consumers, it is not feasible to identify reduction in resource usage by the consumers.
3. Procedures in place for sustainable sourcing (including transportation) and percentage of inputs sourced sustainably.
 There are alternative suppliers for most of the components used by the Company. We always put emphasis to have multiple suppliers. The Company always encourages new suppliers to enter in to the market.
4. Steps were taken to procure goods and services from local and small producers, including communities’ and capability-building initiatives, undertaken for local and small vendors.
 The Company encourages local and small vendors while sourcing goods and services subject to optimization of cost and quality of their deliveries. The Company tries to procure most of its goods and services from places near to the operating plants in order to get timely supplies, and this also helps in improving/developing socio-economic conditions including increasing local employment, besides the cost advantage in the sourcing, unless and until there are reasons for specific supplies relating to imported material/quality. The Company also encourages local vendors to develop manufacturing skills to meet its quality and safety standards and for this, we share our experiences and documents with them.
5. Mechanism to recycle products and waste and the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%).
 Product of the Company cannot be recycled and generally no wastage are generated during the production of above products however to optimize the cost and save the natural resources we reuse the wooden packing material as well as plastic bags received at the time of purchases of raw materials.

Principle 3: Businesses should promote the well-being of all employees.

The Company is an employee-centric organization that aims to attract and retain talent by ensuring the well-being of all of its employees.

1. Please indicate the total number of employees : 716
2. Please indicate the total number of employees hired on a temporary / contractual / casual basis : 271
3. Please indicate the number of permanent women employees : 50
4. Please indicate the number of permanent employees with disabilities : 1
5. Do you have an employee association that is recognized by management : Yes
6. What percentage of your permanent employees is members of this recognized employee association : 11.31
7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year :

S. No.	Category	No. of complaints filed during the financial year	No. of complaints pending as on the end of the financial year
1.	Child labour / forced labour / involuntary labour	Nil	Nil
2.	Sexual harassment	Nil	Nil
3.	Discriminatory employment	Nil	Nil

8. What percentage of your under-mentioned employees were given safety & skill up-gradation training in the last year?

Particulars	Safety Training	Skill up-gradation training
Permanent Employees	100	18.87
Permanent Women Employees	100	26
Casual / Temporary / Contractual Employees	100	46
Employees with Disabilities	Nil	Nil

Principle 4: Businesses should respect the interests of, and be responsive toward all stakeholders, especially those who are disadvantaged, vulnerable, and marginalized.

The Company believes that effective stakeholder engagement requires stakeholder identification, prioritization, and regular & transparent communication. The Company has identified suppliers, customers, employees, local community, and investors as its key stakeholders and uses multiple channels of communication for periodic engagement with these stakeholders.

1. Has the Company mapped its internal and external stakeholders?

Yes, the key stakeholders and their mode of engagement are shown below:

Stakeholders	Mode of Engagement
Government and Regulatory Authorities	Industry bodies / forums, direct interactions
Employee	The Company undertakes employee engagement surveys, holds function-specific meetings, formed Grievance Committees and engages with employees through internal communications, safety week celebrations which includes safety training, fire fighting training, various competition on safety, PoSH training, etc.
Customers	IREPS tendering for Railways, Industrial Marketing team analyses database, customer visits and online meetings / seminar for sales promotion by the company executives
Investors and Stakeholders	Through annual general meeting, annual report, and website, the Company engages with the investors and shareholders. Key concerns are shared with the Stakeholders Relationship Committee and the Board.
Suppliers	The Company holds supplier meets, assessments and interactions to ensure a transparent procurement system, address suppliers' grievances, expand the network, reduce their risks, site visits and personal/telephonic interactions.
Trade Unions	Union meetings, wage settlement agreement, cultural engagement activities, notice and circulars

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders ?

Yes, the disadvantaged and vulnerable stakeholders include differently-abled employees, women, and rural communities in and around the Company's plants.

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable, and marginalized stakeholders ?

The Company provides equal opportunities to differently-abled, marginalized, and people from economically weaker backgrounds. All employees are offered equal opportunities for career growth.

Hind Rectifiers Limited

Principle 5: Businesses should respect and promote human rights.

The Company respects and promotes human rights for all individuals. It is committed to identifying, preventing, and mitigating adverse human rights impacts resulting from or caused by business activities before or if they occur through human rights due diligence and mitigation processes.

The Company recognizes its impact on the communities in which it operates. The Company is committed to engaging with stakeholders in those communities to ensure that we are listening to, learning from, and taking into account their views as we conduct our business. Where appropriate, we are committed to engaging in dialogue with stakeholders on human rights issues related to our business. We believe that local issues are most appropriately addressed at the local level. We are also committed to creating economic opportunity and fostering goodwill in the communities in which we operate through locally relevant initiatives.

1. Does the policy of the Company on human rights cover only the Company or extend to the Group / Joint ventures / Suppliers/ Contractors/NGOs/ Others ?

The Company's Human Rights policy is applicable to all employees in the Company working in any business division of the Company. The Company motivates its business partners such as suppliers, contractors, NGOs, and others to follow the policy related to Human Rights in true spirit.

The Company discourages dealing with any business partners who are not serious about the protection of human rights and have non-compliance at their end. At the Company employability of child labour or forced labour is strictly prohibited.

2. How many stakeholder complaints with respect to Human Rights have been received in the past financial year and what percent was satisfactorily resolved by the management ?

During the financial year 2021-22, the Company did not receive any complaints with regard to human rights.

Principle 6: Businesses should respect, protect, and make efforts to restore the environment.

1. Coverage of the policy related to Principle 6 and its extension to the group / joint ventures / suppliers / contractors / NGO's/others

The Company constantly strives and focuses its efforts on the cause of the environment by not only making efficient use of available resources but also by augmenting natural resources. Its activities are aligned to respond to the challenges emerging out of climate changes, in the form of energy conservation and expansion of greenery.

Further, normal practices are followed to protect Environment, Health, and Safety to cover all its employees and stakeholders across all manufacturing units.

The Company has been committed to ensuring high standards of Environment and Safety practices. It is a matter of great satisfaction that these initiatives are taken by the Company appreciated at various forums.

The Company received the following accolades in 2019 from "National Society of Friends of the Trees":

- Garden attached to factories and industrial establishment (area above 5000 sq. Mts) - First Prize
- Landscape – First Prize
- Outstanding specimens of Bonsai - First Prize

Although the event has not been organized after that due to pandemic, the Company is maintaining the garden, landscape, and specimens of Bonsai in the same fashion.

The Company has achieved "Zero Accident" during the reporting period at Bhandup, Nashik, and Deharadun plants which is remarkable and shows a strong safety culture in the Company.

2. Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for the webpage.

Yes, the Company has switched over to LED lights across all offices. Offices with old/inefficient air conditioners were upgraded to energy-efficient and energy-star-rated cooling systems. The Company has replaced the most energy-efficient printers and office materials which reduced their energy consumption and impact on the climate. The air conditioning temperature is maintained at 24°C, which reduces energy consumption.



3. Identification and assessment of potential environmental risk
The Company is not generating any hazardous waste which causes the potential risk to the environment.
4. Company's initiatives towards clean development mechanism
Protecting the natural environment is an important aspect. The Company does this by continually seeking opportunities to make its processes more resource-efficient and minimizing the release of wastes in the environment. All manufacturing plants are certified for ISO 9001:2015. The Company has adhered to the applicable standards and limits for emissions and waste prescribed by the respective SPCB / CPCB and did not receive any show-cause notice for the year 2021-22.
5. The Company's initiatives on clean technology, energy efficiency, and renewable energy, among others
Use of improved test methods to enable power savings e.g. use of resistive inductive load etc. during heat run process. The Company is in an advanced stage to develop back to back test setup for a reduction in input power requirement.
6. Are the Emissions / Waste generated by the Company within the permissible limits given by CPCB / SPCB for the financial year being reported?
Yes, the emissions/waste generated by the Company for financial year 2021-22 is within permissible limits given by CPCB/SPCB.
7. Number of show cause / legal notices received from CPCB / SPCB which are pending (i.e. not resolved to satisfaction) as on the end of financial year
The Company has not received any show cause/legal notices from CPCB / SPCB during the financial year under review.

Principle 7: Businesses, when engaged in influencing public and regulatory policy should do so in a responsible manner.

The Company understands that it operates in various diversified sectors which require consistent, balanced, and transparent interactions with various regulatory authorities and social organizations. The Company believes that the engagement with the relevant authorities is guided by the values of commitment, integrity, transparency, and the need to balance interests of diverse stakeholders.

The Company limited engages with industry bodies and associations to influence public and regulatory policy in a responsible manner.

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:
Yes, the Company is a member of the Confederation of Indian Industry (CII), Indian Electrical and Electronics Manufacturers Association (IEEMA), and Associated Chambers of Commerce and Industry of India (ASSOCHAM).
2. Have you advocated / lobbied through above associations for the advancement or improvement of the public good?
The Company participates in various discussions/initiatives taken by associations and chambers on the issues pertaining to Governance and Administration, Economic Reforms, and sustainable business principles .

Principle 8: Businesses should support inclusive growth and equitable development.

In order to achieve inclusive growth and equitable development, the Company believes that economic growth, social inclusion, and environmental protection must be harmonized. The Company will through its CSR projects for the local communities in the strategic theme areas identified on the basis of need assessment.

1. Does the company specified programs / initiatives / projects in pursuit of the policy related to Principle 8 ? If yes details thereof.

In line with the provisions of the Companies Act, 2013, the Board of Directors has adopted a CSR Policy. The CSR policy, inter alia, deals with the objectives of the Company's CSR initiatives, the guiding principles, the thrust areas of CSR, the

Hind Rectifiers Limited

implementation plan, and reporting framework. The areas of the Company's CSR activities are skills development, Vaccination Drive, and Relief & Rehabilitation during Natural Calamities at present.

2. Modes through which programs / projects undertaken (through in-house team/own foundation / external NGO / government structures/ any other organization)
Through in-house team
3. Impact assessments for initiatives
Currently, no impact assessment of our initiatives has been undertaken.
4. Company's direct contribution to community development projects
Details of the projects undertaken are mentioned in the Annual Report on CSR Activities in the Director's Report.
5. Steps undertaken to ensure that community development initiatives are successfully adopted by the community
The Company ensures its presence is established right from the commencement of the initiatives.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner.

The Company believes that for a successful business, a consistent effort is essential to engage with and provide value to their customers and consumers in a responsible manner. The Company is committed to engaging with and providing value to its customers and consumers in a responsible manner.

1. Percentage of customer complaints/consumer cases are pending as on the end of the financial year : Customers can register their complaints at <https://hirect.com/contact-us/>. For financial year 2021-22, total 1308 customer complaints were received by the Company while 99.69% complaints were successfully resolved up to March 31, 2022. No case was filed by the customers.
2. Product information and product labeling : All the products of the Company carry the information required under the applicable law. Usually, rating plate approval is taken during the document approval stage and the same is fixed on every job with respective detail.
3. Case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as at the end of the financial year : Nil
4. Did your company carry out any customer survey/customer satisfaction trends : Yes, we carry out customer surveys and obtain performance reports to identify the needs of customers and use this information for product development and improving customer services.

Place : Mumbai
Date : May 26, 2022

For and on behalf of the Board of Directors

Pradeep Goyal **Suramya Nevatia**
Chairman Managing Director & CEO

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENTS

The Company's major business continues with Indian Railways with strong legacy and brand image. Technology-based products for Locomotives & Coaches continue as major strength of the Company's business operations.

Although the primary customer continues to be Indian Railways, however, the Company is putting increased focus on Industrial market by upgrading and expanding the product line besides growth of new business for the European market through marketing operations from Sweden.

Industrial business is likely to be increased considering the growth anticipated in various international and domestic projects in power sector & also infrastructure development planned by the Government of India.

There is a good mix of SMEs, Large Companies and multinationals players in the market for our various product lines.

INFRASTRUCTURE AND NEW PRODUCTS DEVELOPMENT

The Company has concentrated on the development of infrastructure for larger production volume for existing products and manufacturing facilities for new product development like Loco Propulsion, Traction Motors, RMPU, 3X130KVA Aux Converters, Loco Transformers, 4.5 KW Regulated Battery Charger, etc. for Indian Railways.

Considering the addition of new products to yield a good business in upcoming years, the focus on product launch and market establishment is a big challenge for the Company.

OPPORTUNITIES AND THREATS

The Company has a strong brand and leadership position in the market for the equipments of 3Ph locomotives and LHB coaches along with the pollution control and environmental protection equipment with updated technology.

While opportunities are emerging with new developments in the Railway segment backed by enormous resources of in-house R&D coupled with new manufacturing facility, Company can take lead considering the brand name and leadership position in the market, however, increased number of competitors and fall in price is a threat for existing product lines for Railways.

The Company being an established supplier and with the strong brand name in both industrial and railway sectors, market penetration for any new product is possible with existing and new customers.

Development of new products in a shorter period and competing with a larger player, who is having technology from their parent Company, remains a challenge.

OUTLOOK

The government has aggressively targeted increased Electric Locomotive production, electrification of new routes, and modernization of Railway facilities will resultantly increase the market demand in the coming years. The Coach production from various production units is also expected to increase during the current year to compensate for the production loss of the earlier period due to the COVID Pandemic.

RISK AND CONCERNS

Regular products required by Railways are witnessing increased competition in the market with falling selling prices in the reverse auction due to the recent policies of Railways during the current year is a big concern. This is seriously affecting our plans and have to rely more on new developments to compensate the revenue loss.

Some product lines in the Industrial segment are also affected with the increased competition from the unorganized sector with shrinking margins. Delayed payment inflows from Railways have led to increase in working capital and very conservative financial support from Banks for completion of development activities and expansion of business volume remain matter of concern. Current global shortage of semiconductors is also an added concern.

Hind Rectifiers Limited
SEGMENT WISE/ PRODUCT WISE PERFORMANCE

The Company operates in a single segment i.e. engineering goods yet we have undertaken diversification of end products through intensive in-house R&D facilities for different applications.

The Company has broadened its product mix for Indian Railways targeting all the segments of 3 Phase Locos, and Coaches and has been listed for approvals to establish more business opportunities. New product developments by in-house R&D are a planned strategy for improving the Railway segment.

Our specialized products for specific applications in Automobile industry, Pollution control, Ballast water treatment and Electrochemical industries are well stabilized in the industrial segment. Our capability of making custom-built designs is an added advantage for our brand.

INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY

The Company continues to follow an effective system of internal control ensuring the accurate, reliable, and timely preparation of accounting information, securing the assets and interests of the Company with due compliance with various laws and regulations. Internal audits and checks are ongoing processes within the Company.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The Company's financial performance has improved during the financial year 2021-22. The Company is continuously putting efforts to achieve better results with effective monitoring of operational costs.

