RUTTONSHA
RUTTONSHA INTERNATIONAL RECTIFIER LIMITED
REGD. / CORPORATE OFFICE : 139/141, Solaris 1, B-Wing, 1st Floor, Saki Vihar Road, Powai, Andheri (East), Mumbai - 400 072. Maharashtra • Tel. : +91-22 28471956, 57, 58 • Fax : +91-22 28471959
E-mail : admin@ruttonsha.com • Website: www.ruttonsha.com • CIN : L31109MH1969PLC014322
FACTORY : 338, International House, Baska, Halol, Dist. Panchmahals, Pin - 389 350. Gujarat (India)
Tel. : +91-2676 247185 / 247035 / 247094 / 247362 • E-mail : rirbsk@ruttonsha.com

ISO 9001 Certified Cert # 19113D1011 CB-036-MS
An ISO 9001:2015 Company

Ref. RIR/SEC/13180/2018

8th October, 2018

The Bombay Stock Exchange Limited
Corporate Relationship Department,
1st Floor, Rotunda Building,
P. J. Towers, Dalal Street,
Mumbai-400001

Scrip Code : 517035

Subject : Submission of soft copy of Annual Report for the Financial Year ended 31st March, 2018 pursuant to SEBI Circular No. Cir/CFD/DCR/5/2010 dated May 07, 2010

Dear Sir/Madam,

With reference to the captioned subject we wish to inform you that we are submitting you herewith soft copy of 49th Annual Report for the Financial Year ended 31st March, 2018.

Kindly take the same on record and display the soft copy of Annual Report on the Exchange website under the head Annual Reports.

Thanking you.

Yours faithfully,
For **RUTTONSHA INTERNATIONAL RECTIFIER LTD.**

Ruttonsha International Rectifier Ltd.

BHAVIN P RAMBHIA
COMPANY SECRETARY

RUTTONSHA

RUTTONSHA
INTERNATIONAL RECTIFIER LIMITED

49th
ANNUAL REPORT
2017-18

NEW DEVELOPMENT : COMPACT RECTIFIER FOR SINGLE PHASE ELECTRIC LOCOMOTIVES (CLW)

CORPORATE INFORMATION

BOARD OF DIRECTORS
Mrs. Bhavna H. Mehta
Mr. Hasmukh J. Shah
Mr. Kisan R. Choksey
Mr. Pravin G. Shah
Mr. Venkitaraman Iyer

PROMOTERS & TECHNICAL ASSOCIATES
Dr. Harshad Mehta
Mrs. Bhavna H. Mehta

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

COMPANY SECRETARY
Mr. Bhavin P Rambhia

STATUTORY AUDITORS
Ajmera Ajmera & Associates
Chartered Accountants

REGISTRAR & TRANSFER AGENTS
Adroit Corporate Services Pvt. Ltd.
17-20, Jaferbhoy Industrial Estate,
1st Floor, Makwana Road, Marol Naka,
Andheri (East), Mumbai – 400059
Tel. No.: +91-022-42270400
Email: info@adroitcorporate.com

INTERNAL AUDITORS
Bhandarkar & Kale
Chartered Accountants

BANKERS
State Bank of India

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

WORKS / FACTORY
International House,
Plot No. 338, Baska,
Taluka: Halol, Dist.: Panchmahals,
GUJARAT - 389350

CIN No.
L31109MH1969PLC014322

49th ANNUAL GENERAL MEETING

Date	:-	25th September, 2018
Day	:-	Tuesday
Time	:-	3.30 p.m.
Venue	:-	Babasaheb Dahanukar Sabhagriha, Maharashtra Chamber of Commerce Trust, Oricon House, 6th Floor, 12 K. Dubhash Marg, Fort, Mumbai - 400001.

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NOTICE

NOTICE is hereby given that the **Forty Ninth Annual General Meeting** of the members of **RUTTONSHA INTERNATIONAL RECTIFIER LIMITED** will be held on Tuesday, 25th September, 2018 at 3.30 p.m., at Babasaheb Dahanukar Sabhagriha, Maharashtra Chamber of Commerce Trust, Oricon House, 6th Floor, 12 K. Dubhash Marg, Fort, Mumbai - 400001, to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31st March, 2018 including Audited Balance Sheet as at 31st March, 2018 and Statement of Profit and Loss for the year ended on that date together with the Reports of the Board of Directors and Auditors thereon.

2. To appoint a Director in place of Mr. Hasmukh J. Shah (DIN No. 00322383), who retires by rotation and being eligible offers himself for re-appointment.

3. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution :**

   "RESOLVED THAT pursuant to provisions of Section 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 thereof for the time being in force), and pursuant to approval of members at the 48th Annual General Meeting, the appointment of M/s. Ajmera Ajmera and Associates, Chartered Accountants, Mumbai having Registration No. 123989W be and is hereby ratified to hold office from the conclusion of 49th Annual General Meeting until the conclusion of 50th Annual General Meeting of the Company, and the Board be and is hereby authorised to fix the remuneration and other terms as may be determined by the Audit Committee and finalised by the Board of Directors."

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself /herself, and proxy so appointed need not be a member of the Company. The instrument appointing proxy should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of Companies, Trusts etc. must be supported by an appropriate resolution/authority as applicable. A person shall not act as proxy for more than 50 members and holding in the aggregate not more than 10% of the total voting share capital of the Company. However, a member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

2. The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday 22nd September, 2018 to Tuesday 25th September, 2018 (both days inclusive) for the purpose of 49th Annual General Meeting (AGM).

3. Members holding shares in physical form are requested to notify/send, quoting their Folio No. about any change in their address/mandate/bank details to the Company's Registrar and Transfer Agents :- Adroit Corporate Services Pvt. Ltd. Unit: Ruttonsha International Rectifier Ltd., 17-20, Jaferbhoy Industrial Estate, 1st Floor, Makwana Road, Marol Naka, Andheri (East), Mumbai – 400059.

4. Members holding shares in the electronic/dematerialized form are advised to inform changes in their address/bank mandate directly to their respective Depository Participants.

5. Members desirous of receiving Annual Reports and other documents/updates from the Company through e-mail, may intimate their e-mail id and any changes therein from time to time to their Depository Participants (in case of shareholding in demat mode) and to the Registrar and Transfer Agents (in case of shareholding in physical share certificates) with a view to pledge their support towards Green Initiative to **Save Paper, Save Environment** campaign.

6. Members attending the AGM are requested to bring their copies of the Annual Report along with the duly filled attendance slip.

7. A route map showing directions to reach the venue of the 49th AGM is given alongwith this Annual Report as per the requirements of the Secretarial Standards – 2 on General Meetings.

8. Members desirous of asking any questions at the Annual General Meeting are requested to send their questions so as to reach the Company at least 10 days before the Annual General Meeting so that the same can be suitably replied, to the satisfaction of shareholder.

9. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company between 10.00 am to 12.00 noon on all working days up to and including the date of the AGM.

10. Members holding shares in physical form in multiple ledger folios, and in identical names are requested to apply for consolidation of such holdings into a single folio by sending their relevant share certificates to Adroit Corporate Services Pvt. Ltd., for doing the needful.

11. The Securities and Exchange Board of India (SEBI) has mandated submission of Permanent Account Number (PAN) by every participant in securities market. SEBI has also emphasized the need to make payment of dividend through e-payment and made it mandatory to print Bank Account details on Dividend Warrant. In view of the same, members holding shares in electronic form are requested to submit their PAN and Bank Account details to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN and Bank Details/Cancelled Cheque to the Company's Registrar and Transfer Agent.

12. Members holding shares in physical form may obtain Nomination Forms from the Company's Registrar and Transfer Agents. Members holding shares in electronic form may obtain the Nomination Forms from their respective Depository Participants.