DEVELOPMENT IN HUMAN RESOURCES / INDUSTRIAL RELATIONS

The Company recognizes that Human Resources are an extremely important and critical and long-term investment. The Company's top management honours the dignity of each individual irrespective of the position and highly values the feelings and emotions of the people. Industrial relations with the Union are cordial and peaceful. The Company has made all efforts to retain competent talent with a focus on training.

PERFORMANCE REVIEW

During the financial year ended March 31, 2022, revenue from operations increased to ₹ 372.10 crores as against ₹ 305.09 crores in the preceding year. The Profit after Tax for the financial year ended March 31, 2022 is ₹ 779.85 lakhs as against ₹ 533.14 lakhs in the previous year.

KEY FINANCIAL RATIOS

Particulars	Financial Year 2021-22	Financial Year 2020-21	Change (%)
Debtors Turnover Ratio (No of days) - Based on Gross Sales	56	89	37.08
Inventory Turnover Ratio (No of days) - Based on Cost of Materials consumed including consumable and packing	97	105	7.62
Interest Coverage Ratio	3.27	2.28	43.42
Current Ratio	1.46	1.40	4.29
Debt Equity Ratio	0.69	0.84	17.86
Operating Profit Margin (%)	4.85	5.27	(7.97)
Net Profit Margin (%)	3.00	2.41	24.48
Return on Net Worth (based on average net worth) (%)	10.77	7.54	42.84

The number of days for debtors' turnover has been reduced from 89 days to 56 days due to better follow-up and collection.



The level of inventory has decreased from 105 days to 97 days due to better monitoring of inventory and improved productivity.

In view of the reduction of debtors and inventory level and improved overall performance, the interest coverage ratio is improved by 43.42%.

Due to the increased competition, the operating profit margin was lower. However, net profit margin and return on net worth have increased due to lower finance costs despite the increase in the turnover.

Place : Mumbai
Date : May 26, 2022

For and on behalf of the Board of Directors

Pradeep Goyal **Suramya Nevatia**
Chairman Managing Director & CEO

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HIND RECTIFIERS LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Hind Rectifiers Limited ("the Company"), which comprise the standalone Balance Sheet as at 31st March, 2022, the standalone Statement of Profit and Loss (including Other Comprehensive Income), the standalone Statement of Changes in Equity and the standalone statement of Cash Flows for the year then ended, and the notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information, in which are incorporated the returns for the year ended on that date audited by the auditors of the Company's branches at Nashik and Dehradun.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (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 31st March, 2022, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

3. We have conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the rules there under and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone Financial Statements.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined no such key audit matters to be communicated in our audit report.

Other Matters

5. We did not audit the financial statements/information of Nashik and Dehradun branches included in the financial statements of the Company whose financial statements / financial information reflect total assets of Rs. 7297.64 lakhs for Nashik and Rs. 1375.96 lakhs for Dehradun as at 31st March, 2022 and total revenues of Rs. 18782.32 lakhs of Nashik and Rs. 10601.51 lakhs for Dehradun for the year ended on that date, as considered in the financial statements. The financial statements/information of these branches have been audited by the branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these branches, is based solely on the report of such branch auditors.

Our opinion is not modified in respect of this matter.

Information other than the Financial Statements and Auditor's Report thereon

6. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our Auditor's Report thereon.



Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

7. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit or loss including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the IND AS specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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.
8. In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
9. That Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standard on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
11. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for explaining our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast

Hind Rectifiers Limited

significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
 13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
 14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters, We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 197(16) of the Act, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V of the Act.
2. As required by the Companies (Auditor's Report) Order, 2016 (the 'Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
3. Further to our comments in Annexure A, 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;
 - 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, the Statement of Change in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account and with the returns received from the branches not visited by us.;
 - d. in our opinion, the aforesaid standalone financial statements comply with the IND AS specified under Section 133 of the Act;
 - e. on the basis of the written representations received from the directors as at 31st March 2022 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act;
 - f. we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31st March, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report as per Annexure B expressed an unmodified opinion;
 - g. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and



according to the explanations given to us:

- i. the Company has disclosed the impact of pending litigations on its financial position in the financial statements;
- ii. the Company has made provision, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long term contracts including derivative contracts; if any;
- iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31st March, 2022;
- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The dividend declared or paid during the year by the Company is in compliance with Section 123 of the Act.

UDIN: 22116667AJQMDP4691
for **RAVI A. SHAH & ASSOCIATES**
Chartered Accountants
ICAI Firm Reg. No.: 125079W

Ravi A. Shah

Proprietor

Membership No. 116667

Place : Mumbai

Date : May 26, 2022

Hind Rectifiers Limited
ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF HIND RECTIFIERS LIMITED, ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date):

- i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
 - (B) The Company has maintained proper records showing full particulars of Intangible assets.
- (b) There is a regular program of physical verification, which in our opinion is reasonable having regard to the size of the Company and the nature of its property, plants & equipment. No material discrepancies have been noticed in respect of property, plant and equipment physically verified during the year.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties and/or lease agreements where immovable properties are taken on lease are held in the name of the Company, except:

Sr. No.	Description of Property	Gross carrying value as at 31st March, 2022	Held in name of	Whether promoter, director or their relative or employee	Period held since	Reason for not being held in name of Company (dispute if any)
1	Flat No. A-13, 11th Floor, Chatterjee International Centre, 33A, Jawaharlal Nehru Road, Kolkata – 700071.	₹ 57.84 lakhs	M/s Chatterjee Polk Private Limited	No	7th July 2010	Pending for Registration

- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory
 - (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company.
- iii) In our opinion and according to the information and explanations given to us, the company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties
- iv) In our opinion, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans, investments, guarantees and security.



- v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly the provisions of clause 3(v) of the Order are not applicable.
- vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act and in respect of Company's products and services and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii) (a) The Company is regular in depositing undisputed statutory dues including provident fund, employee's state insurance, income-tax, sales tax, goods and services tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.
- (b) The dues outstanding in respect of income-tax, sales-tax, duty of customs, duty of excise and value added tax on account of any dispute, are as follows:

Name of the Statute	Nature of Dues	Amount (in lakhs)	Amount paid/ adjusted (in lakhs)	Period to which the amount relates	Forum where dispute is pending
Central Sales Tax and Local Sales Tax	Central Sales Tax and Local Sales Tax	54.12	8.17	2008-2009 & 2016-17	Departmental Authority.

- viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.
- ix) (a) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to the bank. The company does not have dues to financial institution, government or debenture holders as at the balance sheet date.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) According to the information and explanations given to us by the management, the Company has obtained term loans from banks and Term loan taken from the banks are utilised for the purpose for which they were granted.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds have been raised on short-term basis by the Company. Accordingly, clause 3(ix)(d) of the Order is not applicable.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(e) of the Order is not applicable.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.
- x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

Hind Rectifiers Limited

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
(c) As represented by the management, there are no whistle blower complaints received by the company during the year.
- xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable IND AS.
- xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
(b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
(d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.



- (xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

UDIN: 22116667AJQMDP4691
for **RAVI A. SHAH & ASSOCIATES**
Chartered Accountants
ICAI Firm Reg. No.: 125079W

Place : Mumbai
Date : May 26, 2022

Ravi A. Shah
Proprietor
Membership No. 116667

Hind Rectifiers Limited

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF HIND RECTIFIERS LIMITED ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 3(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

1. In conjunction with our audit of the financial statements of Hind Rectifiers Limited ("the Company") as at and for the year ended 31st March, 2022, we have audited the internal financial controls over financial reporting (IFCoFR) of the Company as of that date.

Management's Responsibility for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate IFCoFR were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's IFCoFR.

Meaning of Internal Financial Controls over Financial Reporting

6. A company's IFCoFR is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's IFCoFR includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.



Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of IFCoFR, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the IFCoFR to future periods are subject to the risk that IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls over financial reporting were operating effectively as at 31st March, 2022 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

UDIN: 22116667AJQMDP4691
for **RAVI A. SHAH & ASSOCIATES**
Chartered Accountants
ICAI Firm Reg. No.: 125079W

Ravi A. Shah
Proprietor
Membership No. 116667

Place : Mumbai
Date : May 26, 2022



Hind Rectifiers Limited

BALANCE SHEET AS ON 31ST MARCH 2022

(₹ In lakhs)

Sr. No.	Particulars	Note No.	As at 31st Mar 2022	As at 31st Mar 2021
I.	ASSETS			
1	Non Current Assets			
a.	Property, Plant and Equipment	2	4,036.65	3,561.60
b.	Capital Work in Progress	3	1,768.84	869.36
c.	Intangible Assets	4	769.98	499.54
d.	Intangible Assets under Development	5	1,026.19	1,115.76
e.	Financial Assets			
i.	Investments	6	12.75	10.25
ii.	Loans	7	0.03	0.63
iii.	Others	8	94.37	102.44
f.	Deferred tax Assets (net)	9	243.31	387.58
g.	Other Non Current Assets	10	219.87	86.09
			8,171.99	6,633.25
2	Current Assets			
a.	Inventories	11	7,702.12	6,853.97
b.	Financial Assets			
i.	Trade Receivables	12	6,777.97	8,774.37
ii.	Cash and Cash equivalents	13	26.76	12.27
iii.	Other Bank Balances	14	107.45	150.16
iv.	Loans	15	0.49	0.65
v.	Others	16	515.48	814.17
c.	Current Tax Assets (Net)	17	73.49	34.38
d.	Other current Assets	18	1,182.73	768.73
			16,386.49	17,408.70
3	Assets held for Sale	19	57.84	57.84
	TOTAL ASSETS		24,616.32	24,099.79
II.	EQUITY AND LIABILITIES			
1	Equity			
a.	Equity Share Capital	20	331.27	331.27
b.	Other Equity	21	10,412.68	9,645.85
			10,743.95	9,977.12
2	Liabilities			
	Non Current Liabilities			
a.	Financial Liabilities			
i.	Borrowings	22	2,088.33	1,125.18
ia.	Lease liabilities		14.52	-
ii.	Other Financial Liabilities	23	18.25	18.25
b.	Provisions	24	526.70	532.00
			2,647.80	1,675.43
a.	Current Liabilities			
	Financial Liabilities			
i.	Borrowings	25	5,375.76	7,250.48
ia.	Lease Liabilities		20.38	-
ii.	Trade Payables			
a.	total outstanding dues of micro and small enterprises	26	60.27	173.27
b.	total outstanding dues of creditors other than micro and small enterprises	26	4,701.40	4,015.86
iii.	Other Financial Liabilities	27	576.88	571.98
b.	Other Current Liabilities	28	246.04	239.68
c.	Provisions	29	243.19	195.97
d.	Current Tax Liabilities		0.65	-
			11,224.57	12,447.24
	TOTAL EQUITY AND LIABILITIES		24,616.32	24,099.79
	Corporate Information & Significant Accounting Policies	1		

The accompanying notes are an integral part of the financial statements :

As per our report attached
For **RAVI A. SHAH & ASSOCIATES**
Chartered Accountant
Registration No. 125079W

RAVI A. SHAH
Proprietor
Membership No. 116667

Place : Mumbai
Date : May 26, 2022

For and on behalf of the Board of Directors
PRADEEP GOYAL Chairman
SURAMYA NEVATIA Managing Director & CEO
A. K. NEMANI Chief Financial Officer
MEENAKSHI ANCHLIA Company Secretary

Place : Mumbai
Date : May 26, 2022

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2022

(₹ In lakhs)

Sr. No.	Particulars	Note No.	Year Ended 31st Mar 2022	Year Ended 31st Mar 2021
1	Income			
a	Revenue from operations	30	37,210.06	30,509.71
b	Other income	31	34.38	35.74
	Total income		37,244.44	30,545.45
2	Expenses			
a	Cost of materials consumed	32	28,931.29	22,897.48
b	Purchases of stock-in-trade		-	-
c	Changes in inventories of finished goods, work-in-progress and stock-in-trade	33	(98.00)	668.67
d.	Employee benefit expense	34	3,664.40	3,274.07
e.	Finance costs	35	688.13	871.54
f.	Depreciation and amortisation expense	36	449.12	382.50
g.	Other Expenses	37	2,493.30	1,714.92
	Total expenses		36,128.24	29,809.18
3	Profit / (Loss) before exceptional items and tax		1,116.20	736.27
4	Exceptional items		-	-
5	Profit / (Loss) before tax		1,116.20	736.27
6	Tax expense			
a	Current tax		313.02	170.17
b	Deferred tax	38	23.33	32.96
7	Net Profit / (Loss) after tax		779.85	533.14
8	Other comprehensive income / (loss)			
a.	Items that will not be reclassified to profit and loss			
	(i) Actuarial Gains / (Loss) on post-employment defined benefit plan		14.18	17.56
	(ii) Tax on above		(4.13)	(4.89)
9	Total Comprehensive income for period		789.90	545.81
10	Earnings per equity share			
	Basic		4.71	3.22
	Diluted		4.68	3.22

The accompanying notes are an integral part of the financial statements

As per our report attached
For **RAVI A. SHAH & ASSOCIATES**
Chartered Accountant
Registration No. 125079W

RAVI A. SHAH
Proprietor
Membership No. 116667

Place : Mumbai
Date : May 26, 2022

For and on behalf of the Board of Directors
PRADEEP GOYAL Chairman
SURAMYA NEVATIA Managing Director & CEO
A. K. NEMANI Chief Financial Officer
MEENAKSHI ANCHLIA Company Secretary

Place : Mumbai
Date : May 26, 2022

Hind Rectifiers Limited
STATEMENT OF CHANGES IN EQUITY
A. EQUITY SHARE CAPITAL

(₹ In lakhs)

Particulars	Balance as on beginning of the year	Changes in Equity Share Capital due to prior period errors	Restated balance as on beginning of year	Changes in Equity Share Capital during the year	Balance as on end of the year (refer note 20)
Current Reporting period - As on 31st March 2022	331.27	-	331.27	-	331.27
Previous Reporting period - As on 31st March 2021	331.27	-	331.27	-	331.27

B. OTHER EQUITY
Current Reporting period

(₹ In lakhs)

Particulars	Other Equity Reserves & Surplus				Total Other Equity (refer note 21)
	Securities Premium	General Reserve	Retained Earnings	Share Based Payment Reserve	
As at 31 March 2021	1,152.01	6,543.65	1,950.19	-	9,645.85
Profit / (Loss) for the year	-	-	779.85	-	779.85
Other Comprehensive Income / (Loss)	-	-	10.05	-	10.05
Total Comprehensive Income for the Year	-	-	789.90	-	789.90
ESOP	-	-	-	43.18	43.18
Dividend	-	-	(66.25)	-	(66.25)
As at 31 March 2022	1,152.01	6,543.65	2,673.84	43.18	10,412.68

Previous Reporting period

(₹ In lakhs)

Particulars	Other Equity Reserves & Surplus				Total Other Equity (refer note 21)
	Securities Premium	General Reserve	Retained Earnings	Share Based Payment Reserve	
As at 31 March 2020	1,152.01	6,543.65	1,536.89	-	9,232.55
Profit / (Loss) for the year	-	-	533.14	-	533.14
Other Comprehensive Income / (Loss)	-	-	12.67	-	12.67
Total Comprehensive Income for the Year	-	-	545.81	-	545.81
Dividend	-	-	(132.51)	-	(132.51)
As at 31 March 2021	1,152.01	6,543.65	1,950.19	-	9,645.85

As per our report attached
For **RAVI A. SHAH & ASSOCIATES**
Chartered Accountants,
ICAI Firm Registration No. 125079W

RAVI A. SHAH

Proprietor
Membership No. 116667

Place : Mumbai
Date : May 26, 2022

For and on behalf of the Board of Directors
PRADEEP GOYAL Chairman
SURAMYA NEVATIA Managing Director & CEO
A. K. NEMANI Chief Financial Officer
MEENAKSHI ANCHLIA Company Secretary

Place : Mumbai
Date : May 26, 2022

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2022

(₹ In lakhs)

	Particulars	Year ended 31st Mar 2022	Year ended 31st Mar 2021
A.	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit / (Loss) Before Exceptional Item	1,116.20	736.27
	Add: Exceptional Items	-	-
	Net Profit / (Loss) After Exceptional Item	1,116.20	736.27
	Adjusted for		
	Depreciation & Amortization Expense	449.12	382.50
	Investment Income	(13.26)	(19.39)
	Interest Charged	688.13	871.54
	Operating Profit before Working Capital Changes	2,240.19	1,970.92
	Changes in		
	Trade & Other Receivables	1,756.38	229.73
	Inventories	(848.15)	73.01
	Trade & Other Payables	712.82	83.88
		1,621.05	386.62
	Cash Generated from Operations	3,861.24	2,357.54
	Direct Taxes Paid	(234.67)	(186.67)
	Net Cash from Operating Activities	3,626.57	2,170.87
B.	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of Property, Plant and Equipment, Capital Work in Progress, Intangible Assets and Intangible Assets under development	(2,007.42)	(1,328.48)
	Proceeds from disposal of Property, Plant and Equipment	2.90	0.77
	Proceeds of Non Current Investments	-	600.00
	Purchases of Non Current Investments	(2.50)	-
	Dividend paid	(66.25)	(132.51)
	Interest Received	12.27	22.17
	Dividend Received	0.75	-
	Net Cash used in Investing Activities	(2,060.25)	(838.05)
C.	CASH FLOW FROM FINANCING ACTIVITIES		
	Net Proceeds from Borrowings	(911.57)	(601.63)
	Interest Paid	(682.97)	(871.77)
	Net Cash used in Financing Activities	(1,594.54)	(1,473.40)
	Net Changes in Cash & Cash Equivalents (A + B + C)	(28.22)	(140.58)
	Cash & Cash Equivalents - Opening Balance	162.43	303.01
	Cash & Cash Equivalents - Closing Balance	134.21	162.43

**Hind Rectifiers Limited****CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES IN ACCORDANCE WITH IND AS 7** (₹ In lakhs)

Particulars	Year ended 31st Mar 2022	Year ended 31st Mar 2021
Opening balances		
Non Current borrowing (Refer Note 22)	1,125.18	1,509.44
Current Borrowings (Refer Note 25)	7,250.48	7,467.85
	8,375.66	8,977.29
Movements		
Non Current borrowing	963.15	(384.26)
Current Borrowings	(1,874.72)	(217.37)
	(911.57)	(601.63)
Closing balances		
Non Current borrowing (Refer Note 22)	2,088.33	1,125.18
Current Borrowings (Refer Note 25)	5,375.76	7,250.48
	7,464.09	8,375.66

As per our report attached
For **RAVI A. SHAH & ASSOCIATES**
Chartered Accountant
Registration No. 125079W

RAVI A. SHAH
Proprietor
Membership No. 116667

Place : Mumbai
Date : May 26, 2022

For and on behalf of the Board of Directors
PRADEEP GOYAL Chairman
SURAMYA NEVATIA Managing Director & CEO
A. K. NEMANI Chief Financial Officer
MEENAKSHI ANCHLIA Company Secretary

Place : Mumbai
Date : May 26, 2022



1 - OTHER NOTES ON FINANCIAL STATEMENTS AS AT, AND FOR THE YEAR ENDED 31ST MARCH 2022

1.1 Corporate Information

Hind Rectifiers Limited ('Hirect' or 'the Company') is a public Company domiciled in India and is incorporated under the provisions of the Companies Act, applicable in India. The principal place of business of the Company is located in Bhandup, Mumbai. The Company is principally engaged in developing, designing, manufacturing and marketing Power Semiconductor, Power Electronic Equipments and Railway Transportation Equipments

1.2 Significant Accounting Policies

a) Basis of Preparation of Financial Statements

i) Compliance with IND-AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

ii) Historical Cost Convention

The financial statements have been prepared on a historical cost basis, except for the following:

- 1) Assets held for sale - measured at lower of carrying amount or fair value less cost to sell.
- 2) Defined benefit plans - plan assets measured at fair value.

iii) Rounding of amounts

The financial statements are presented in INR and all values are rounded to the nearest lakhs (INR ,00,000), except when otherwise indicated.

b) Significant accounting judgements, estimates and assumptions

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known / materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

c) Current / non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle.
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when it is:

- Expected to be settled in normal operating cycle.
- Due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

Hind Rectifiers Limited

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

d) Revenue recognition

The Company derives revenues primarily from sale of manufactured goods & rendering of services.

The Company has adopted Ind AS 115, Revenue from Contract with Customers with effect from 1st April 2018.

The Company's obligation to repair and replace faulty products under standard warranty terms is recognised as a provision. Refer Note 61 of the Financial Statements.

Sale of Products

Revenue from sale of products is recognised upon satisfaction of performance obligations, i.e. at a point of time, which occurs when the control is transferred to the customer.

Customers obtain control as per the terms of the respective contracts. In determining the transaction price for sale of product, the Company considers the effects of variable consideration, if any. Invoices are issued according to contractual terms and are usually payable as per the credit period agreed with the customer.

Amounts disclosed in the revenue excludes GST.

Sale of services

Services rendered include Servicing, AMC and Erectioning and Commissioning services.

Revenue from providing services is recognised in the accounting period in which the services are rendered.

Invoices are issued according to contractual terms and are usually payable as per the credit period agreed with the customer.

Interest income

Interest income from debt instruments is recognised using the effective interest rate method.

Dividends

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established.

Export Incentives

Export incentives receivable under various schemes are accounted on accrual basis.

e) Taxes

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted, by the end of the reporting period.

Current tax items are recognised in correlation to the underlying transaction either in the Statement of Profit and Loss, other comprehensive income or directly in equity.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible



temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date.

f) Property, Plant and Equipment

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

Properties in the course of construction for production or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

The initial cost of an asset comprises its purchase price (including import duties and non-refundable taxes), any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any, and, borrowing cost for qualifying assets (i.e. assets that necessarily take a substantial period of time to get ready for their intended use)

Other property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in statement of profit or loss.

The Company depreciates its property, plant and equipment over the useful life in the manner prescribed in Schedule II of the Companies Act, 2013 and management believe that useful life of assets are same as those prescribed in Schedule II to the Act.

g) Intangible assets

Intangible assets with finite useful lives that are acquired separately or developed in-house are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives.

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The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets representing cost of software capitalised is amortised over its useful life which is estimated to be a period of five years.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses on de-recognition are determined by comparing proceeds with carrying amount. These are included in profit or loss under other expenses / other income.

h) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

Borrowing costs consist of interest and other costs incurred in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

i) Inventories

Cost of inventories have been computed to include all cost of purchases, cost of conversion and other costs incurred in bringing the inventories to their present location and conditions.

- i) Raw material is valued at cost or net realisable value whichever is lower. Cost is calculated by applying the weighted average method.
- ii) Work in progress, Finished Goods and Stock-in-Trade are valued at cost or net realisable value whichever is lower.
- iii) Scrap is valued at estimated selling price.
- iv) Stores and Spares are valued at lower of cost or net realisable value. Tools and Instruments are valued at book value.

j) Provisions and contingent liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

When the possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision is made.

k) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits.

l) Employee Benefits

i) Short Term Employee Benefits

All employee benefits payable within twelve months of rendering the service are recognised in the period in which the employee renders the related service.

ii) Post Employment / Retirement Benefits

Defined Contribution plan

- Provident Fund is a defined contribution scheme established under State Plan. The contributions to the scheme are charged to Profit & Loss Account in the year when the contributions to the funds are due.
- Superannuation Fund is a defined contribution scheme and contribution to the scheme are charged to the Profit & Loss Account in the year when contributions are made in respect of employees covered under the scheme. The scheme is funded with Life Insurance Corporation of India.

Defined Benefit plan

- The present value of the obligation under defined benefit retirement (gratuity) plan, is determined based on an actuarial valuation by an independent actuary at the end of each year. In the case of gratuity, which is funded, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on net basis.
- The liability in respect of employees is provided and contributed to Life Insurance Corporation of India under Group Gratuity (Cash Accumulation) Scheme except;
 - a) In case of Managing Director and CEO and Executive Director, Gratuity liability, is provided in accordance with the terms of appointment.
 - b) In case of Nashik and Dehradun Division it is provided on the basis of actuarial valuation.
 - c) Employees working in Sweden office are not covered under this scheme as they are covered by the social security tax scheme as per Sweden laws.

Remeasurement of net defined benefit liability, which comprises actuarial gains and losses and the return on plan assets (excluding interest) and the effect of the asset ceiling (if any excluding interest), are recognized immediately in other comprehensive income.

iii) Other Long Term Employee Benefits

The Company has other long term employee benefits in the form of Leave Encashment. The liability in respect of Leave Encashment is provided for on the basis of actuarial valuation made at the end of the financial year. The aforesaid Leave Encashment is not funded.

Actuarial gains / losses are recognised immediately to the Statement of Profit and Loss account.

iv) Termination Benefits

Compensation to employees who have opted for retirement under the Voluntary Retirement Scheme and termination of services of the employees by the Company is charged to the Statement of Profit and Loss account in the year on actual basis.

m) Research and Development

Research and Development expenditure of revenue nature is charged to revenue and capital expenditure is treated as fixed assets.

Expenses incurred till the research phase are charged in the statement of profit and loss whereas the expenses for the development phase are capitalised as Intangible assets on completion of certain conditions.

n) Foreign currencies

- i) Transaction denominated in foreign currency are recorded at the rate of exchange prevailing at the time of transaction.
- ii) Current Liabilities / Assets not covered by forward contract are stated at the rates ruling at the year end and any exchange difference arising on such transaction is dealt with in the Statement of Profit and Loss.

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- iii) Transactions completed during the year are adjusted at the prevailing rates.
- iv) The financial statements are presented in Indian Rupee (INR), which is company's functional currency.

o) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

p) Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

Non-current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal company classified as held for sale continue to be recognised.

q) Cash Flows

Cash flows are reported using the indirect method, where by net profit before tax is adjusted for the effects of transactions of a noncash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

r) Provision for Warranty

The Company typically provides warranties for general repairs of defects that existed at the time of sale, as required by law. These assurance-type warranties are accounted for under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets. In certain contracts, the Company provides warranty for an extended period of time and includes rectification of defects that existed at the time of sale and are normally bundled together with the main contract. Such bundled contracts include two performance obligations because the promises to transfer the goods and services and the provision of service-type warranty are capable of being distinct. Using the relative stand-alone selling price method, a portion of the transaction price is allocated to the service-type warranty and recognised as a liability. Revenue is recognised over the period in which the service-type warranty is provided on a basis appropriate to the nature of the contract and services to be rendered.

Provisions for warranty-related costs are recognised annually.

Note 2 - PROPERTY, PLANT AND EQUIPMENT

(₹ In lakhs)

Details Of Assets	Land		Road	Leasehold Building	Buildings	Plant & Machinery	Furniture & Fixture	Vehicles	Computers	Total
	Freehold	Leashold								
Gross Carrying Amount										
Deemed Cost As At 1st April, 2020	124.31	21.01	44.40	-	1,230.32	2,280.60	313.69	224.00	160.44	4,398.77
Additions	-	375.45	-	-	7.15	563.88	7.28	-	17.24	971.00
Disposals	-	-	-	-	-	-	11.53	2.22	-	13.75
Reclassification As Held For Sale	-	-	-	-	-	-	-	-	-	-
Balance As At 31st March, 2021	124.31	396.46	44.40	-	1,237.47	2,844.48	309.44	221.78	177.68	5,356.02
Additions	-	-	-	55.38	-	643.75	7.74	46.84	21.04	774.75
Disposals	-	-	-	-	-	15.09	-	12.06	12.08	39.23
Reclassification As Held For Sale	-	-	-	-	-	-	-	-	-	-
Balance As At 31st March, 2022	124.31	396.46	44.40	55.38	1,237.47	3,473.14	317.18	256.56	186.64	6,091.54
Accumulated Depreciation										
Balance As At 31st March, 2020	-	9.13	42.17	-	275.90	769.25	252.28	107.68	103.36	1,559.77
Additions	-	2.98	-	-	32.74	153.55	9.82	20.60	27.19	246.88
Disposals	-	-	-	-	-	-	10.12	2.11	-	12.23
Reclassification As Held For Sale	-	-	-	-	-	-	-	-	-	-
Balance As At 31st March, 2021	-	12.11	42.17	-	308.64	922.80	251.98	126.17	130.55	1,794.42
Additions	-	4.17	-	21.61	34.05	177.13	10.02	20.34	27.57	294.89
Disposals	-	-	-	-	-	11.47	-	11.45	11.50	34.42
Reclassification As Held For Sale	-	-	-	-	-	-	-	-	-	-
Balance As At 31st March, 2022	-	16.28	42.17	21.61	342.69	1,088.46	262.00	135.06	146.62	2,054.89
Net Carrying Amount										
Bal. As At 1st April, 2020	124.31	11.88	2.23	-	954.42	1,511.35	61.41	116.32	57.08	2,839.00
Bal. As At 1st April, 2021	124.31	384.35	2.23	-	928.83	1,921.68	57.46	95.61	47.13	3,561.60
Bal. As At 1st April, 2022	124.31	380.18	2.23	33.77	894.78	2,384.68	55.18	121.50	40.02	4,036.65

Note :

1. Borrowing costs of ₹ 28.82 lakhs have been capitalised for the year ended 31st March 2022 (Previous Year ₹ 34.28 lakhs)
2. The details of property, plant and equipment which have been kept as security are disclosed in Note No. 22 and 25 of the Financial Statements.