13. Pursuant to provisions of Section 124 and 125 of the Companies Act, 2013 dividends which remain unpaid or unclaimed for a period of 7 years, will be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government. Shareholders who have not encashed the dividend warrant(s) so far for the financial year ended 31st March, 2011 or any subsequent financial years, are requested to make their claims to the Company's Registrar and Transfer Agents. It may be noted that once the unclaimed dividend is transferred, on expiry of seven years, to the Investor Education and Protection Fund, as stated here-in, no claim with the Company shall lie in respect thereof.

Further, pursuant to the provisions of Section 124 of the Act and IEPF Rules, all the shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF Authority.

Members who have not so far encashed their dividend warrants for the years 2010-11 to 2012-13 may approach Adroit Corporate Services Pvt. Ltd., for payment thereof, to avoid transfer as per the dates mentioned below :

Dividend for the year	Cut-off Date for Transfer to IEPF
2010-11	26th September, 2018
2011-12	24th September, 2019
2012-13	12th August, 2020

Members whose share/dividend have been transferred to IEPF may claim the shares by making an application in Form IEPF-5. Detailed procedure and the required documentation for claiming the shares/dividend refund can be accessed at https://iepf.gov.in/IEPFA/refund.html.

14. General Instructions for E-voting

In compliance with the provisions of section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide its members the facility to exercise their votes through 'remote e-voting' (e-voting from a place other than venue of the AGM) to exercise their right to vote for all the resolutions detailed in the Notice of the 49th AGM. The Company has engaged the services of **Central Depository Services Limited (CDSL),** as the authorised agency to provide the e-voting as per the instructions below :

The voting right of Shareholders shall be in proportion to their share in the paid up equity capital of the Company as on 18th September, 2018 (cut-off date).

The facility for voting through ballot paper shall also be made available at the venue of the 49th AGM. The members attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting through ballot paper. The members who have already cast their vote by remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM.

A member can opt for voting either by way of remote e-voting or through Ballot voting. If a member casts votes by both the modes, then voting done through remote e-voting shall prevail and Ballot shall be treated as invalid.

The Company has appointed Mrs. Neetu Agrawal, Practising Company Secretary as the Scrutinizer for conducting the remote e-voting and the voting process at the 49th AGM (through Ballot voting) in fair and transparent manner.

As the voting of the members is through electronic means, the members who do not have access to remote e-voting may request a Physical Ballot form from the Registered Office of the Company. You are required to fill in the Ballot Form and enclose it in sealed envelope and send it to scrutinizer M/s. Neetu Agrawal & Co., 104, B-Wing, Adarsh Park Society, Behind Ajay Nagar, Shivaji Chowk, Bhiwandi, Thane - 421302 so as to reach the scrutinizer not later than 24th September, 2018 at 5.00 p.m. Ballot forms received after this date will be treated as invalid. The scrutinizer's decision on the validity of the forms will be final.

The scrutinizer shall after the conclusion of voting at AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting, in presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours from the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of voting forthwith.

The results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.ruttonsha.com and on the website of CDSL, immediately after the declaration of result by the Chairman or a person authorised by him in writing. The results shall also be communicated to the Bombay Stock Exchange (BSE).

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

(i) The remote e-voting period begins on Saturday, 22nd September, 2018 at 10.00 a.m. and ends on Monday, 24th September, 2018 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 18th September, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Log on to the e-voting website www.evotingindia.com

(iii) Click on "Shareholders / Members" tab to cast your votes.

(iv) Now enter your User ID

   a. For CDSL : 16 digits beneficiary ID

   b. For NSDL : 8 character DP ID followed by 8 digits client ID

   c. Members holding shares in physical form should enter folio number registered with the Company.

(v) Next enter the Image Verification as displayed and Click on Login.

(vi) If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below :

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (applicable for both Demat Shareholders as well as physical Shareholders) * Members who have not updated their PAN with the Company/Depository Participant are requested to contact Registrar and Transfer Agent and obtain sequence number. Enter sequence number in the PAN field.
DIVIDEND BANK DETAILS or DOB	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. ● If both the details are not recorded with the depository or Company please enter member id/folio number in the Dividend Bank details field as mentioned in instruction (iv).

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

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in the Notice.

(xi) Click on EVSN of < RUTTONSHA INTERNATIONAL RECTIFIER LTD. > on which you choose to vote.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) Note for Non-Individual Shareholders and Custodians :

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI, etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance user would be able to link the depository account(s)/folio numbers for which they wish to vote.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com. You may also call Toll free number 18002005533.

Place : Mumbai
Date : 14th August, 2018

By Order of the Board of Directors

Registered Office :
139/141, Solaris 1, B Wing, 1st Floor,Saki Vihar Road,
Powai, Andheri (East), Mumbai – 400072, Maharashtra

Bhavin P Rambhia
Company Secretary

DIRECTORS' REPORT TO THE SHAREHOLDERS

Dear Members,

Your Directors have pleasure in presenting the Forty Ninth Annual Report on the business and operations of the Company together with the Audited Accounts for the financial year ended 31st March, 2018.

FINANCIAL RESULTS AND OPERATIONS **(Amt. in ₹)**

Particulars	Year ended 31.03.2018	Year ended 31.03.2017
Revenue from Operations (Net)	**326,335,351**	315,767,303
EBITDA	**36,613,411**	35,289,850
Less - (i) Finance Costs	**13,639,888**	11,543,059
(ii) Depreciation and Amortisation Expenses	**14,832,676**	11,461,607
Profit before Tax	**11,430,464**	8,995,567
Less - (i) Provision for Taxation	**4,600,000**	5,800,000
(ii) Deferred Tax Asset	**(519,624)**	(2,224,828)
(iii) Reversal of Excess provision	**(588,629)**	(1,310,349)
Profit for the year	**7,938,717**	6,730,744
Add - Other Comprehensive Income for the year	**339,573**	(149,045)
Add - Balance brought forward from previous year	**89,416,036**	82,834,337
Balance carried to Balance Sheet	**97,694,326**	89,416,036

FINANCIAL PERFORMANCE

During the financial year 2017-18, your Company reported 3.35% increase in the topline. The total revenue for the financial year was ₹ 326,335,351/- as against ₹ 315,767,303/- last year. The Company's semiconductor devices and high power equipment business grew at a steady pace, however Company's export business registered de-growth, which in turn impacted overall growth of the Company. Earnings before Interest, Tax and Depreciation and Amortisation (EBITDA) for the year also increased proportionately by 3.75 % to ₹ 36,613,411/- as compared to ₹ 35,289,850/- last year. Net Profit for the year also increased by 17.95 % to ₹ 7,938,717/- as against ₹ 6,730,744/- last year.

There are no material changes or commitments affecting the financial position of the Company which have occurred between the end of the financial year and the date of the report.

DIVIDEND AND RESERVES

In order to plough back the accruals, your Directors do not recommend any dividend for the Financial Year ended 31st March, 2018. During the year under review, no amount from profits was transferred to General Reserve.

EQUITY SHARE CAPITAL

The paid up Equity Share Capital as on 31st March, 2018 was ₹ 69,572,400/-. During the year under review, the Company has not issued any shares with differential voting rights nor has granted any stock options or sweat equity and does not have any scheme to fund its employees to purchase the shares of the Company.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of Section 152 of the Companies Act 2013 ("the Act") read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Articles of Association of the Company, Mr. Hasmukh J. Shah, Director of the Company, will retire by rotation and being eligible, offers himself for re-appointment. The Board recommends his re-appointment for the consideration of the members of the Company at the ensuing Annual General Meeting.

During the year under review, Mr. Manoj P. Mehta, resigned from the Directorship of the Company effective 26th March, 2018. Your Directors place on record their appreciation for the contribution made by Mr. Manoj P. Mehta during his tenure as Director of the Company.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under the Act read with the Schedules and Rules issued thereunder as well as Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Mr. R. G. Trasi – C.E.O. and Mr. Bhavin P. Rambhia – Company Secretary are the Key Managerial Personnel of your Company in accordance with the provisions of Section 2(51), 203 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force).