Hind Rectifiers Limited
Note 3 - CAPITAL WORK IN PROGRESS

(₹ In lakhs)

Details Of Assets	Capital Work In Progress Others	TOTAL
Gross Carrying Amount		
Deemed Cost As At 1st April, 2020	912.34	912.34
Additions	381.96	381.96
Transferred From Intangible Assets Under Development	16.59	16.59
Disposal / capitalised During The Year	441.53	441.53
Reclassification As Held For Sale	-	-
Balance As At 31st March, 2021	869.36	869.36
Additions	1,436.96	1,436.96
Disposals / Capitalised	537.48	537.48
Reclassification As Held For Sale	-	-
Balance As At 31st March, 2022	1,768.84	1,768.84
Net Carrying Amount		
Balance As At 1st April, 2020	912.34	912.34
Balance As At 1st April, 2021	869.36	869.36
Balance As At 1st April, 2022	1,768.84	1,768.84

Note:

- Borrowing Costs Capitalised To Capital Work In Progress Is As Follows:

(₹ In lakhs)

As on 31st March 2022	106.15
As on 31st March 2021	70.90

During the year ended 31st March, 2022, ₹ 28.82 lakhs of borrowing costs are transferred from Capital Work in Progress to Property, Plant & Equipment.

- The details of property, plant and equipment which have been kept as security are disclosed in Note No. 22 and 25 of the financial statements.

Note 4 - INTANGIBLE ASSETS

(₹ In lakhs)

Details Of Assets	Technical Knowhow	Computer Software	Product Development	Total
Gross Carrying Amount				
Deemed Cost As At 1st April, 2020	596.76	205.80	504.49	1,307.05
Additions	55.00	8.20	107.20	170.40
Disposals	-	-	-	-
Reclassification As Held For Sale	-	-	-	-
Balance As At 31st March, 2021	651.76	214.00	611.69	1,477.45
Additions	-	32.40	392.27	424.67
Disposals	-	-	-	-
Reclassification As Held For Sale	-	-	-	-
Balance As At 31st March, 2022	651.76	246.40	1,003.96	1,902.12
Accumulated Depreciation				
Balance As At 31st March, 2020	498.66	95.51	248.12	842.30
Additions	39.53	28.53	67.56	135.62
Disposals	-	-	-	-
Reclassification As Held For Sale	-	-	-	-
Balance As At 31st March, 2021	538.19	124.04	315.68	977.92
Additions	38.62	32.46	83.15	154.23
Disposals	-	-	-	-
Reclassification As Held For Sale	-	-	-	-
Balance As At 31st March, 2022	576.81	156.50	398.83	1,132.14
Net Carrying Amount				
Balance As At 1st April, 2020	98.10	110.29	256.37	464.76
Balance As At 1st April, 2021	113.57	89.96	296.01	499.54
Balance As At 1st April, 2022	74.95	89.90	605.13	769.98

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Note 5 - INTANGIBLE ASSETS UNDER DEVELOPMENT

(₹ In lakhs)

Details Of Assets	Technical Knowhow	Computer Software	Product Development	Total
Gross Carrying Amount				
Deemed Cost As At 1st April, 2020	179.52	-	705.65	885.17
Additions	9.15	-	404.80	413.95
Transferred To Capital Work In Progress	-	-	-	-
Capitalised During The Year	55.00	-	128.36	183.36
Reclassification As Held For Sale	-	-	-	-
Balance As At 31st March, 2021	133.67	-	982.09	1,115.76
Additions	9.30	1.70	349.49	360.49
Disposals / Capitalised	12.81	-	437.25	450.06
Reclassification As Held For Sale	-	-	-	-
Balance As At 31st March, 2022	130.16	1.70	894.33	1,026.19
Net Carrying Amount				
Balance As At 1st April, 2020	179.52	-	705.65	885.17
Balance As At 1st April, 2021	133.67	-	982.09	1,115.76
Balance As At 1st April, 2022	130.16	1.70	894.33	1,026.19

Note 6 - NON-CURRENT INVESTMENTS

(₹ In lakhs)

Particulars	As at 31st Mar 2022	As at 31st Mar 2021
Investments carried at Fair value		
Fully paid equity shares (unquoted)*		
Apna Sahakari Bank Ltd.	7.50	5.00
TJSB Sahakari Bank Ltd.	5.00	5.00
Saraswat Co operative Bank Ltd.	0.25	0.25
TOTAL	12.75	10.25

Note : *Since the Investments consists of Shares taken for loan, the fair value of investments is equal to the cost of the investments.

Note 7 - LOANS - NON CURRENT

(₹ In lakhs)

Particulars	As at 31st Mar 2022	As at 31st Mar 2021
Financial Assets valued at Amortised Cost		
Unsecured, Considered Good		
Staff Loans	0.03	0.63
TOTAL	0.03	0.63

Note : No Loan is due from directors or other officers of the Company either severally or jointly with any other person. Nor any loan are due from firms or private companies respectively in which any director is a partner and a director or member.

Note 8 - OTHER NON CURRENT FINANCIAL ASSETS

(₹ In lakhs)

Particulars	As at 31st Mar 2022	As at 31st Mar 2021
Financial Assets valued at Amortised Cost		
Unsecured, Considered Good		
Security Deposits Given to Government & Other Bodies	87.34	57.14
Retention Money	2.59	17.56
Fixed Deposits with Banks (EMD)	-	2.02
Earnest Money Deposits	4.44	25.72
TOTAL	94.37	102.44

Note 9 - DEFERRED TAX ASSET (NET)

(₹ In lakhs)

Particulars	As at 31st Mar 2022	As at 31st Mar 2021
Deferred Tax Assets		
Disallowance under the Income Tax Act, 1961	307.50	273.25
Deferred Tax Liability		
Related to Property, Plant & Equipment and Intangible Assets	341.68	271.46
MAT Credit Entitlement	277.49	385.79
TOTAL	243.31	387.58

Note 10 - OTHER NON-CURRENT ASSETS

(₹ In lakhs)

Particulars	As at 31st Mar 2022	As at 31st Mar 2021
Capital Advances	311.44	150.34
Less: Provision for doubtful advances	(95.70)	(68.97)
Rental Security deposits	4.13	4.72
TOTAL	219.87	86.09

**Hind Rectifiers Limited****Note 11 - INVENTORIES**

(₹ In lakhs)

Particulars	As at 31st Mar 2022	As at 31st Mar 2021
Raw Materials and components (Including Packing material)	4,791.46	4,032.71
Work-in-progress	2,607.69	2,430.42
Finished goods	153.38	267.27
Stores and Spares	35.41	38.03
Loose Tools and Instruments	86.66	79.38
Stock of Scrap	27.52	6.16
TOTAL	7,702.12	6,853.97

Note:

- Refer Note 1 on Financial Statements for Accounting Policy of Inventory Valuation.
- Refer Note 22 & 25 of Financial Statements for Inventories on hypothecation as security.
- Inventory write downs are accounted, considering the nature of inventory, ageing, and net realisable value. Write-downs of inventories amounted to Rs. 196.61 lakhs as at 31st March, 2022 (as at 31st March, 2021 112.80 lakhs). These write-downs were recognised as an expense and included in 'Cost of materials consumed' and 'changes in inventories of finished goods, work-in-progress and stock-in-trade' in the Statement of Profit and Loss.

Note 12 - TRADE RECEIVABLES

(₹ In lakhs)

Particulars	As at 31st Mar 2022	As at 31st Mar 2021
Trade Receivables considered good - Secured	5.12	6.30
Trade Receivables considered good - Unsecured	6,479.22	8,504.00
Trade Receivables which have significant increase in Credit Risk	852.23	807.20
Trade Receivables - Credit Impaired	-	-
Less : Allowance for Expected Credit Loss	(558.60)	(543.13)
TOTAL	6,777.97	8,774.37

Note:

No Trade Receivable is due from directors or other officers of the Company either severally or jointly with any other person.

Trade Receivable due from firms or private companies in which any director is a partner or a director or a member is Rs. 458.75 lakhs as on 31st March 2022 (Nil as on 31st March 2021)

Trade Receivables are non interest bearing and are generally on terms of 30 to 120 days of credit period, except retention money which is due after certain period / event.

Trade Receivables ageing schedule - Mar 2022

(₹ In lakhs)

Particulars	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months - 1 year	1- 2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	3,406.43	2,686.82	381.59	9.50	-	-	6,484.34
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	40.37	207.13	203.91	85.81	537.22
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	40.41	29.86	178.59	66.15	315.01
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Less : Allowance for Expected Credit Loss	-	-	(44.45)	(81.64)	(280.55)	(151.96)	(558.60)
TOTAL	3,406.43	2,686.82	417.92	164.85	101.95	-	6,777.97

Trade Receivables ageing schedule - Mar 2021

(₹ In lakhs)

Particulars	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months - 1 year	1- 2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	4,992.44	2,710.38	755.47	27.33	3.30	21.38	8,510.30
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	94.75	188.49	74.86	89.52	447.62
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	81.33	220.36	12.06	45.83	359.58
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Less : Allowance for Expected Credit Loss	-	-	(90.81)	(267.48)	(49.49)	(135.35)	(543.13)
TOTAL	4,992.44	2,710.38	840.74	168.70	40.73	21.38	8,774.37

**Hind Rectifiers Limited****Note 13 - CASH AND CASH EQUIVALENTS**

(₹ In lakhs)

Particulars	As at 31st Mar 2022	As at 31st Mar 2021
a. Balances with banks		
In Current Account	25.37	11.81
b. Cash on hand	1.39	0.46
TOTAL	26.76	12.27

Note 14 - OTHER BANK BALANCES

(₹ In lakhs)

Particulars	As at 31st Mar 2022	As at 31st Mar 2021
a. Balances with banks		
In Unclaimed Dividend Account	26.32	26.46
In Margin Account	76.82	121.40
b. Fixed Deposits (Earnest Money Deposits)	4.31	2.30
TOTAL	107.45	150.16

Note 15 - OTHER CURRENT LOANS

(₹ In lakhs)

Particulars	As at 31st Mar 2022	As at 31st Mar 2021
Financial Assets valued at Amortised Cost		
Unsecured, Considered Good		
Staff Loans	0.49	0.65
TOTAL	0.49	0.65

Note:

No Loan is due from directors or other officers of the Company either severally or jointly with any other person. Nor any loan are due from firms or private companies respectively in which any director is a partner and a director or member.

Note 16 - OTHER CURRENT FINANCIAL ASSETS

(₹ In lakhs)

Particulars	As at 31st Mar 2022	As at 31st Mar 2021
Financial Assets carried at Amortised Cost		
Earnest Money Deposits	172.45	320.19
Retention Money	349.91	507.84
Interest Income accrued but not due	7.64	7.40
Less: Provision for Doubtful Amounts	(14.52)	(21.26)
TOTAL	515.48	814.17

Note 17 - CURRENT TAX ASSET (NET)

(₹ In lakhs)

Particulars	As at 31st Mar 2022	As at 31st Mar 2021
Taxes Paid in Advance/ deducted at Source (Net of Provision for Tax)	73.49	34.38
TOTAL	73.49	34.38

Note 18 - OTHER CURRENT ASSETS

(₹ In lakhs)

Particulars	As at 31st Mar 2022	As at 31st Mar 2021
Balance with GST, Customs and Port Trust etc.	331.43	132.78
Claims Receivable	69.40	-
Advance to Suppliers	401.24	288.09
Advance to Staff	1.11	0.94
Advance to Others	103.16	72.16
Unbilled Service Revenue	378.83	383.83
Less : Provision for Doubtful Amounts	(102.44)	(109.07)
TOTAL	1,182.73	768.73

Note 19 - ASSETS HELD FOR SALE

(₹ In lakhs)

Particulars	Office Building Kolkata	Total
Balance as at 31st March, 2020	57.84	57.84
Add: Transferred from Property, Plant & Equipment	-	-
Less: Sold during the year	-	-
Balance as at 31st March, 2021	57.84	57.84
Add: Transferred from Property, Plant & Equipment	-	-
Less: Sold during the year	-	-
Balance as at 31st March, 2022	57.84	57.84

Note:

The sale of Office Building of Kolkata could not be carried out in the financial year ended 31st March 2022. Also, depreciation has not been charged since it is held for sale.

**Hind Rectifiers Limited****Note 20 - EQUITY SHARE CAPITAL**

(₹ In lakhs)

Particulars	As at 31st Mar 2022	As at 31st Mar 2021
Authorised Capital		
5,00,00,000 Equity Shares of ₹ 2/- each	1,000.00	1,000.00
Issued Capital		
1,65,63,723 Equity Shares of ₹ 2/- each	331.27	331.27
TOTAL	331.27	331.27
Subscribed and Paid up Capital		
1,65,63,723 Equity Shares of ₹ 2/- each	331.27	331.27
TOTAL	331.27	331.27

a. The details of shareholders holding more than 5% shares

Name of Shareholder	As at 31st March 2022		As at 31st March 2021	
	No of shares	% held	No of shares	% held
Shri. Suramya Nevatia	20,24,768	12.22	20,24,768	12.22
Shri. Saurabh Nevatia	36,08,438	21.79	36,08,438	21.79
BTR Industries Limited	24,00,000	14.49	24,00,000	14.49

b. Reconciliation of number of shares

Particulars	As at 31st March 2022		As at 31st March 2021	
	No of shares	₹ In lakhs	No of shares	₹ In lakhs
Equity Shares at the beginning of the year	1,65,63,723	331.27	1,65,63,723	331.27
Add: Shares Issued during the year	-	-	-	-
Less: Shares bought back during the year	-	-	-	-
Equity Shares at the end of the year	1,65,63,723	331.27	1,65,63,723	331.27



c. Shareholding of Promoters

Name of Promoter	As at Mar 31, 2022			As at Mar 31, 2021		
	No of shares	% of total shares	% change during the year	No of shares	% of total shares	% change during the year
Saurabh Nevatia	36,08,438	21.79	-	36,08,438	21.79	4.59
Suramya Saurabh Nevatia	20,24,768	12.22	-	20,24,768	12.22	0.41
Suryansh Saurabh Nevatia	4,72,000	2.85	-	4,72,000	2.85	-
Shriya Saurabh Nevatia	3,55,200	2.14	-	3,55,200	2.14	-
Bharti Nevatia	2,71,100	1.64	-	2,71,100	1.64	-
Surabhi Golyan	2,50,000	1.51	-	2,50,000	1.51	-
Saurabh Nevatia HUF	11,500	0.07	-	11,500	0.07	-
Akshada S Nevatia	5,850	0.04	-	5,850	0.04	-
S. K. Nevatia HUF	-	-	-	-	-	-
Adiv Nevatia	-	-	-	-	-	-
Elventive Tech Private Limited	-	-	-	-	-	-
TOTAL	69,98,856	42.26	-	69,98,856	42.26	5.00

Note:

1. The Company has only one class of equity share. Each shareholder is eligible for one vote per share. The dividend proposed by the Board is subject to the approval of shareholders except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts in proportion to their shareholding.
2. The Company has not issued any equity shares as bonus or for consideration other than cash and has not bought back any shares during the period of five years immediately preceding 31st March, 2022.

**Hind Rectifiers Limited****Note 21 - OTHER EQUITY**

(₹ In lakhs)

Particulars	As at 31st Mar 2022	As at 31st Mar 2021
General Reserve		
Opening Balance	6,543.65	6,543.65
Add: Transferred from Retained earnings	-	-
Closing Balance	6,543.65	6,543.65
Note : General Reserve is used from time to time to transfer profits from Retained earnings for appropriation purpose. This reserve will be utilised in accordance with the provisions of the Companies Act, 2013.		
Securities Premium		
Closing Balance	1,152.01	1,152.01
Note : Securities Premium is used to record the excess of the amount received over the face value of the shares. This reserve will be utilised in accordance with the provisions of the Companies Act, 2013.		
Share based payment reserve	43.18	-
Retained Earnings		
Opening balance	1,950.19	1,536.89
Add: Profit for the period	789.90	545.81
Less: Transferred to General Reserve	-	-
Less: Dividend	(66.25)	(132.51)
Closing Balance	2,673.84	1,950.19
Note : Retained Earnings represents the statement of Profit and Loss of the company. This reserve will be utilised in accordance with the provisions of the Companies Act, 2013.		
TOTAL	10,412.68	9,645.85
Proposed Dividend on equity Shares		
Final cash dividend for the year ended 31st March, 2022 is ₹ 0.40 per equity share (31st March 2021 ₹ 0.40 per equity share)	66.25	66.25
	66.25	66.25

Note: Proposed dividend on equity shares are subject to approval at the annual general meeting and are not recognised as a liability as at 31st March 2022.

Note 22 - NON CURRENT BORROWINGS

(₹ In lakhs)

Particulars	As at 31st Mar 2022	As at 31st Mar 2021
Financial Liabilities valued at amortised cost		
SECURED		
Term Loans		
From Banks		
i. Mortgage Loan from Apna Sahakari Bank Ltd (Sanctioned and Disbursed amount of ₹ 500 lakhs. Repayable in 60 monthly instalments started from July, 2017.)	-	80.06
ii. Mortgage Loan from Apna Sahakari Bank Ltd (Sanctioned and Disbursed amount of ₹ 250 lakhs. Repayable in 72 monthly instalments started from August, 2017.)	35.13	87.65
iii. Mortgage Loan from Apna Sahakari Bank Ltd (Sanctioned and Disbursed amount of ₹ 400 lakhs. Repayable in 60 monthly instalments started from August, 2018.)	66.23	159.89
iv. Term Loan from Apna Sahakari Bank Ltd (Sanctioned and Disbursed amount of ₹ 450 lakhs. Repayable in 72 monthly instalments started from Jun, 2017.)	-	59.43
v. Term Loan from Apna Sahakari Bank Ltd (Sanctioned and Disbursed amount of ₹ 250 lakhs. Repayable in 72 monthly instalments started from Feb, 2018.)	35.99	91.86
vi. Term Loan from Apna Sahakari Bank Ltd (Sanctioned and Disbursed amount of ₹ 475 lakhs. Repayable in 60 monthly instalments started from Feb, 2019.)	109.49	217.58
vii. Term Loan from ICICI Bank Ltd (Sanctioned Amount is ₹ 500 lakhs and Disbursed Amount is ₹ 361.36 lakhs till 31st March, 2022. Repayable in 60 monthly instalments starting from Nov, 2018.)	148.48	219.01
viii. Term Loan from TJSB Sahakari Bank Ltd (Sanctioned amount is ₹ 350 lakhs and Disbursed Amount is ₹ 307.40 lakhs upto 31st March 2022. Repayable in 60 monthly instalments and moratorium of 6 months starting from Feb, 2019.)	143.16	196.70
ix. Term Loan from IDFC Bank (Sanctioned amount of ₹ 600 lakhs and disbursed amount till 31st March 2022 is ₹ 377.42 lakhs. Repayable in 16 equal quarterly instalments starting from Sep 22.)	348.58	-
x. Term Loan from Saraswat Co-op Bank Ltd (Sanctioned amount of ₹ 350 lakhs and disbursed amount till 31st March 2022 is ₹ 296.04 lakhs. Repayable in 60 quarterly instalments and moratorium of 6 months starting from Aug 22.)	233.86	-
xi. Term Loan from Saraswat Co-op Bank Ltd (Sanctioned amount of ₹ 750 lakhs and disbursed amount till 31st March 2022 is ₹ 566.16 lakhs. Repayable in 60 quarterly instalments and moratorium of 6 months starting from Oct 22.)	566.16	-
xii. Term Loan from Apna Sahakari Bank Ltd (Sanctioned amount of ₹ 150 lakhs and disbursed amount till 31st March 2022 is ₹ 115.86 lakhs. Repayable in 60 quarterly instalments starting from Aug 22.)	103.67	-

Hind Rectifiers Limited
Note 22 - NON CURRENT BORROWINGS

(₹ In lakhs)

Particulars	As at 31st Mar 2022	As at 31st Mar 2021
xiii. Term Loan from Apna Sahakari Bank Ltd (Sanctioned amount of ₹ 350 Lakhs and disbursed amount till 31st March 2022 is ₹ 296.04 lakhs. Repayable in 16 quarterly instalments starting from Oct 22.)	272.86	-
xiv. Vehicle Loan from TJSB Sahakari Bank Ltd (Loan of ₹ 9.85 Lakhs. Repayable in 36 monthly instalments starting from Dec, 2018.)	-	0.39
xv. Vehicle Loan from TJSB Sahakari Bank Ltd (Loan of ₹ 34.16 Lakhs. Repayable in 36 monthly instalments starting from Sep, 2019.)	-	12.26
xvi. Vehicle Loan from TJSB Sahakari Bank Ltd (Loan of ₹ 8.71 Lakhs. Repayable in 36 monthly instalments starting from Dec, 2018.)	-	0.35
xvii. Vehicle Loan from HDFC Bank Ltd (Loan of ₹ 22.68 Lakhs. Repayable in 36 monthly instalments starting from Aug, 2021.)	11.73	-
xviii. Vehicle Loan from HDFC Bank Ltd (Loan of ₹ 16.72 Lakhs. Repayable in 36 monthly instalments starting from April 22.)	12.99	-
From Others	-	-
UNSECURED	-	-
TOTAL	2,088.33	1,125.18

Notes:

a. Details of Security:

1. Loans covered in (i), (ii) and (iii) above
Secured by way of mortgage of land and building situated at Plot No. 110 & 111, Satpur MIDC, Nashik.
2. Loans covered in (iv), (v) and (vi) above
Secured by way of hypothecation of plant and machinery, equipments, computers, furniture and fixtures installed at Nashik Satpur factory and mortgage of land & building situated at Plot No. 110 & 111, Satpur MIDC, Nashik.
3. Loans covered in (vii), (viii) and (ix) above
Secured by way of first pari passu charge on all the moveable properties including plant and machinery, machinery spares, tools and accessories and other movables situated at Bhandup, Mumbai and also hypothecation of stocks and book debts of the company and mortgage of the land and building situated at Bhandup, Mumbai.
4. Loan covered in (x) and (xii) above
Secured by way of hypothecation of plant and machinery and other fixed assets installed at Sinnar plant and collateral security of Satpur land and building and other fixed assets consisting of plant and machinery, furniture and fixtures, etc. at Satpur and Sinnar plant.
5. Loan covered in (xi) and (xiii) above
Secured by way of mortgage of land and building situated at Plot No. A-84, Near Jindal Saw Ltd, Pune Road, MIDC Sinnar Malegaon, Nashik and collateral security of Satpur land and building and other fixed assets consisting of plant and machinery, furniture and fixtures, etc. at Satpur and Sinnar plant.
6. Loan Covered in (xiv) above
Secured by hypothecation of Motor Car No. MH-03-DA-5903.
7. Loan Covered in (xv) above
Secured by hypothecation of Motor Car No. MH-03-DG-4070.
8. Loan Covered in (xvi) above
Secured by hypothecation of Motor Car No. UK-07-DK-3152.
9. Loan Covered in (xvii) above
Secured by hypothecation of Motor Car No. MH-03-DU-2034.
- 10.. Loan Covered in (xviii) above
Secured by hypothecation of Motor Car No. MH-15-HU-2309.

- b. In view of the Covid 19 Regulatory Package announced by the Reserve Bank of India, the Company had opted for 'Extension of Repayment' scheme in FY 2020-21 and accordingly, the principal repayment will be extended by five months for Loans covered in (i) to (viii) and Loans covered in (xiv) to (xvi).

Note 23 - OTHER NON CURRENT FINANCIAL LIABILITIES

(₹ In lakhs)

Particulars	As at 31st Mar 2022	As at 31st Mar 2021
Financial Liabilities valued at amortised cost		
Dealership Deposit	18.25	18.25
TOTAL	18.25	18.25

Note 24 - NON CURRENT PROVISIONS

(₹ In lakhs)

Particulars	As at 31st Mar 2022	As at 31st Mar 2021
Provision for Employee Benefits		
Provision for Gratuity (Refer Note 56)	165.73	152.34
Provision for Leave encashment	62.64	58.20
Provision for Warranty (Refer Note 61)	298.33	321.46
TOTAL	526.70	532.00

Note 25 - CURRENT BORROWINGS

(₹ In lakhs)

Particulars	As at 31st Mar 2022	As at 31st Mar 2021
Financial Liabilities valued at amortised cost		
SECURED		
a) Loan from Banks		
i) Cash Credit	4,500.43	6,307.34
ii) Overdraft (for EMD)	89.26	272.18
b) Current maturities of long term debt	786.07	670.96
TOTAL	5,375.76	7,250.48

Note:

- Cash credit secured by first charge against all movable and immovable assets both present and future situated at Bhandup, Mumbai and also by hypothecation of stocks and book debts of the Company ranking pari- passu in favour of ICICI Bank Ltd, Standard Chartered Bank, TJSB Sahakari Bank Ltd and IDFC First Bank Limited.
- Overdraft secured by first charge against all movable and immovable assets both present and future situated at Bhandup, Mumbai and also by hypothecation of stocks and book debts of the Company and also tender deposits/ earnest money deposits paid by the company ranking pari- passu in favour of Standard Chartered Bank and TJSB Sahakari Bank Ltd.
- Current maturities of long term debt includes the amounts repayable within a period of one year in respect of Non Current Borrowings from (i) to (xviii) in Note 22 of the Financial Statements.

Hind Rectifiers Limited
Note 26 - TRADE PAYABLES

(₹ In lakhs)

Particulars	As at 31st Mar 2022	As at 31st Mar 2021
Total outstanding dues of micro enterprises and small enterprises	60.27	173.27
Total outstanding dues of creditors other than micro and small enterprises	4,701.40	4,015.86
TOTAL	4,761.67	4,189.13

Note: Also refer Note 45 of Financial Statements

Trade Payables ageing schedule - Mar 2022

(₹ In lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1- 2 years	2 - 3 years	More than 3 years	Total
(i) MSME	60.27	-	-	-	-	60.27
(ii) Others	2,408.79	2,210.42	20.74	59.70	1.75	4,701.40
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-
TOTAL	2,469.06	2,210.42	20.74	59.70	1.75	4,761.67

Trade Payables ageing schedule - Mar 2021

(₹ In lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1- 2 years	2 - 3 years	More than 3 years	Total
(i) MSME	173.27	-	-	-	-	173.27
(ii) Others	2,053.03	1,908.60	31.82	7.82	14.59	4,015.86
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-
TOTAL	2,226.30	1,908.60	31.82	7.82	14.59	4,189.13

Note 27 - OTHER CURRENT FINANCIAL LIABILITIES

(₹ In lakhs)

Particulars	As at 31st Mar 2022	As at 31st Mar 2021
Financial Liabilities valued at amortised cost		
Interest Accrued But not Due	16.29	11.13
Unclaimed Dividend	25.96	26.10
Sundry Creditors for Capital Goods	69.49	55.68
Provision for Bonus	60.15	35.32
Other payables	404.99	443.75
TOTAL	576.88	571.98

Note 28 - OTHER CURRENT LIABILITIES

(₹ In lakhs)

Particulars	As at 31st Mar 2022	As at 31st Mar 2021
Advances		
Advance from Customers	154.53	118.43
Others		
Statutory Liabilities	91.51	121.25
TOTAL	246.04	239.68

Note 29 - CURRENT PROVISIONS

(₹ In lakhs)

Particulars	As at 31st Mar 2022	As at 31st Mar 2021
Provision for Employee Benefits		
Provision for Gratuity (Refer Note 56)	35.87	37.63
Provision for Leave encashment	12.80	17.28
Provision for Warranty (Refer Note 61)	194.52	141.06
TOTAL	243.19	195.97

Note 30 - REVENUE FROM OPERATIONS

(₹ In lakhs)

Particulars	As at 31st Mar 2022	As at 31st Mar 2021
Sale of Products	35,344.93	28,969.48
Sale of Services	1,857.10	1,527.34
<u>Other Operating Income</u>		
Export Incentives	8.03	12.89
TOTAL	37,210.06	30,509.71

Note 31 - OTHER INCOME

(₹ In lakhs)

Particulars	As at 31st Mar 2022	As at 31st Mar 2021
Interest Income	12.51	19.39
Dividend Income	0.75	-
<u>Other Non Operating Income</u>		
Exchange Rate Fluctuation	7.89	-
Credit Balance Written Back	10.93	16.13
Profit on sale of assets	2.30	0.22
TOTAL	34.38	35.74

**Hind Rectifiers Limited****Note 32 - COST OF MATERIALS CONSUMED**

(₹ In lakhs)

Particulars	As at 31st Mar 2022	As at 31st Mar 2021
Opening Stock of Raw Materials	4,025.50	3,425.10
Add: Purchases of Raw Materials	28,346.70	22,429.13
Add: Conversion and Processing Charges	1,369.71	1,083.23
Less: Transferred to/from CWIP & others from Opening stock of Raw Materials	(25.17)	(14.48)
Total	33,716.74	26,922.98
Less: Closing Stock of Raw Materials	4,785.45	4,025.50
TOTAL	28,931.29	22,897.48

Note 33 - CHANGES IN INVENTORY OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE (₹ In lakhs)

Particulars	As at 31st Mar 2022	As at 31st Mar 2021
Opening Inventory		
Finished Goods	267.27	1,057.67
Work-In-Progress	2,430.42	2,343.66
Stock-In-Trade	-	-
	2,697.69	3,401.33
Closing Inventory		
Finished Goods	153.38	267.27
Work-In-Progress	2,607.69	2,430.42
Stock-In-Trade	-	-
	2,761.07	2,697.69
Add / (Less) Trfd to CWIP	(34.62)	(34.97)
TOTAL	(98.00)	668.67