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

PUBLIC DEPOSITS

During the year under review, your Company has not accepted any deposits within the meaning of Section 73 and 74 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force).

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The company has not made any investments, nor have given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013.

AUDITORS

(a) Statutory Auditors :

M/s. Ajmera Ajmera and Associates (Firm Regn. No.123989W), Chartered Accountants, Mumbai are the statutory auditors of the Company for the year ended 31st March, 2018. Their appointment as the statutory auditors will be ratified at the ensuing Annual General Meeting pursuant to the provisions of Section 139 of the Companies Act, 2013 and rules made thereunder.

There is no audit qualification, reservation or adverse remark for the year under review.

(b) Secretarial Auditors :

Pursuant to the provisions of Section 204 of the Act and the rules made thereunder, the Board of Directors of the Company has appointed M/s. Neetu Agrawal & Co., a firm of Company Secretaries in Practice (C.P. No. 9272) to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed as Annexure [B] to the Directors Report.

There is no secretarial audit qualification for the year under review.

CREDIT RATING

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

EXTRACT OF ANNUAL RETURN

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

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on arm's length basis and in the ordinary course of the business and that the provisions of Section 188 of the Act and the Rules made thereunder are not attracted. Thus, disclosure in Form AOC – 2 in terms of Section 134 of the Act is not required. Further, there are no material related party transactions during the year under review with the Promoters, Directors or Key Managerial Personnel. The Company has developed a framework through Standard Operating Procedures for the purpose of identification and monitoring of such Related Party Transactions.

Details of the transactions with related parties are provided in the accompanying notes forming part of the financial statements.

RISK MANAGEMENT

The Company has in place adequate risk management system which takes care of risk identification, assessment and mitigation. Your Company has adopted a Risk Management Policy which establishes various levels of accountability and overview within the Company, while vesting identified managers with responsibility for each significant risk. The risk management framework defines the risk management approach of the Company and includes periodic review of such risks and also documentation, mitigating controls and reporting mechanism of such risks.

There are no risks which in the opinion of the Board threatens the existence of your Company. However, some of the risks which may pose challenges are set out in the Management Discussion and Analysis which forms part of this report.

INTERNAL CONTROL SYSTEMS AND ADEQUACY

The Company has an effective internal control and risk-mitigation system, which are constantly assessed and strengthened with new/revised standard operating procedures. The Company's internal control system is commensurate with its size, scale and complexities of its operations. The internal and operational audit is entrusted to M/s. Bhandarkar & Kale, Chartered Accountants. The main thrust of internal audit is to test and review controls, appraisals of risks and business processes, besides benchmarking controls with best practices in the industry.

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same. The Audit Committee of the Board, Statutory Auditors and the Business Heads are periodically appraised of the internal audit findings and corrective action taken. Audit plays a key role in providing assurance to the Board of Directors. Significant audit observations and corrective actions taken by the management are presented to the Audit Committee of the Board.

REMUNERATION AND NOMINATION POLICY

A Committee of the Board named as "Nomination and Remuneration Committee" has been constituted to comply with the provisions of Section 178 of the Companies Act, 2013 and to recommend a policy of the Company on Directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters and to frame proper systems for identification, appointment of Directors & KMPs, payment of remuneration to them and evaluation of their performance and to recommend the same to the Board from time to time.

BOARD AND COMMITTEE MEETINGS

Four meetings of the board were convened and held during the year.

The Board has constituted an Audit Committee with Mr. Kisan R Choksey as Chairman and Mr. Venkitaraman Iyer and Mr. Pravin G. Shah as members. Mr. Pravin G. Shah has been appointed as a new member of Audit Committee on account of vacancy caused due to resignation of Mr. Manoj P. Mehta from the Directorship of the Company.

There has not been any instances during the year when recommendations of the Audit Committee were not accepted by the Board.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 134 (5) of the Act, the directors of your Company confirm that :

i) in the preparation of the annual accounts for the financial year ended 31st March, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures;

ii) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2018 and of the profit of the Company for the financial year ended 31st March, 2018;

iii) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv) the directors have prepared the annual accounts on a going concern basis;

v) the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

vi) the directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

ENVIRONMENT AND SAFETY

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

As required by the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has formulated and implemented a policy on prevention of sexual harassment at workplace with a mechanism of lodging complaints. The Policy aims to provide protection to female employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure. The Company has also constituted an Internal Complaints Committee to inquire into complaints of sexual harassment and recommend appropriate action.

During the year under review, no complaints were reported to the Board.

VIGIL MECHANISM/ WHISTLE BLOWER POLICY

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

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

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

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

The information under Section 134 (3)(m) of the Act read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 for the year ended 31st March, 2018 is given below and forms part of the Director's Report.

(a) Conservation of Energy :

(i) Steps taken or impact on conservation of energy :

1. Adequate steps for energy conservation, power factor improvement have been taken wherever feasible.
2. For effective treatment of effluents the Company has constructed an effluent treatment plant. Waste water generated from manufacturing process is treated/recycled at Effluent Treatment Plant and used for internal consumption and plantation.
3. There is adequate provision for the treatment of fumes resulting from the use of Sulphuric, Nitric, Hydrofluoric and other acids required for production.

4. Replacement of the conventional light fittings with LED lighting has resulted in lower power consumption for lighting.

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

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

(iii) Capital Investment on energy conservation equipments :

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

(b) Technology Absorption

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

The Company has received complete technical know how for Silicon Rectifiers and Silicon Controlled Rectifiers upto 30 mm devices from M/s. International Rectifier Corporation, California, U.S.A. The erstwhile Orient Semiconductors Pvt. Ltd., now amalgamated with the Company, received technical know how from Silicon Power Corporation, U.S.A. (an ex. General Electric facility) for manufacturing semiconductor devices upto 125 mm.

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

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

(iii) Expenditure incurred on Research and Development : Nil

(c) Foreign Exchange Earnings and Outgo

(i) Foreign Exchange earned during the year – ₹ 39,596,237/-

(ii) Outgo of Foreign Exchange during the year – ₹ 105,248,851/-

PARTICULARS OF EMPLOYEES

In terms of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company does not have any employee who is employed throughout the financial year and in receipt of remuneration of ₹ 60 Lacs or more, or employees who are employed for part of the year and in receipt of ₹ 5 Lacs or more per month.

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

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report forms an integral part of this report and gives details of the overall industry structure, economic developments, performance and state of affairs of your Company's businesses and other material developments during the financial year 2017-18.

CORPORATE GOVERNANCE REPORT

Since the paid up equity capital of the Company is less than ₹ 10 Crores and the networth of the Company is less than ₹ 25 Crores, the provisions of Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation 2 of Regulation 46 and para C, D & E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pertaining to Corporate Governance are not applicable to the Company.