**Note 34 - EMPLOYEE BENEFITS EXPENSE**

(₹ In lakhs)

Particulars	As at 31st Mar 2022	As at 31st Mar 2021
Salaries, Wages, Bonus, Gratuity etc.	3,387.02	3,003.94
Contribution to Provident Fund, Superannuation, Employees State Insurance Scheme	142.73	115.78
Staff Welfare Expenses	134.65	154.35
TOTAL	3,664.40	3,274.07

Note 35 - FINANCE COSTS

(₹ In lakhs)

Particulars	As at 31st Mar 2022	As at 31st Mar 2021
Interest		
Interest on Bank Borrowings	683.58	868.47
Other Interest	4.55	3.07
TOTAL	688.13	871.54

Note 36 - DEPRECIATION AND AMORTIZATION EXPENSE

(₹ In lakhs)

Particulars	As at 31st Mar 2022	As at 31st Mar 2021
Depreciation on Property, Plant & Equipment	273.28	246.88
Amortization on Intangible assets	154.23	135.62
Depreciation on Leased Assets	21.61	-
TOTAL	449.12	382.50

**Hind Rectifiers Limited****Note 37 - OTHER EXPENSES**

(₹ In lakhs)

Particulars	As at 31st Mar 2022	As at 31st Mar 2021
Consumable Stores, Tools and Instruments	85.92	60.71
Electricity, Water and Fuel Charges	226.16	188.26
Packing	209.39	161.16
Repairs		
To Machinery	25.02	31.90
To Building	14.73	21.58
To Other Assets	31.93	26.49
Rent	15.55	28.67
Rates and Taxes	21.39	20.38
Insurance	27.13	15.02
Travelling, Conveyance and Vehicle Expenses	248.98	187.75
Directors' Travelling, Conveyance and Sitting Fees	11.50	13.00
Printing and Stationery	11.70	11.96
Postage, Telegram and Telex	33.88	30.55
Advertisement and Publicity	2.65	9.45
Bad Debts	300.06	63.33
Liquidated Damages	243.67	121.92
Provision for doubtful debts	15.47	97.92
Commission	19.34	7.76
Legal and Professional Charges	353.29	155.58
Payment to Auditors	4.23	3.50
Transit Insurance and Freight	111.78	55.28
Bank Charges	46.37	46.66
Warranty Expenses	205.00	192.69
Exchange Fluctuation	-	51.68
Miscellaneous Expenses	228.16	111.72
TOTAL	2,493.30	1,714.92

Note 38 - TAX EXPENSES**Income Tax Expenses Recognized in the Statement of Profit & Loss**

(₹ In lakhs)

Particulars	As at 31st Mar 2022	As at 31st Mar 2021
Current Tax		
Current Tax on taxable Income for the year	196.20	133.17
MAT Credit (taken) / utilised	108.30	44.33
Earlier year tax	8.52	(7.33)
Total Current Tax Expense	313.02	170.17
Deferred Tax		
Deferred Tax Charge / (Credit)	23.33	32.96
Total Deferred Tax expense / (benefit)	23.33	32.96
Total tax expense recognised in Statement of Profit and Loss	336.35	203.13

Income Tax Expenses Recognized in Other Comprehensive Income

(₹ In lakhs)

Particulars	As at 31st Mar 2022	As at 31st Mar 2021
Tax on Other Comprehensive Income / Loss	4.13	4.89
TOTAL	4.13	4.89

A reconciliation of the Income Tax expenses to the amount computed by applying the statutory income tax rate to the profit before Income taxes is summarized below:

(₹ In lakhs)

Particulars	As at 31st Mar 2022	As at 31st Mar 2021
Enacted Income tax rate in India applicable to the Company	29.12%	27.82%
Profit before tax	1,116.20	736.27
Current tax expense on Profit before tax expenses at the enacted income tax rate in India	325.04	204.83
Tax effects of the amounts which are not deductible / (taxable) in calculating taxable income		
Add / Less:-		
• Tax rate change on deferred tax asset	0.32	1.77
• Tax impact on expense which are not-deductible (penalty type, donation, capital expenditure)	2.30	3.62
• Income tax of earlier years	8.52	(7.33)
• Others	0.17	0.24
TOTAL	336.35	203.13

**Hind Rectifiers Limited****The movement in deferred tax assets and liabilities during the year ended 31st March, 2022 and 31st March, 2021:**

(₹ In lakhs)

Particulars	Deferred Tax Asset / (Liabilities) as on 31st March, 2020	Payment	Transfer from Current tax assets	Credit / (charge) in Statement of Profit & Loss	Deferred Tax Asset / (Liabilities) as on 31st March, 2021	Payment	Transfer from Current tax assets	Credit / (charge) in Statement of Profit & Loss	Deferred Tax Asset / (Liabilities) as on 31st March, 2022
Depreciation	(224.31)	-	-	(47.15)	(271.46)	-	-	(70.22)	(341.68)
Disallowance under Income Tax Act with respect to Employee Benefits	97.37	-	-	(13.21)	84.16	-	-	14.04	98.20
Provision	171.59	-	-	15.76	187.35	-	-	9.37	196.72
Right Issue Expenses	3.63	-	-	(1.89)	1.74	-	-	(1.74)	-
ESOP Expenses	-	-	-	-	-	-	-	12.58	12.58
Loss of Earlier years	-	-	-	-	-	-	-	-	-
MAT Credit Entitlement	420.67	-	9.45	(44.33)	385.79	-	-	(108.30)	277.49
TOTAL	468.95	-	9.45	(90.82)	387.58	-	-	(144.27)	243.31

NOTE 39

In view of the MAT Credit available, the Company has not exercised the non revisable option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Law (Amendment) Ordinance, 2019.

Note 40 - PAYMENT TO AUDITORS (Excluding GST)

(₹ In lakhs)

Particulars	Year ended 31st Mar 2022	Year ended 31st Mar 2021
As Auditor	3.50	3.50
For Tax Audit	-	-
For Certification	0.34	-
For out of Pocket expenses	0.39	-
TOTAL	4.23	3.50

Note 41 - EARNINGS PER SHARE

(₹ In lakhs)

Particulars	Year ended 31st Mar 2022	Year ended 31st Mar 2021
Profit after taxation as per Statement of Profit & Loss	779.85	533.14
Weighted Average Number of Equity Shares Outstanding	1,65,63,723	1,65,63,723
Basic Earnings per Share (₹)	4.71	3.22
Diluted Earnings per Share (₹)	4.68	3.22

Note 42

The Company has spent ₹ 38.95 lakhs during the financial year (Previous year ₹ 16.61 lakhs) as per the Provisions of Section 135 of the Companies Act, 2013 towards Corporate Social Responsibility (CSR) activities.

- a. Gross amount required to be spent during the year ₹ 23.33 lakhs (Previous year ₹ 16.61 lakhs)
- b. Excess amount spent in FY 2021-22 to be carried forward ₹ 15.62 lakhs (Previous year Nil)

Note 43 - INTANGIBLE ASSETS UNDER DEVELOPMENT

During the year, the Company has incurred an expenditure of ₹ 349.49 lakhs on the development of various Products / Machinery and completed the development process of the Products/ Machinery of ₹ 365.97 lakhs (including ₹ 274.55 Lakhs incurred up to 31st March 2021) and the balance of ₹ 894.33 lakhs (including ₹ 636.26 lakhs incurred up to 31st March, 2021) related to the products still under development is clubbed under Intangible Assets under Development. ₹ 21.85 lakhs related to project which has been discarded has been charged in the Statement of Profit and Loss under Other Expenses & ₹ 49.43 lakhs is transferred to other Assets.

Note 44 - RESEARCH AND DEVELOPMENT

The recurring expenditure of ₹ 560.50 lakhs (Previous year ₹ 397.87 lakhs) and Capital Expenditure of ₹ 341.03 lakhs (Previous Year ₹ 463.79 lakhs) spent in Research and Development during the year have been debited to respective account.

Note 45 - TRADE PAYABLES

The details of amounts due to Micro and Small enterprises under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) based on the information available with the company are as under:

(₹ In lakhs)

Particulars	As at 31st Mar 2022	As at 31st Mar 2021
Principal Amount Due and remaining unpaid	-	-
Interest Due on above and unpaid interest	-	-
Interest paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years	-	-

The above information has been determined to the extent such parties have been identified on the basis of the information available with the Company regarding the status of suppliers under the MSME.

Hind Rectifiers Limited
Note 46 - CONTINGENT LIABILITIES

Contingent Liabilities in respect of the following:

(₹ In lakhs)

Particulars	As at 31st Mar 2022	As at 31st Mar 2021
i. Claims against the company not acknowledged as debt		
Claims of Sales Tax disputed by Company*	45.95	24.22
Claims of Income Tax disputed by Company	-	-
Claims of Excise disputed by the Company	-	-
ii. Guarantees excluding financial guarantees		
Guarantee given by the banks to the third parties on behalf of the company	913.24	1,656.90
iii. Other money for which the company is contingently liable		
Letters of credit opened by the bankers of the Company in favour of the third parties	0.64	0.21
Letter of Credit / Hundi discounted with bank	-	59.40
Claims not acknowledged by the company	82.78	82.78

*excludes the amount paid ₹ 8.17 lakhs (Previous year ₹ 15.32 lakhs).

Note 47 - COMMITMENTS
Estimated amount of contracts remaining to be executed on capital account and not provided for

Estimated amounts of contract remaining to be executed and not provided on account of Technical Knowhow ₹ 42.11 lakhs (Previous year ₹ 43.19 lakhs) and on account of Capital Purchase ₹ 735.71 lakhs (Previous year ₹ 263.08 lakhs)

Note 48 - OTHER COMPREHENSIVE INCOME

Amounts recognised in Other Comprehensive Income i.e. Items that will not be reclassified to profit and loss in subsequent year includes Actuarial Gains / (Loss) on post-employment defined benefit plan (net of deferred tax)

(₹ In lakhs)

Particulars	Year ended 31st Mar 2022	Year ended 31st Mar 2021
Actuarial Gains / (Loss) on post-employment defined benefit plan	14.18	17.56
Tax on above	(4.13)	(4.89)
Net Other Comprehensive Income / (Loss)	10.05	12.67

Note 49 - FAIR VALUE HIERARCHY

Fair value hierarchy is not applicable to the company except in the case of Shares of Apna Sahakari bank Ltd, TJSB Sahakari bank Ltd and Saraswat Co-operative Bank Ltd. included in Non current investments which is covered in level 2 investments. The fair value of the same is considered at cost of ₹ 12.75 lakhs since the same are taken for loan.

Note 50

All the title deeds of immovable properties are held in the name of the company, except for the office at Kolkata which is held for sale. Company is not incurring expenses on the registration as it intends to sale the same.

Note 51 - CAPITAL-WORK-IN PROGRESS (CWIP)

As on 31st March 2022

a. Capital-Work-in Progress (CWIP) ageing schedule

(₹ In lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	1,266.32	80.09	105.30	295.28	1,746.99
Projects temporarily suspended	-	5.35	16.50	-	21.85
Total	1,266.32	85.44	121.80	295.28	1,768.84

b. Capital-Work-in Progress (CWIP) temporarily suspended completion schedule

(₹ In lakhs)

Particulars	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Project 1	5.63	-	-	-	5.63
Project 2	-	16.22	-	-	16.22
Total	5.63	16.22	-	-	21.85

c. Capital-Work-in Progress (CWIP) whose completion is overdue or has exceeded its cost compared to its original plan

(₹ In lakhs)

Particulars	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Project 1	15.00	-	-	-	15.00
Project 2	480.80	-	-	-	480.80
Project 3	5.98	-	-	-	5.98
Project 4	211.47	-	-	-	211.47
Project 5	958.99	-	-	-	958.99
Total	1,672.24	-	-	-	1,672.24

Hind Rectifiers Limited

As on 31st March 2021

a. Capital-Work-in Progress (CWIP) ageing schedule

(₹ In lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	409.69	58.52	93.53	285.77	847.51
Projects temporarily suspended	5.35	16.50	-	-	21.85
Total	415.04	75.02	93.53	285.77	869.36

b. Capital-Work-in Progress (CWIP) temporarily suspended completion schedule

(₹ In lakhs)

Particulars	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Project 1	-	5.63	-	-	5.63
Project 2	-	16.22	-	-	16.22
Total	-	21.85	-	-	21.85

c. Capital-Work-in Progress (CWIP) whose completion is overdue or has exceeded its cost compared to its original plan

(₹ In lakhs)

Particulars	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Project 1	-	15.00	-	-	15.00
Project 2	-	458.92	-	-	458.92
Project 3	-	5.98	-	-	5.98
Project 4	-	34.74	-	-	34.74
Project 5	-	25.96	-	-	25.96
Total	-	540.60	-	-	540.60

Note 52 - INTANGIBLE ASSETS UNDER DEVELOPMENT

As on 31st March 2022

a. Intangible assets under development aging schedule

(₹ In lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	269.08	193.46	114.58	387.46	964.58
Projects temporarily suspended	-	21.18	9.47	30.96	61.61
Total	269.08	214.64	124.05	418.42	1,026.19

b. Intangible assets under development temporarily suspended - completion schedule

(₹ In lakhs)

Particulars	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Project 1	6.58	-	-	-	6.58
Project 2	-	14.72	-	-	14.72
Project 3	21.89	-	-	-	21.89
Project 4	-	6.40	-	-	6.40
Project 5	-	3.22	-	-	3.22
Project 6	4.00	-	-	-	4.00
Project 7	-	4.80	-	-	4.80
Total	32.47	29.14	-	-	61.61

c. Intangible assets under development whose completion is overdue or has exceeded its cost compared to its original plan

(₹ In lakhs)

Particulars	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Project 1	75.09	-	-	-	75.09
Project 2	733.17	-	-	-	733.17
Project 3	-	10.48	-	-	10.48
Project 4	37.11	-	-	-	37.11
Project 5	30.81	-	-	-	30.81
Total	876.18	10.48	-	-	886.66

Hind Rectifiers Limited

As on 31st March 2021

a. Intangible assets under development aging schedule

(₹ In lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	349.18	156.51	479.86	68.60	1,054.15
Projects temporarily suspended	21.18	9.47	28.79	2.17	61.61
Total	370.36	165.98	508.65	70.77	1,115.76

b. Intangible assets under development temporarily suspended - completion schedule

(₹ In lakhs)

Particulars	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Project 1	-	6.58	-	-	6.58
Project 2	-	14.72	-	-	14.72
Project 3	-	21.89	-	-	21.89
Project 4	-	6.40	-	-	6.40
Project 5	-	3.22	-	-	3.22
Project 6	-	4.00	-	-	4.00
Project 7	-	4.80	-	-	4.80
Total	-	61.61	-	-	61.61

c. Intangible assets under development whose completion is overdue or has exceeded its cost compared to its original plan

(₹ In lakhs)

Particulars	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Project 1	-	66.45	-	-	66.45
Project 2	-	583.07	-	-	583.07
Project 3	-	10.48	-	-	10.48
Project 4	-	13.21	-	-	13.21
Project 5	-	20.65	-	-	20.65
Total	-	693.86	-	-	693.86

**Note 53**

- a. The quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.
- b. Term loan taken from the banks are utilised for the purpose for which they were granted.
- c. During the year, Company has not come across any transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

Note 54

During the year, there was no delay in the filing of the charges / satisfaction with the Registrar of Companies.