ACKNOWLEDGMENTS

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

For and on behalf of the Board of Directors

Place : Mumbai
Date : 24th May, 2018

Hasmukh J. Shah
Chairman

FORM No. MGT – 9

EXTRACT OF ANNUAL RETURN

(As on the financial year ended on 31st March, 2018)

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

I. REGISTRATION & OTHER DETAILS :

1.	CIN	L31109MH1969PLC014322
2.	Registration Date	05/07/1969
3.	Name of the Company	Ruttonsha International Rectifier Limited
4.	Category/Sub-category of the Company	Public Company/ Limited By Shares
5.	Address of the Registered office & Contact details	139/141, Solaris 1, B-Wing, 1st Floor, Saki Vihar Road, Powai, Andheri (East), Mumbai – 400072 Tel No. : +91-022-28471956 Fax No. : +91-022-28471959 Email : secretarial@ruttonsha.com Website : www.ruttonsha.com
6.	Whether listed company	Yes
7.	Name, Address & Contact details of the Registrar & Transfer Agent, if any.	Adroit Corporate Services Pvt. Ltd. 17/20, Jaferbhoy Industrial Estate, 1st Floor, Makwana Road, Marol Naka, Andheri (East), Mumbai – 400059 Tel No. : +91-022-42270400 Fax No. : +91-022-28503748 Email : info@adroitcorporate.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY :

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

Sr. No.	Name and Description of main products / services	NIC Code of the products / services	% to total turnover of the company
1.	Semiconductor Devices	2610	64.05
2.	Power Equipments	2790	33.45

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

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

i) Category-wise Share Holding :

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01.04.2017]				No. of Shares held at the end of the year [As on 31.03.2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	15000	-	15000	0.21	15000	-	15000	0.21	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	-	-	-	-	-	-	-	-	-
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Subtotal (A)(1) :	**15000**	**-**	**15000**	**0.21**	**15000**	**-**	**15000**	**0.21**	**-**
(2) Foreign									
a) NRI Individuals	5072958	-	5072958	72.92	4980333	-	4980333	71.58	(1.33)
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Subtotal (A)(2) :	**5072958**	**-**	**5072958**	**72.92**	**4980333**	-	**4980333**	**71.58**	**(1.33)**
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	**5087958**	**-**	**5087958**	**73.13**	**4995333**	**-**	**4995333**	**71.80**	**(1.33)**
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	1400	1400	0.02	-	1400	1400	0.02	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01.04.2017]				No. of Shares held at the end of the year[As on 31.03.2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1) :	**-**	**1400**	**1400**	**0.02**	**-**	**1400**	**1400**	**0.02**	**-**
(2) Non-Institutions									
a) Bodies Corporate									
i) Indian	20251	5020	25271	0.36	13064	3020	16084	0.23	(0.13)
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	750037	673935	1423972	20.47	701113	638770	1339883	19.26	(1.21)
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	202714	-	202714	2.91	407544	-	407544	5.86	2.94
c) Others (specify)									
i) Non Resident Indians	2130	1700	3830	0.06	5266	1700	6966	0.10	(0.05)
ii) Trusts	210684	-	210684	3.03	188811	-	188811	2.71	(0.31)
iii) Clearing Member	1411	-	1411	0.02	1219	-	1219	0.02	0.00
Sub-total (B)(2) :	**1187227**	**680655**	**1867882**	**26.85**	**1317017**	**643490**	**1960507**	**28.18**	**1.33**
Total Public Shareholding (B)=(B)(1)+(B)(2)	**1187227**	**682055**	**1869282**	**26.87**	**1317017**	**644890**	**1961907**	**28.20**	**1.33**
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**6275185**	**682055**	**6957240**	**100.00**	**6312350**	**644890**	**6957240**	**100.00**	**-**

ii) Share Holding of Promoters :

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year [As on 01.04.2017]			Shareholding at the end of the year [As on 31.03.2018]			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbe-red to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbe-red to total shares	
1.	Smt. Bhavna H. Mehta	4724583	67.91	-	4724583	67.91	-	-
2.	Shri. Jitendra Mehta	127875	1.84	-	127875	1.84	-	-
3.	Smt. Ila J. Mehta	127875	1.84	-	127875	1.84	-	-
4.	Shri. Utpal K. Mehta	46375	0.67	-	0	0.00	-	(0.67)
5.	Smt. Vaishali U. Mehta	46250	0.66	-	0	0.00	-	(0.66)
6.	Shri. Hasmukh J. Shah	8750	0.13	-	8750	0.13	-	-
7.	Shri. Bakulesh J. Shah	6250	0.08	-	6250	0.08	-	-
	TOTAL	**5087958**	**73.13**	**-**	**4995333**	**71.80**	**-**	**(1.33)**

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

Sr. No.	Particulars	Shareholding at the beginning of the year 01/04/2017		Date	Increase / Decrease in Share holding	Reason	Cumulative Shareholding during the year 31/03/2018	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
1.	Shri. Utpal K. Mehta	46375	0.67	31.01.2018	(46375)	Transfer	0	0.00
2.	Smt. Vaishali U. Mehta	46250	0.66	31.01.2018	(46250)	Transfer	0	0.00

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

Sr. No.	For Each of the Top 10 Shareholders		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	**Ruttonsha International Rectifier Ltd. – Equity Trust (through its Trustees Manoj P. Mehta and Hasmukh J. Shah)**					
	At the beginning of the year		207,084	2.98	-	-
	Changes during the year					
	Benpos. Date	**Reason**				
	14.04.2017	Sale	(10300)	(0.15)	196784	2.83
	14.07.2017	Sale	(2246)	(0.03)	194538	2.80
	08.12.2017	Sale	(3867)	(0.06)	190671	2.74
	22.12.2017	Sale	(906)	(0.01)	189765	2.73
	29.12.2017	Sale	(2300)	(0.03)	187465	2.70
	05.01.2018	Sale	(1000)	(0.01)	186465	2.69
	02.03.2018	Sale	(1000)	(0.01)	185465	2.68
	23.03.2018	Sale	(254)	(0.00)	185211	2.66
	At the end of the year		-	-	185211	2.66
2.	**Sheetal Dharmesh Badani**					
	At the beginning of the year		-	-	-	-
	Changes during the year					
	Benpos. Date	**Reason**				
	02.02.2018	Purchase	92,625	1.33	92,625	1.33
	At the end of the year		-	-	92,625	1.33
3.	**Sharad Kanayalal Shah**					
	At the beginning of the year		-	-	-	-
	Changes during the year					
	Benpos. Date	**Reason**				
	14.04.2017	Purchase	3267	0.05	3267	0.05
	21.04.2017	Purchase	20771	0.30	24038	0.35
	28.04.2017	Purchase	6000	0.09	30038	0.43
	21.07.2017	Purchase	875	0.01	30913	0.44
	04.08.2017	Purchase	3791	0.06	34704	0.50
	11.08.2017	Purchase	7180	0.10	41884	0.60
	18.08.2017	Purchase	28823	0.41	70707	1.02
	25.08.2017	Purchase	1150	0.01	71857	1.03
	13.10.2017	Purchase	143	0.00	72000	1.03
	At the end of the year		-	-	72000	1.03
4.	**Kalpana Prakash Pandey**					
	At the beginning of the year		23088	0.33	-	-
	Changes during the year					

Sr. No.	For Each of the Top 10 Shareholders		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	Benpos. Date	**Reason**				
	07.04.2017	Purchase	1645	0.02	24733	0.36
	09.06.2017	Purchase	1620	0.02	26353	0.38
	16.06.2017	Purchase	241	0.00	26594	0.38
	22.09.2017	Purchase	1968	0.03	28562	0.41
	29.09.2017	Purchase	710	0.01	29272	0.42
	06.10.2017	Purchase	300	0.00	29572	0.43
	13.10.2017	Purchase	1028	0.01	30600	0.44
	20.10.2017	Purchase	195	0.00	30795	0.44
	27.10.2017	Purchase	100	0.00	30895	0.44
	17.11.2017	Purchase	640	0.01	31535	0.45
	24.11.2017	Purchase	265	0.00	31800	0.46
	01.12.2017	Purchase	1220	0.02	33020	0.47
	08.12.2017	Purchase	172	0.00	33192	0.48
	At the end of the year		-	-	33192	0.48
5.	**Sandeep Rao**					
	At the beginning of the year		21699	0.31	-	-
	Changes during the year					
	Benpos. Date	**Reason**				
	19.05.2017	Purchase	1205	0.02	22904	0.33
	26.05.2017	Purchase	930	0.01	23834	0.34
	02.06.2017	Purchase	1120	0.02	24954	0.36
	16.06.2017	Purchase	640	0.01	25594	0.37
	23.06.2017	Purchase	680	0.01	26274	0.38
	30.06.2017	Purchase	285	0.00	26559	0.38
	10.11.2017	Purchase	420	0.01	26979	0.39
	At the end of the year		-	-	26979	0.39
6.	**Amita Ashvin Shah**					
	At the beginning of the year		19169	0.28	-	-
	Changes during the year					
	Benpos. Date	**Reason**				
	05.05.2017	Purchase	1000	0.01	20169	0.29
	07.07.2017	Purchase	3156	0.05	23325	0.34
	At the end of the year		-	-	23325	0.34
7.	**Vandana Lakshminarayan Bhat**					
	At the beginning of the year		9882	0.14	-	-
	Changes during the year					