Note 55 - RATIOS

(₹ In lakhs)

Particulars	As at 31st Mar 2022	As at 31st Mar 2021
(a) Current Ratio	1.46	1.40
(b) Debt-Equity Ratio	0.69	0.84
(c) Debt Service Coverage Ratio	1.40	1.48
(d) Return on Equity Ratio	2.10	1.75
(e) Inventory turnover ratio (no of days)	97	105
(f) Trade Receivables turnover ratio (no of days)	56	89
(g) Trade payables turnover ratio (no of days)	50	55
(h) Net capital turnover ratio	7.20	6.15
(i) Net profit ratio	3.00	2.41
(j) Return on Capital employed	9.91	8.76

Hind Rectifiers Limited
Note 56 - DISCLOSURES PURSUANT TO - "EMPLOYEE BENEFITS"
(a) Defined Contribution Plans:

The Company's contribution to Provident Fund, Superannuation Fund & Pension Fund that has been recognised in the Statement of Profit and Loss under the head Employee Benefits Expense is as under:

(₹ In lakhs)

Particulars	Year ended 31st Mar 2022	Year ended 31st Mar 2021
Employer's Contribution to Provident Fund	61.32	47.31
Employer's Contribution to Superannuation Fund	11.93	11.59
Employer's Contribution to Pension Fund	53.82	46.19

(b) Defined Benefit Plans:
Gratuity

The company has a defined benefit gratuity plan (funded and non funded). The company's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The fund has the form of a trust and it is governed by the Board of Trustees, which consists of an equal number of employer and employee representatives. The Board of Trustees is responsible for the administration of the plan assets and for the definition of the investment strategy.

The significant actuarial assumptions used for the purposes of the actuarial valuations were as follows:

Valuation as at	31st Mar 2022	31st Mar 2021
Employee Attrition Rate	1% - 2%	1% - 2%
Discount rate(s)	6.95%	6.55%
Expected rate(s) of salary increase	4.00%	4.00%

(₹ In lakhs)

Particulars	Year ended 31st Mar 2022	Year ended 31st Mar 2021
I. Change in the obligation during the year		
1. Present value of defined benefit obligation at the beginning of the year		
Funded	301.88	329.87
Non Funded	85.65	136.16
	387.53	466.03
2. Expenses Recognised in Profit and Loss Account		
<u>Current Service Cost</u>		
Funded	28.57	27.64
Non Funded	12.01	18.21
	40.58	45.85
<u>Interest Cost</u>		
Funded	17.80	19.40
Non Funded	4.76	4.59
	22.56	23.99
<u>Past Service Cost</u>		
Funded	-	-
Non Funded	-	0.78
	-	0.78
3. Recognised in Other Comprehensive Income		
<u>Actuarial (Gain) / Loss</u>		
Funded	(6.46)	(13.45)
Non Funded	0.35	(4.19)
	(6.11)	(17.64)
4. Benefits paid		
Funded	31.05	61.58
Non Funded	6.39	69.90
	37.44	131.48
5. Present value of defined benefit obligation at the end of the year.		
Funded	310.74	301.88
Non Funded	96.38	85.65
	407.12	387.53
II. Change in fair value of assets during the year		
1. Fair value of plan assets at the beginning of the year	197.56	235.19
2. Adjustments to Opening Fair Value of Plan asset	-	-
3. Expenses Recognised in Profit and Loss Account	-	-
Expected return on plan assets	11.93	15.13
4. Recognised in Other Comprehensive Income		
Remeasurement (gains) / losses		
Actual Return on plan assets in excess of the expected return	8.05	(0.08)
5. Contributions by employer (including benefit payments recoverable)	19.04	8.90
6. Benefits paid	(31.06)	(61.58)
7. Fair value of plan assets at the end of the year	205.52	197.56



Hind Rectifiers Limited

(₹ In lakhs)

Particulars	Year ended 31st Mar 2022	Year ended 31st Mar 2021
III. (a) Expense recognised in the Statement of Profit and Loss for the year		
<u>Current Service Cost</u>		
Funded	28.57	27.64
Non Funded	12.01	18.21
	40.58	45.85
<u>Past Service Cost</u>		
Funded	-	-
Non Funded	-	0.78
	-	0.78
<u>Interest Cost</u>		
Funded	17.80	19.40
Non Funded	4.76	4.59
	22.56	23.99
<u>Expected Return on plan assets</u>		
Funded	(11.93)	(15.13)
Non Funded	-	-
	(11.93)	(15.13)
<u>Components of defined benefit costs recognized in profit or loss</u>		
Funded	34.44	31.91
Non Funded	16.77	23.58
	51.21	55.49
(b) Included in other Comprehensive Income		
Actuarial (Gain) / Loss recognized for the period	(6.11)	(17.64)
Return on Plan Assets excluding net interest	(8.07)	0.08
Actuarial (Gain) / Loss recognized in OCI	(14.18)	(17.56)
IV. Net Asset / (Liability) recognised in the Balance Sheet		
1. Fair value of plan assets as at 31 March 2022		
Funded	205.52	197.56
Non Funded	-	-
	205.52	197.56
2. Present value of defined benefit obligation as at 31 March 2022		
Funded	310.74	301.88
Non Funded	96.38	85.65
	407.12	387.53
3. Amount recognised in Balance Sheet		
Funded	105.22	104.32
Non Funded	96.38	85.65
	201.60	189.97

Expected cashflows based on past service liability:

(₹ In lakhs)

Particulars	Year ended 31st Mar 2022	Year ended 31st Mar 2021
Within 1 year	62.31	68.35
1-2 year	43.27	21.34
2-3 year	38.30	40.78
3-4 year	16.05	40.60
4-5 year	33.49	14.79
Above 5 years	165.94	167.60

Sensitivity Analysis

(₹ In lakhs)

Particulars	Year ended 31st Mar 2022	Year ended 31st Mar 2021
i. Discount rate Sensitivity		
Increase by 0.5%	378.40	361.50
Decrease by 0.5%	409.53	390.65
ii. Salary growth rate Sensitivity		
Increase by 0.5%	400.76	383.36
Decrease by 0.5%	385.09	368.34
iii. Withdrawal rate (W.R.) Sensitivity		
W.R. x 110%	394.19	376.23
W.R. x 90%	392.52	421.14

Note 57 - SEGMENT INFORMATION

The Company operates in a single segment as per Indian Accounting Standard (Ind AS) 108. Hence, segment wise reporting is not applicable.

Note 58 - DIVIDEND

The Board of Directors have recommended a dividend of ₹ 0.40 Per equity share of ₹ 2/- each (Previous year ₹ 0.40 Per equity share of ₹ 2/- each). The same is subject to the approval of members of the company in the AGM to be held on 9th August, 2022.

Note 59 - STOCK OPTIONS

Stock option scheme was approved by the members in their meeting held on 13th August, 2018. During the financial year 2021-22, stock options for 99945 nos. was been granted by the company. However, vesting of the same is pending as on 31st March, 2022.

Note 60 - MISCELLANEOUS EXPENSES

Miscellaneous expenses under Other Expenses includes the Provision for Advance to Suppliers & others of ₹ 36.21 lakhs (Previous Year ₹ 13.64 lakhs) and CWIP written off of ₹ 34.66 lakhs (Previous year ₹ 2.08 lakhs).

Hind Rectifiers Limited
Note 61 - PROVISION FOR WARRANTY

A provision is recognised for expected warranty claims and after sales services on products sold, based on past experience of the level of repairs and returns. It is expected that these costs will be incurred during the warranty period i.e 1 to 5 years (depending on the product) from the date of sale of the product . The provision for warranty cost is revised annually.

Note 62

All the financial assets and financial liabilities are valued at amortised cost. However, considering the materiality of the transactions, the cost/ book value of certain assets such as rental security deposit, staff loan is considered as the amortised cost.

Note 63 - SHARE BASED PAYMENTS RESERVE

The Board of Directors of the Company and its Shareholders' approved a Employee Stock Option Plan (ESOP - 2018). During the current year, 99,945 options were granted to certain identified eligible employees of the Company. Detailed description of share based payment arrangements is as below:

a	Date of shareholders' approval	13-Aug-18
b	Total number of options approved under ESOP	2,50,000 options
c	Maximum term of options granted	Maximum term of the options granted under the scheme shall be five years from the grant date.
d	Vesting requirements	The options granted shall vest between a minimum of 1 to maximum of 4 years from the date of grant of options.
e	Source of shares	Primary
f	Weighted average fair value of options	₹ 104.42
g	Weighted average remaining contractual life	2.95 years

Options were priced using a Black Scholes Merton Formula pricing model. Where relevant, the expected life used in this model has been adjusted based on management's best estimate for the effects of non-transferability, exercise restrictions and behavior considerations.

Inputs into the model were as follows:

a	Grant date share price	₹ 166.65
b	Exercise Price	₹ 85.00
c	Historical Volatility	50.60% to 51.83%
d	DTE (Years)	3 to 4.5 years
e	Dividend yield	0.46%
f	Risk free interest rate	4.92% to 5.50%

Reconciliation of outstanding share options is as follows:

Particulars	Number of options	Exercise price (₹)
Outstanding as at 1st April 2021 (out of the options granted)	-	-
Granted & accepted during the year	99,945	85.00
Forfeited / lapsed during the year	-	-
Exercised during the year	-	-
Outstanding as at 31st March 2022 (out of the options granted)	99,945	85.00
Exercisable as at 31st March 2022	-	-

Fair value of options vested during the year is ₹ Nil (previous year ₹ Nil)

Money realised by exercise of option during the year is ₹ Nil (previous year ₹ Nil)

The options outstanding at 31st March 2022 have an exercise price of ₹ 85.00 (31st March 2021: ₹ Nil)

Weighted average share price at the date of the exercise of share options exercised in FY 2021-22 is not disclosed as no shares were exercised during this year and previous year.

Expense recognised in Statement of Profit and Loss

The Company has followed the fair value method to account for the grant of stock options, profit and loss impact for the year ended 31st March 2022 is ₹ 43.18 lakhs (previous year : ₹ Nil)

NOTE 64 : RELATED PARTY DISCLOSURES AS PER IND AS 24 & SEBI LODR

I. List of related parties

A) Enterprise over which Members of the Board of Directors / KMP has significant influence

Force Motion Technology LLP

Elventive Tech Private Limited

B) Members of the Board of Directors / Key Management Personnel (KMP)

1. Managing Director and Chief Executive Officer

a) Mr. Suramya Nevatia

2. Executive Director

a) Mrs. Akshada Nevatia

3. Non Executive Director

i. Independent Non Executive Director

a) Mr. Vijay Kumar Bhartia

b) Mr. Pradeep Goyal

c) Mr. Parimal Merchant

d) Ms. Ashlesha Bodas

e) Mr. Vandan Shah

ii. Non Independent Non Executive Director

a) Mr. Pawan Golyan

4. Chief Financial Officer

a) Mr. Anil Kumar Nemani

5. Company Secretary

a) Ms. Meenakshi Anchlia

C. Relative of Member of Board of Directors / KMP

a) Mr. Saurabh Nevatia

b) Mrs. Bharti Nevatia

c) Mr. Suryansh Nevatia

Note : Mrs. Akshada Nevatia, Mr. Suramya Nevatia, Mr. Saurabh Nevatia , Mrs. Bharti Nevatia and Mr. Suryansh Nevatia are related to each other.



Hind Rectifiers Limited

II. Disclosure in respect of material transactions with related parties during the year ended 31st March, 2022 (₹ In lakhs)

Sr. No.	Particulars	Enterprise over which Members of the Board of Directors / KMP has significant influence	Members of the Board of Directors / Key Management Personnel (KMP)	Relative of Member of Board of Directors / KMP	Total
1	Loan Received / Deposits received				
	Nil	-	-	-	-
2	Loan Repaid / Deposits Given				
	Nil	-	-	-	-
3	Income				
	Sale				
	Force Motion Technology	1,659.03 (9.83)	-	-	1,659.03 (9.83)
	Elventive Tech Private Limited	10.68 -	-	-	10.68 -
4	Expenditure				
i.	Remuneration				
	Mr. S. K. Nevatia	-	-	-	-
		-	(65.32)	-	(65.32)
	Mrs. Akshada Nevatia	-	52.74	-	52.74
		-	(46.21)	-	(46.21)
	Mr. Suramya Nevatia	-	61.47	-	61.47
		-	(61.47)	-	(61.47)
	Mr. Saurabh Nevatia	-	-	90.27	90.27
		-	-	(90.27)	(90.27)
	Mrs. Bharti Nevatia	-	-	11.87	11.87
		-	-	(11.87)	(11.87)
	Mr. Suryansh Nevatia	-	-	7.94	7.94
		-	-	(1.46)	(1.46)
	Mr. Anil Kumar Nemani	-	38.70	-	38.70
		-	(33.49)	-	(33.49)
	Ms. Meenakshi Anchlha	-	11.80	-	11.80
		-	(9.60)	-	(9.60)
ii.	Directors Sitting Fees				
	Mr. Binod Kumar Patodia	-	-	-	-
		-	(0.25)	-	(0.25)
	Mr. Parimal Merchant	-	3.00	-	3.00
		-	(3.50)	-	(3.50)
	Mr. Pawan Kumar Golyan	-	0.25	-	0.25
		-	(0.75)	-	(0.75)
	Mr. Pradeep Goyal	-	3.00	-	3.00
		-	(3.50)	-	(3.50)
	Mr. Vandan Shah	-	1.50	-	1.50
		-	(1.25)	-	(1.25)
	Mr. Vijay Kumar Bhartia	-	3.25	-	3.25
		-	(3.00)	-	(3.00)
	Mrs. Ashlesha Bodas	-	0.50	-	0.50
		-	(0.75)	-	(0.75)

Sr. No.	Particulars	Enterprise over which Members of the Board of Directors / KMP has significant influence	Members of the Board of Directors / Key Management Personnel (KMP)	Relative of Member of Board of Directors / KMP	Total
iii.	Rent				
	Mr. Saurabh Nevatia	-	-	4.20 (4.20)	4.20 (4.20)
iv.	Purchase				
	Force Motion Technology	699.05 (376.05)	-	-	699.05 (376.05)
	Elventive Tech Private Limited	105.59	-	-	105.59
		-	-	-	-

Note : Figures in brackets represents previous years figures

III. Balances Receivable / Payable with Related Parties

(₹ In lakhs)

Sr. No.	Particulars	Enterprise over which Members of the Board of Directors / KMP has significant influence	Members of the Board of Directors / Key Management Personnel (KMP)	Relative of Member of Board of Directors / KMP	Total
1	Trade Payables				
	Force Motion Technology	73.70 (42.31)	-	-	73.70 (42.31)
	Elventive Tech Private Limited	44.69	-	-	44.69
		-	-	-	-
2	Trade Receivables				
	Force Motion Technology	446.15	-	-	446.15
	Elventive Tech Private Limited	12.60	-	-	12.60
		-	-	-	-
3	Other Current Financial Liabilities Salary and Other Accrued Expenses				
	Salary Payable to Mrs. Akshada Nevatia	-	9.02 (2.79)	-	9.02 (2.79)
	Salary Payable to Mr. Suramya Nevatia	-	3.16 (3.47)	-	3.16 (3.47)
	Salary Payable to Mr. Saurabh Nevatia	-	-	3.89 (4.51)	3.89 (4.51)
	Salary Payable to Mrs. Bharti Nevatia	-	-	0.89 (0.82)	0.89 (0.82)
	Salary Payable to Mr. Suryansh Nevatia	-	-	0.58 (0.58)	0.58 (0.58)
	Salary Payable to Mr. Anil Nemani	-	2.26 (1.95)	-	2.26 (1.95)
	Salary Payable to Ms. Meenakshi Anchlia	-	0.61 (0.76)	-	0.61 (0.76)
		-	-	-	-

Note: The remuneration to the related parties does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole. However the gratuity expenses of Mr. Suramya Nevatia and Mrs. Akshada Nevatia are included in the figure of their respective remuneration since their gratuity is provided separately.