Sr. No.	For Each of the Top 10 Shareholders		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	Benpos. Date	**Reason**				
	07.04.2017	Purchase	116	0.00	9998	0.14
	19.05.2017	Purchase	100	0.00	10098	0.14
	07.07.2017	Purchase	500	0.01	10598	0.15
	21.07.2017	Purchase	945	0.02	11543	0.17
	01.09.2017	Purchase	465	0.00	12008	0.17
	15.09.2017	Purchase	2110	0.03	14118	0.20
	22.09.2017	Purchase	200	0.00	14318	0.20
	29.09.2017	Purchase	695	0.01	15013	0.21
	06.10.2017	Purchase	1200	0.02	16213	0.23
	10.11.2017	Purchase	983	0.02	17196	0.25
	22.12.2017	Purchase	137	0.00	17333	0.25
	At the end of the year		-	-	17333	0.25
8.	**Ashvin S Shah**					
	At the beginning of the year		12686	0.18	-	-
	Changes during the year					
	Benpos. Date	**Reason**				
	05.05.2017	Purchase	2568	0.04	15254	0.22
	12.05.2017	Purchase	549	0.01	15803	0.23
	30.06.2017	Purchase	100	0.00	15903	0.23
	21.07.2017	Purchase	100	0.00	16003	0.23
	01.09.2017	Purchase	1160	0.02	17163	0.25
	At the end of the year		-	-	17163	0.25
9.	**Kokila Ashvinkumar Shah**					
	At the beginning of the year		9110	0.13	-	-
	Changes during the year					
	Benpos. Date	**Reason**				
	07.07.2017	Purchase	5194	0.07	14304	0.21
	14.07.2017	Purchase	326	0.00	14630	0.21
	21.07.2017	Purchase	837	0.01	15467	0.22
	18.08.2017	Purchase	114	0.00	15581	0.22
	At the end of the year		-	-	15581	0.22
10.	**Mahendra Girdharilal**					
	At the beginning of the year		15362	0.22	-	-
	Changes during the year		No change during the year			
	At the end of the year		-	-	15362	0.22

v) **Share Holding of Directors and Key Managerial Personnel :**

Sr. No.	Name of the Directors/KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Smt. Bhavna H. Mehta	4724583	67.91	4724583	67.91
2.	Shri. Manoj P. Mehta (Director upto 26th March, 2018)	100000	1.43	100000	1.43
3.	Shri. Hasmukh J. Shah	8750	0.13	8750	0.13
4.	Shri. Kisan R. Choksey	4100	0.06	4100	0.06
5.	Shri. Pravin G. Shah	2500	0.04	2500	0.04
6.	Shri. Venkitaraman Iyer	10000	0.14	10000	0.14
7.	Shri. R. G. Trasi	10000	0.14	10000	0.14
8.	Shri. Bhavin P Rambhia	-	-	-	-

V. **INDEBTEDNESS -** Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Amt. in ₹)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (01/04/2017)				
i) Principal Amount	805,742	18,401,997	-	19,207,739
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**805,742**	**18,401,997**	**-**	**19,207,739**
Change in Indebtedness during the financial year				
* Addition	400,000	-	-	400,000
* Reduction	(318,479)	-	-	(318,479)
Net Change	**81,521**	**-**	**-**	**81,521**
Indebtedness at the end of the financial year (31/03/2018)				
i) Principal Amount	887,263	18,401,997	-	19,289,260
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**887,263**	**18,401,997**	**-**	**19,289,260**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A) Remuneration to Non Executive Directors :

(Amt. in ₹)

Sr. No.	Particulars of Remuneration	Name of Directors			Total Amount
1.	Independent Directors	**Shri. Kisan R. Choksey**	**Shri. Pravin G. Shah**	**Shri. Venkitaraman Iyer**	
	Fee for attending board/ committee meetings	10000	20000	10000	50000
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)	**10000**	**20000**	**10000**	**50000**
2.	Other Non-Executive Directors	**Smt. Bhavna H. Mehta**	**Shri. Hasmukh J. Shah**	**Shri. Manoj P. Mehta** (Director upto 26th March, 2018)	
	Fee for attending board/ committee meetings	-	20000	20000	40000
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	**-**	**20000**	**20000**	**40000**
	Total Managerial Remuneration = (1+2)				**90000**

B) Remuneration to Key Managerial Personnel Other Than MD/MANAGER/WTD

(Amt. in ₹)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		**Total**
		C.E.O. **R. G. Trasi**	Company Secretary **Bhavin P Rambhia**	
1.	Gross salary			
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	9,86,400	6,37,000	16,23,400
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission			
	- as % of profit	-	-	-
5.	Others, please specify	-	-	-
	Total	**9,86,400**	**6,37,000**	**16,23,400**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES :

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

FORM No. MR – 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

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

To,

The Members,

Ruttonsha International Rectifier Ltd.,

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2018, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial year ended on 31st March, 2018 according to the provisions of :

(i) The Companies Act, 2013 (**the Act**) and the Rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (not applicable to the Company during the Audit period);

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**'SEBI Act'**) :

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (not applicable to the Company during the Audit period);
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (not applicable to the Company during the Audit period);
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (not applicable to the Company during the Audit period);
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (not applicable to the Company during the Audit period); and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (not applicable to the Company during the Audit period);

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and

Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. All decisions at the Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

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

I further report that there were no such specific events/actions in pursuance of the above referred laws, rules, regulations, etc. having a major bearing on the Company's affairs.

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

Neetu Vikas Agrawal
Proprietor
FCS No. 8347; C.P. No. 9272

Place : Mumbai
Date : 24th May, 2018

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

Annexure I

To,

The Members,

Ruttonsha International Rectifier Ltd.,

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

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

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

Neetu Vikas Agrawal
Proprietor
FCS No. 8347; C.P. No. 9272

Place : Mumbai
Date : 24th May, 2018

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY OVERVIEW

Ruttonsha International Rectifier Ltd. operating since last five decades has identified its core strength in niche Power Electronics Industry with focus on two segments i.e. manufacturing Low and high power semi conductor devices like diodes, thyristors modules and bridge rectifiers by processing chips from 28mm to 125 mm diameter in the state of the art facility and manufacturing of Power Equipments like Rectifiers, Battery Chargers, High Power Stacks, Rectifier Panels used in diverse industrial sectors.

With renewed focus on 'Make in India' initiative by the Govt. of India and efforts to create an environment of 'Ease of Doing Business' which is expected to bring in large investments in key sectors, viz. Defence, Railways and Infrastructure. The introduction of GST and its smooth transition and other reforms has raised the confidence of global players in Indian markets. All these initiatives shall ultimately result in high industrial growth rates, which is slow in the current scenario, and which shall improve significantly in the coming years thereby benefitting the small businesses in the organised sector to show better results in near future.

BUSINESS REVIEW

(a) **Company Outlook :** Your Company experienced a pickup in the demand cycle in domestic market during the second half of the financial year 2017-18. The key contributors to the Company's growth during the year were Semiconductor Devices and High Power Equipments which reported sequential growth. However, the overall topline could grow by 3.35 % on account of decline in contribution from export sales. The principal and markets which your Company caters comprising of Railways, Capital Goods, Industrial and Alternate Energy have shown signs of improvement.