Figures in brackets represents previous years figures

Hind Rectifiers Limited
Note 65 - FINANCIAL RISK MANAGEMENT FRAMEWORK

The Company's principal financial liabilities, comprise loans and borrowings, trade and other payables. The Company's principal financial assets include loans, trade and other receivables and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the company's policies and risk objectives. The Board of Directors reviews and agrees on policies for managing each of these risks, which are summarised below.

A. Credit Risk

Credit risk is the risk that counter party will not meet its obligation under a financial instrument or customer contract leading to a financial loss. The Company is exposed to credit risk mainly from trade receivables and other financial assets.

Trade receivables

Customer credit is managed by concerned business manager subject to the Company's established policy procedures and control related to customer credit risk management.

Each outstanding customer receivables are regularly monitored and if outstanding is above due date the further shipments are controlled and can only be released if there is a proper justification.

The Company evaluates the concentration of risk with respect to trade receivables as medium, as its customers are located in several jurisdictions and industries and operate in largely independent markets and their credit worthiness are monitored at periodical intervals.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

(₹ In lakhs)

Particulars	Less Than 180 Days	More Than 180 Days
As at 31 March 2022		
Expected loss rate	-	65.55%
Gross carrying amount of doubtful Trade Receivables	-	852.23
Loss allowance provision during the year *	-	15.47
As at 31 March 2021		
Expected loss rate	-	67.29%
Gross carrying amount of doubtful Trade Receivables	-	807.20
Loss allowance provision during the year	-	97.92

* The percentage of expected loss rate is the average of the rate arrived after dividing the total Loss allowance provision by the Gross carrying amount of doubtful debtors. This is done because the Company has taken different rates varying from 10% to 100% depending on the period of the trade receivables.

* Loss allowance provision during the year of ₹ 15.47 lakhs is after subtracting the balance in provision account as on 31st March 2021 and is provided at the expected loss rate on the gross carrying amount of debtors.

Reconciliation of loss allowance provision for Trade Receivables

(₹ In lakhs)

Particulars	As at 31st Mar 2022	As at 31st Mar 2021
Balance as at beginning of the year	543.13	445.21
Impairment losses recognised in the year based on lifetime expected credit losses		
On receivables originated in the year	15.47	97.92
Amounts written back during the year	-	-
Balance at end of the year	558.60	543.13

B. MARKET RISK

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risks – interest rate risk, currency risk and other price risk in a fluctuating market environment. Financial instrument affected by market risks includes loans and borrowings, deposits and other financial assets.

The Company has designed risk management frame work to control various risks effectively to achieve the business objectives. This includes identification of risk, its assessment, control and monitoring at timely intervals.

(i) Currency Risk

The Company operates internationally and portion of the business is transacted in several currencies and consequently, the Company is exposed to foreign exchange risk through its sales and services in overseas and purchases from overseas suppliers in various foreign currencies. The Currency Risk can be majorly divided into two main categories -

1. Risk of change in Profits due to change in currency rate of Outstanding Trade Payables and Receivables (net of advances)
2. Risk of increased outflows due to change in currency rate of Other Payables.

Foreign Currency Sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD and EURO exchange rates, with all other variables held constant. The impact on the Company's profit before tax and cash flows is due to changes in the fair value of Outstanding Trade Payables and Receivables (net of advances) and the effect not on profit but on cash flow is due to Other Payables. The Company's exposure to foreign currency changes for all other currencies is not material.

1. The impact on the Company's profit before tax due to changes in the fair value of Outstanding Trade Payables and Receivables (net of advances)

(₹ In lakhs)

	Currency	Change in rate	Effect on profit before tax
31-Mar-22	USD	+5%	(5.90)
	USD	-5%	5.90
	EURO	+5%	(3.64)
	EURO	-5%	3.64
	CHF	+5%	(4.37)
	CHF	-5%	4.37
31-Mar-21	USD	+5%	1.87
	USD	-5%	(1.87)
	EURO	+5%	(3.29)
	EURO	-5%	3.29
	CHF	+5%	(12.14)
	CHF	-5%	12.14

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2. The impact on the Company's cash flow due to changes in the fair value of Other Payables

(₹ In lakhs)

	Currency	Change in rate	Effect on cash flow
31-Mar-22	USD	+5%	-
	USD	-5%	-
	EURO	+5%	-
	EURO	-5%	-
	CHF	+5%	-
	CHF	-5%	-
31-Mar-21	USD	+5%	-
	USD	-5%	-
	EURO	+5%	-
	EURO	-5%	-
	CHF	+5%	-
	CHF	-5%	-

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

(ii) Commodity Price Risk

- The Company is subjected to Commodity Price risk due to the fluctuations in the price of copper. This is procured from domestic suppliers. However, domestic price of the copper is affected based on the price at the London Metal Exchange (LME) and exchange rates. In case copper prices undergo upward / downward revision due to LME or exchange rate, the price difference are adequately covered by the price variation clause of the order.
- Exposure of the company to commodity and commodity risks faced by it throughout the year.
 - Total exposure of the company to commodities in ₹ 3,777.31 Lakhs
 - Exposure of the company to various commodities:

Commodity Name	Exposure towards the particular commodity (₹ In lakhs)	Exposure in quantity terms towards the particular commodity	% of such exposure hedged through commodity derivatives				
			Domestic Market		International Market		TOTAL
			OTC	Exchange	OTC	Exchange	
1. Copper	3,504.45	457.42 MT					
2. Aluminium	272.86	61.43 MT					
TOTAL	3,777.31	518.85 MT					

- In majority of orders, company do have price variation clause (PVC) issued by Indian Electrical and Electronics Manufacturers' Association (IEEMA) which covers all component of cost including commodities and accordingly company do not have any major risk due to fluctuation in commodities price.

(iii) Interest rate risk

The Company manages interest rate risk by having a balanced portfolio of fixed and variable rate of interest on loans and borrowings. To manage this, Company has taken loans from banks which are linked to MCLR rate of the bank, which are variable.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on

floating rate borrowings, as follows:

Particulars	Currency	Increase / Decrease in basis Points	Effect on profit before tax (₹ In lakhs)
31-Mar-22	INR	+50	(28.85)
	INR	-50	28.85
31-Mar-21	INR	+50	(31.98)
	INR	-50	31.98

(iv) Equity Price Risk

The Company is not exposed to equity price risks arising from equity investments since the Company does not have any equity investments.

C. LIQUIDITY RISK

(i) Liquidity risk management

The Company manages liquidity risk by continuously monitoring forecast and actual cash flows on daily, monthly and yearly basis. The Company ensures that there is a free credit limit available at the start of the year which is sufficient for repayments getting due in the ensuing year. Loan arrangements, credit limits with various banks including working capital and monitoring of operational and working capital issues are always kept in mind for better liquidity management.

(ii) Maturities of financial liabilities

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

(₹ In lakhs)

As at 31 March 2022	On demand	Less than 1 Year	1-3 Yrs.	3 Yrs. to 5 Yrs.	5 years & above	Total
Non Derivative financial instruments						
Long term borrowings	-	-	1,625.58	462.75	-	2,088.33
Short term borrowings						
Cash Credit Facilities	-	4,589.69	-	-	-	4,589.69
Lease liabilities	-	20.38	14.52	-	-	34.90
Trade payables						
Trade payables - Micro and small enterprises	-	60.27	-	-	-	60.27
Trade payables - other than micro and small Ent	-	4,619.21	80.44	1.75	-	4,701.40
Other financial liabilities						
Deposits from dealers and agents	-	-	-	-	18.25	18.25
Current maturities of long-term debt	-	786.07	-	-	-	786.07
Interest accrued on borrowings	-	16.29	-	-	-	16.29
Provision for Processing Fees	-	-	-	-	-	-
Unclaimed / Unpaid dividends	-	25.96	-	-	-	25.96
Creditors for Capital Supplies / Services	-	69.49	-	-	-	69.49
Provision for Bonus	-	60.15	-	-	-	60.15
Salary & Other Accrued Expenses	-	402.66	-	-	-	402.66
Other Payables	-	2.33	-	-	-	2.33
Total	-	10,652.50	1,720.54	464.50	18.25	12,855.79

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(₹ In lakhs)

As at 31 March 2021	On demand	Less than 1 Year	1-3 Yrs.	3 Yrs. to 5 Yrs.	5 years & above	Total
Non Derivative financial instruments						
Long term borrowings	-	-	987.84	137.34	-	1,125.18
Short term borrowings						
Cash Credit Facilities	-	6,579.52	-	-	-	6,579.52
Trade payables						
Trade payables - Micro and small enterprises	-	173.27	-	-	-	173.27
Trade payables - other than micro and small Ent	-	3,961.63	39.64	14.59	-	4,015.86
Other financial liabilities						
Deposits from dealers and agents	-	-	-	-	18.25	18.25
Current maturities of long-term debt	-	670.96	-	-	-	670.96
Interest accrued on borrowings	-	11.13	-	-	-	11.13
Provision for Processing Fees	-	-	-	-	-	-
Unclaimed / Unpaid dividends	-	26.10	-	-	-	26.10
Creditors for Capital Supplies / Services	-	55.68	-	-	-	55.68
Provision for Bonus	-	35.32	-	-	-	35.32
Salary & Other Accrued Expenses	-	442.41	-	-	-	442.41
Other Payables	-	1.34	-	-	-	1.34
Total	-	11,957.36	1,027.48	151.93	18.25	13,155.02

(iii) Financing arrangements

The Company had access to following undrawn borrowing facilities at the end of the reporting period:

(₹ In lakhs)

Particulars	31 March 2022	31 March 2021
Cash Credit Facilities	3,805.31	1,460.48
Total	3,805.31	1,460.48

(iv) Maturities of financial assets

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.



(₹ In lakhs)

As at 31 March 2022	On demand	Less than 1 Year	1-3 Yrs.	3 Yrs. to 5 Yrs.	5 years & above	Total
Non Derivative financial instruments						
Investments	-	-	-	-	12.75	12.75
Trade Receivables	-	6,777.97	-	-	-	6,777.97
Cash and Cash Equivalents	-	26.76	-	-	-	26.76
Other Bank Balances	-	107.45	-	-	-	107.45
Loans	-	0.49	0.03	-	-	0.52
Other financial Assets						
Security Deposits	-	-	87.34	-	-	87.34
Retention Money	-	349.91	2.59	-	-	352.50
Fixed Deposits with Banks (EMD)	-	-	-	-	-	-
Earnest Money Deposits	-	172.45	4.44	-	-	176.89
Interest Income accrued	-	7.64	-	-	-	7.64
Provision for doubtful amounts	-	(14.52)	-	-	-	(14.52)
Total	-	7,428.15	94.40	-	12.75	7,535.30

(₹ In lakhs)

As at 31 March 2021	On demand	Less than 1 Year	1-3 Yrs.	3 Yrs. to 5 Yrs.	5 years & above	Total
Non Derivative financial instruments						
Investments	-	-	-	-	10.25	10.25
Trade Receivables	-	8,774.37	-	-	-	8,774.37
Cash and Cash Equivalents	-	12.27	-	-	-	12.27
Other Bank Balances	-	150.16	-	-	-	150.16
Loans	-	0.65	0.63	-	-	1.28
Other financial Assets						
Security Deposits	-	-	20.30	-	36.84	57.14
Retention Money	-	507.84	17.56	-	-	525.40
Fixed Deposits with Banks (EMD)	-	-	2.02	-	-	2.02
Earnest Money Deposits	-	320.19	25.72	-	-	345.91
Interest Income accrued	-	7.40	-	-	-	7.40
Provision for doubtful amounts	-	(21.26)	-	-	-	(21.26)
Total	-	9,751.62	66.23	-	47.09	9,864.94

Hind Rectifiers Limited
Note 66 - CAPITAL MANAGEMENT

The company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The company monitors the amount of Capital in proportion to risk and manage the capital structure in light of changes in economic conditions and risk characteristics of underlying assets. The company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value. The Company takes and will take appropriate steps in order to maintain, or if necessary adjust its capital structure.

The Company's adjusted net debt to equity ratio at 31st March 2022 and 31st March 2021 is as follows:

(₹ In lakhs)

Particulars	As at 31st Mar 2022	As at 31st Mar 2021
Total Debt	7,464.09	8,375.66
Less: cash and cash equivalents	26.76	12.27
Adjusted net debt	7,437.33	8,363.39
Total equity	10,743.95	9,977.12
Adjusted net debt to adjusted equity ratio	0.69	0.84

Note 67

Previous year's figures are regrouped and rearranged wherever necessary.

Note 68

The Financial Statements were authorised for issue by the directors on 26th May 2022.

The accompanying notes are an integral part of the financial statements

As per our report attached
For **RAVI A. SHAH & ASSOCIATES**
Chartered Accountant
Registration No. 125079W

RAVI A. SHAH
Proprietor
Membership No. 116667

Place : Mumbai
Date : May 26, 2022

For and on behalf of the Board of Directors
PRADEEP GOYAL Chairman
SURAMYA NEVATIA Managing Director & CEO
A. K. NEMANI Chief Financial Officer
MEENAKSHI ANCHLIA Company Secretary

Place : Mumbai
Date : May 26, 2022

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