Going into the next financial year, the Company's operational performance will be guided by stable order inflows from semiconductor devices supported by execution of Railway orders as well as large equipment orders from other private players. The Company has established itself as a major player in Power Electronics. As a strategy the company has focused to grow its business through innovations, design, technology, quality and timely deliveries. The Company forsees a lot of opportunities in developing High Power devices and modules for strategic electronic industry; and catering to the requirements of Indian Railways and other OEM's.

(b) **Opportunities and Threats :** Our Company essentially caters to OEM's, Railways, Steel Sector, Pollution Controls and Capital Goods industry where huge opportunities are likely to open up due to the core focus of the present government in developing infrastructure facilities across the country, in order to boost the economy and business sentiments in the country

Tender based bidding system and competition from other private players may affect crystallisation of new orders to be awarded to the Company. Wide fluctuations in currency rates, emerging global trade wars among developed countries may impact our import costs which in turn affect the company's performance. However, such impact to a certain extent shall be offset by growth in export business.

Our focus lies in developing new product range viz. Modules and Capsule Devices to achieve higher margins and acquire greater market share. The Company's development of IGBT based rectifiers, battery chargers, AC/DC damping panels, thyristor controlled transformer rectifiers has started showing flow of orders.

SEGMENTWISE PERFORMANCE

The Company continues to operate in one segment i.e. Power Electronics thus segment-wise reporting as per the requirements of Ind AS 108 is not applicable to the Company.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

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

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

FINANCIAL PERFORMANCE

(i) Profits and Earnings : During the year, the Company's Revenue from Operations increased marginally by 3.35% to ₹ 326,335,351/- as compared to ₹ 315,767,303/- in 2016-17. Earnings before Interest, Tax and Depreciation and Amortisation (EBITDA) for the year also increased by 3.75 % to ₹ 36,613,411/- as compared to ₹ 35,289,850/- last year. Net Profit for the year also increased by 17.95 % to ₹ 7,938,717/- as against ₹ 6,730,744/- last year.

(ii) Capital Expenditure : During the year under review, the Company has not spent any substantial amount on Capital Expenditure.

(iii) Finance Costs: Ploughing back of funds from internal accruals, better financial controls and reduction in borrowing costs has resulted in decline in finance costs by 8 % to ₹ 13,639,888/- as against ₹ 14,832,676/- last year.

HUMAN RESOURCES

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

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

CAUTIONARY NOTE

The statement in the Management Discussion and Analysis describing the Company's objectives, projections and estimates may be forward looking within the meaning of applicable laws and regulations. Actual results may differ from those expressed. Important factors affecting the Company's operation include global and domestic supply and demand conditions, input availability and production costs, currency fluctuations, changes in Government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

For and on behalf of the Board of Directors

Place : Mumbai
Date : 24th May, 2018

Hasmukh J. Shah
Chairman

INDEPENDENT AUDITORS' REPORT

To the Members of Ruttonsha International Rectifier Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Ruttonsha International Rectifier Ltd. ("the Company''), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (the "Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income and cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards referred under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 as amended.

This responsibility also includes the 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 the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the financial position of the Company as at 31st March, 2018, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us during the course of audit, we give in the Annexure-'A' a statement on the matters specified in the paragraph 3 and 4 of the Order to the extent applicable.

2. 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 including other comprehensive income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

(e) On the basis of written representations received from the Directors as on 31st March, 2018 and taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2018, from being appointed as a Director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure - 'B'; and

(g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :

i.) The Company does not have any pending litigations which would impact its financial position.

ii.) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii.) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **AJMERA AJMERA & ASSOCIATES**
Chartered Accountants
(Registration No. 123989W)

(K.N. AJMERA)
Partner
M. No.010805

Place : Mumbai
Date : 24th May, 2018

ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in our Independent Auditors' Report to the members of Ruttonsha International Rectifier Ltd. on the financial statements for the year ended 31st March, 2018, we report that :

1. (a) The Company is has maintained proper records showing full particulars, including quantitative details and situation of Fixed Assets.
   (b) As per the information and explanations given to us, physical verification of fixed assets has been carried out once during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable, having regard to the size of the company and nature of its business.
   (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 are held in the name of the Company.
2. According to the information and explanations given to us, the inventories have been physically verified at reasonable intervals by the management and there were no material discrepancies noticed during the same.
3. The Company has not granted any loans, secured or unsecured, to the companies, firms, limited liability partnerships or other parties covered in the Register maintained under Section 189 of the Act. Accordingly, the provisions of clause 3(iii)(a) to (c) of the Order are not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, the Company has not given any loans, made investments or provided securities to companies and other parties listed under Section 185 and 186 of the Act. Accordingly, the provisions of Clause 3(iv) of the order is not applicable to the Company.
5. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of provisions of Sections 73 to 76 of the Act or any other relevant provision of the Act and the Rules framed thereunder.
6. As informed to us, the maintenance of Cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Act, in respect of the activites carried on by the Company.
7. (a) According to the information and explanations given to us and the records examined by us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and other statutory dues wherever applicable.
   (b) According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Sales Tax, Wealth Tax, Service Tax, Goods and Service Tax, Custom Duty, Excise Duty, Cess were in arrears as at 31st March, 2018 for a period of more than six months from the date they became payable.
8. On the basis of our examination and according to the information and explanations given to us, the Company has not defaulted in repayment of the dues to a bank with respect to its borrowings. The Company has not borrowed any loans from Government, Financial Institutions. Further the Company has not issued any debentures during the year.
9. Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term loans during the year.
10. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
11. Based upon the audit procedures performed and the information and explanations given by the management, the Company has not paid any managerial remuneration in terms of provisions of Section 197 read with Schedule V to the Act.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the paragraph 3(xii) of the Order is not applicable to the Company.
13. In our opinion and according to the information and explanations given to us and on the basis of examination of books and records of the Company carried out by us, all the transactions with the related parties are in compliance with provisions of Section 177 and 188 of the Act, where applicable. The details there on has been disclosed in the financial statements as required under Accounting Standards (AS-18- Related Party Disclosures).
14. According to the information and explanations given to us and based on 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.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
16. In our opinion, the Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, paragraph 3 (xvi) of the Order are not applicable to the Company.

For **AJMERA AJMERA & ASSOCIATES**
Chartered Accountants
(Registration No. 123989W)

(K.N. AJMERA)
Partner
M. No.010805

Place : Mumbai
Date : 24th May, 2018

ANNEXURE 'B' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in Paragraph 2(f) under "Report on Other Legal and Regulatory Requirements" section of our Report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Ruttonsha International Rectifier Limited ("the Company") as at 31st March 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management 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 issued by the "Institute of Chartered Accountants of India." 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 its 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

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and 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 internal financial control, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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.

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 internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting 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 internal financial control over financial reporting 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 authorizations of management and directors of the company; and
3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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

Because of the inherent limitations of internal financial controls over financial reporting, 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 internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2018, 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 issued by the Institute of Chartered Accountants of India.

For **AJMERA AJMERA & ASSOCIATES**
Chartered Accountants
(Registration No. 123989W)

(K. N. AJMERA)
Partner
M. No.010805

Place : Mumbai
Date : 24th May, 2018

BALANCE SHEET AS AT 31ST MARCH, 2018

	Note No.	As at 31st March, 2018 (Amt. in ₹)	As at 31st March, 2017 (Amt. in ₹)	As at 1st April, 2016 (Amt. in ₹)
I. ASSETS				
1. NON-CURRENT ASSETS				
(a) Property, Plant and Equipment	2	**81,996,898**	91,006,572	97,154,932
(b) Capital Work in Progress		**45,680**	-	482,778
(c) Financial Assets				
(i) Other Financial Assets	3	**3,808,557**	4,340,149	5,341,364
		85,851,135	95,346,721	102,979,074
2 CURRENT ASSETS				
(a) Inventories	4	**147,933,823**	104,049,723	126,041,125
(b) Financial Assets				
(i) Trade Receivables	5	**141,213,731**	139,087,932	117,059,044
(ii) Cash and Cash Equivalents	6	**586,212**	315,743	1,041,669
(iii) Bank Balances other than (ii) above	7	**6,578,492**	7,029,578	8,504,353
(c) Current Tax Assets (net)	8	**1,094,579**	-	-
(d) Other Current Assets	9	**2,671,830**	3,627,619	8,500,758
		300,078,667	254,110,595	261,146,949
TOTAL ASSETS		**385,929,802**	349,457,316	364,126,023
II. EQUITY AND LIABILITIES				
1. SHAREHOLDERS' FUNDS				
(a) Equity Share Capital	10	**68,826,863**	68,738,823	68,724,735
(b) Other Equity	11	**106,340,213**	96,633,136	89,914,229
		175,167,076	165,371,959	158,638,964
2. NON-CURRENT LIABILITIES				
(a) Financial Liabilities				
(i) Long Term Borrowings	12	**39,243,502**	37,517,783	35,031,908
(ii) Other Financial Liabilities	13	**125,000**	125,000	192,500
(b) Provisions	14	**5,698,578**	7,263,662	6,629,652
(c) Deferred Tax Liability (net)	28	**22,281,728**	22,935,547	25,237,122
		67,348,808	67,841,992	67,091,182
3. CURRENT LIABILITIES				
(a) Financial Liabilities				
(i) Short Term Borrowings	15	**62,925,080**	61,715,120	67,948,255
(ii) Trade Payable	16	**71,600,819**	43,738,393	61,550,397
(iii) Other Financial Liabilities	17	**3,403,642**	3,879,457	3,388,376
(b) Other Current Liabilities	18	**3,766,127**	2,176,389	3,069,595
(c) Short Term Provisions	19	**1,718,250**	1,778,732	1,061,958
(d) Current Tax Liabilities (net)	20	-	2,955,274	1,377,296
		143,413,918	116,243,365	138,395,877
TOTAL EQUITIES AND LIABILITIES		**385,929,802**	349,457,316	364,126,023

Significant Accounting Policies 1

Accompanying Notes are an integral part of the Financial Statements

As per our attached report of even date

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

For AJMERA AJMERA & ASSOCIATES
CHARTERED ACCOUNTANTS
(Regn. No. 123989W)

BHAVNA H. MEHTA
DIRECTOR

HASMUKH J. SHAH
DIRECTOR

K. N. AJMERA
PARTNER
M. No. 010805

PRAVIN G. SHAH
DIRECTOR

KISAN R. CHOKSEY
DIRECTOR

Place : Mumbai
Date : 24th May, 2018

VENKITARAMAN IYER
DIRECTOR

BHAVIN P RAMBHIA
COMPANY SECRETARY

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

		Note No.	Year Ended 31st March, 2018 (Amt. in ₹)	Year Ended 31st March, 2017 (Amt. in ₹)
I.	**REVENUE**			
	(a) Revenue From Operations	**21**	**323,672,904**	312,826,606
	(b) Other Income	**22**	**2,662,447**	2,940,697
		TOTAL REVENUE	**326,335,351**	315,767,303
II.	**EXPENSES**			
	(a) Cost of Materials Consumed	**23**	**236,878,494**	173,440,774
	(b) Excise Duty		**5,707,781**	30,233,515
	(c) Changes in Inventories of Finished Goods and Work in Progress	**24**	**(24,396,263)**	9,177,938
	(d) Employee Benefits Expenses	**25**	**38,846,391**	36,977,493
	(e) Finance Costs	**26**	**13,639,888**	14,832,676
	(f) Depreciation and Amortisation Expenses	**2**	**11,543,059**	11,461,607
	(g) Other Expenses	**27**	**32,685,537**	30,647,733
		TOTAL EXPENSES	**314,904,887**	306,771,736
III.	**PROFIT BEFORE TAX (I-II)**		**11,430,464**	8,995,567
IV.	**TAX EXPENSES**	**28**		
	(a) Current Tax		**4,600,000**	5,800,000
	(b) Deferred Tax		**(519,624)**	(2,224,828)
	(c) Excess provision for income tax reversed		**(588,629)**	(1,310,349)
V.	**PROFIT FOR THE YEAR (III-IV)**		**7,938,717**	6,730,744
VI.	**OTHER COMPREHENSIVE INCOME**			
	(i) Items that will not be reclassified to profit & loss Remeasurements of post-employment benefit obligations		**473,768**	(225,792)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		**(134,195)**	76,747
	TOTAL OTHER COMPREHENSIVE INCOME		**339,573**	(149,045)
VII.	**TOTAL COMPREHENSIVE INCOME FOR THE PERIOD (V+VI)**		**8,278,290**	6,581,699
VIII.	**EARNINGS PER EQUITY SHARE** (Face Value of ₹ 10/- each) Basic & Diluted (in ₹)	**32**	**1.17**	1.00

Significant Accounting Policies **1**

Accompanying Notes are an integral part of the Financial Statements

As per our attached report of even date

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

For AJMERA AJMERA & ASSOCIATES
CHARTERED ACCOUNTANTS
(Regn. No. 123989W)

BHAVNA H. MEHTA
DIRECTOR

HASMUKH J. SHAH
DIRECTOR

K. N. AJMERA
PARTNER
M. No. 010805

PRAVIN G. SHAH
DIRECTOR

KISAN R. CHOKSEY
DIRECTOR

Place : Mumbai
Date : 24th May, 2018

VENKITARAMAN IYER
DIRECTOR

BHAVIN P RAMBHIA
COMPANY SECRETARY

(A) Equity Share Capital

	(Amt. in ₹)
Balance as at April 01, 2016	**68,724,735**
Changes in Equity Share Capital during the year	14,088
Balance as at March 31, 2017	**68,738,823**
Changes in Equity Share Capital during the year	88,040
Balance as at March 31, 2018	**68,826,863**

(B) Other Equity (Amt. in ₹)

	Capital Reserve	Cash Subsidy Reserve	Amalgamation Reserve	Revaluation Reserve	Surplus in the statement of Profit & Loss	Gain on sale of Treasury shares	Total
Balance as at April 01, 2016	**2,396,456**	**323,500**	**4,359,936**	**88,540**	**82,745,797**	**-**	**89,914,229**
Transferred to retained earnings	-	-	-	(88,540)	88,540	-	-
Profit for the year	-	-	-	-	6,730,744	-	6,730,744
Other comprehensive income for the year	-	-	-	-	(149,045)	-	(149,045)
Profit on sale of treasury shares	-	-	-	-	-	137,208	137,208
Balance as at March 31, 2017	**2,396,456**	**323,500**	**4,359,936**	**-**	**89,416,036**	**137,208**	**96,633,136**
Profit for the year	-	-	-	-	7,938,717	-	7,938,717
Other comprehensive income for the year	-	-	-	-	339,573	-	339,573
Profit on sale of treasury shares	-	-	-	-	-	1,428,787	1,428,787
Balance as at March 31, 2018	**2,396,456**	**323,500**	**4,359,936**	**-**	**97,694,326**	**1,565,995**	**106,340,213**

As per our attached report of even date

For AJMERA AJMERA & ASSOCIATES
CHARTERED ACCOUNTANTS
(Regn. No. 123989W)

K. N. AJMERA
PARTNER
M. No. 010805

Place : Mumbai
Date : 24th May, 2018

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

BHAVNA H. MEHTA
DIRECTOR

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DIRECTOR

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DIRECTOR

VENKITARAMAN IYER
DIRECTOR

BHAVIN P RAMBHIA
COMPANY SECRETARY

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

			Year Ended 31st March, 2018		Year Ended 31st March, 2017
		(Amt. in ₹)	(Amt. in ₹)	(Amt. in ₹)	(Amt. in ₹)
A.	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Profit before tax and extraordinary items		**11,430,464**		8,995,567
	Adjusted for :				
	Depreciation	**11,543,059**		11,461,607	
	Interest Income	**(2,296,232)**		(1,415,490)	
	Interest Expense	**13,639,888**		14,832,676	
			22,886,715		24,878,793
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		**34,317,179**		33,874,360
	Changes in Working Capital				
	Trade Receivables	**(2,125,799)**		(22,028,888)	
	Inventories	**(43,884,100)**		21,991,402	
	Other assets (Financial and Non Financial)	**1,975,597**		7,382,441	
	Trade Payables	**27,862,426**		(17,812,004)	
	Provisions	**(1,151,798)**		1,124,992	
	Other Liabilities(Financial & Non Financial)	**1,113,923**		(469,625)	
			(16,209,751)		(9,811,682)
	Cash Used in Operating Activities		**18,107,428**		24,062,679
	Direct Taxes paid (net)		**(8,059,506)**		(2,911,673)
	CASH GENERATED FROM OPERATIONS		**10,047,922**		21,151,005
B.	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Purchase of Fixed Assets	**(2,579,065)**		(4,830,469)	
	Sale of Treasury shares	**1,246,720**		151,296	
	Interest Income	**2,259,102**		1,382,178	
			926,757		(3,296,995)
C.	**CASH FLOW FROM FINANCIAL ACTIVITIES**				
	Proceeds from/(Repayment) of borrowings	**816,893**		(3,747,260)	
	Interest paid	**(11,521,102)**		(14,832,676)	
			(10,704,209)		(18,579,936)
Net Increase/(Decrease) in Cash and cash Equivalents (A+B+C)			**270,469**		(725,926)
Opening Cash and Cash equivalents			**315,743**		1,041,669
Closing Cash and Cash equivalents			**586,212**		315,743

As per our attached report of even date

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

For AJMERA AJMERA & ASSOCIATES
CHARTERED ACCOUNTANTS
(Regn. No. 123989W)

K. N. AJMERA
PARTNER
M. No. 010805

Place : Mumbai
Date : 24th May, 2018

BHAVNA H. MEHTA
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DIRECTOR

BHAVIN P RAMBHIA
COMPANY SECRETARY

Note 1 : SIGNIFICANT ACCOUNTING POLICIES

A. CORPORATE INFORMATION :

Ruttonsha International Rectifier Ltd. is a Company engaged in manufacturing of Semiconductor devices like Diodes, Thyristors, Power Modules, Bridge Rectifiers and High Power Equipments like High Current Rectifiers, Battery Chargers, Rectifier Panels, High Power Stacks and Assembly. The Company's products are used for Industrial applications in diverse sectors such as Railways, Induction Furnace, Electricity and Power Generation, Engineering, Water Treatment, Metals, Defence, Automobiles, Oil and Gas plants, Welding Equipments, Aviation etc. The Company's manufacturing facilities are located in Baska, Halol, Gujarat and has its registered office in Mumbai. The shares of the Company are listed on the Bombay Stock Exchange (BSE).

B. ACCOUNTING POLICIES :

1. Basis of Preparation of Financial Statements :

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 ('the Act') read with the Companies (Indian Accounting standards) Rules as amended from time to time and other related provisions of the Act.

These financial statements for the year ended 31st March, 2018 are the first financials with comparatives, prepared under Ind AS. For all previous periods including the year ended 31st March, 2017, the Company had prepared its financial statements in accordance with the accounting standards notified under companies (Accounting Standard) Rule, 2006 (as amended) and other relevant provisions of the Act (hereinafter referred to as 'Previous GAAP') used for its statutory reporting requirement in India.

Refer Note 39 for the details of significant first-time adoption exemptions availed by the Company and an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, performance and cash flows.

The financial statements of the Company are prepared on the accrual basis of accounting and Historical cost convention except for the following material items that have been measured at fair value as required by the relevant Ind AS:

(i) Certain financial assets and liabilities are measured at Fair value (Refer Point No.5 of note no. 1B)

(ii) Defined benefit employee plan (Refer Point No.11 of note no. 1B)

The accounting policies are applied consistently to all the periods presented in the financial statements. All assets and liabilities have been classified as current or non current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

The financial statements are presented in INR, the functional currency of the Company.

2. Use of Estimates and judgments :

The preparation of the financial statements requires the Management to make, judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The recognition, measurement, classification or disclosure of an item or information in the financial statements is made relying on these estimates. The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the management and are based on historical experience and various other assumptions and factors (including expectations of future events) that the management believes to be reasonable under the existing circumstances. Actual results may differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

Critical accounting judgements and key source of estimation uncertainty

The Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. The estimates and underlying assumptions are reviewed on an on-going basis.

(a) Recognition and measurement of defined benefit obligations, key actuarial assumptions - (Refer Point No.11 of Note no. 1B).

(b) Estimation of current tax expenses and payable - (Refer Point No.12 of note no. 1B).

3. Property, plant and equipment (PPE) :

Property, plant and equipment is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable costs of bringing the asset to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure Subsequent costs are included in the assets carrying amount or recognized as a separate asset, as appropriate only if it is probable that the future economic benefits associated with the item will flow to the Company and that the cost of the item can be reliably measured.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital working-progress".

4. Depreciation and Amortization:

(a) Property plant and equipment (PPE)

Depreciation is provided on a pro-rata basis on the straight line method based on estimated useful life prescribed under Schedule II to the Companies Act, 2013.

The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate.

5. Financial Instruments:

Financial assets - Initial recognition:

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instruments. On initial recognition, a financial asset is recognised at fair value, in case of Financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost are recognised in the statement of profit and loss. In other cases, the transaction cost are attributed to the acquisition value of the financial asset.

Subsequent measurement:

Financial assets are subsequently classified as measured at:

- amortised cost
- fair value through profit & loss (FVTPL)
- fair value through other comprehensive income (FVTOCI)

The above classification is being determined considering the:

(a) the entity's business model for managing the financial assets and

(b) the contractual cash flow characteristics of the financial asset.

Financial assets are not reclassified subsequent to their recognition, except if and in the period the group changes its business model for managing financial assets.

(i) Measured at amortised cost :

Financial assets are subsequently measured at amortised cost, if these financial assets are held within a business module whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified date to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Measured at fair value through other comprehensive income (FVTOCI) :

Financial assets are measured at FVTOCI, if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.

(iii) Measured at fair value through profit or loss (FVTPL) :

Financial assets other than equity instrument are measured at FVTPL unless it is measured at amortised cost or at FVTOCI on initial recognition. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised in the Statement of Profit and Loss.

Equity instruments:

On initial recognition, the Company can make an irrevocable election (on an instrument-by instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to Statement of Profit and Loss on disposal of the investments. Dividends on these investments in equity instruments are recognised in Statement of Profit and Loss when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends recognised in Statement of Profit and Loss are included in the 'Other income' line item.

Impairment

The Company recognises a loss allowance for Expected Credit Losses (ECL) on financial assets that are measured at amortised cost and at FVOCI. The credit loss is difference between all contractual cash flows that are due to an entity in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. This is assessed on an individual or collective basis after considering all reasonable and supportable including that which is forward looking.

The Company's trade receivables or contract revenue receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall, being simplified approach for recognition of impairment loss allowance.

Under simplified approach, the Company does not track changes in credit risk. Rather it recognizes impairment loss allowance based on the lifetime ECL at each reporting date right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For financial assets other than trade receivables, the Company recognises 12–months expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. If, in a subsequent period, credit quality of the instrument improves such that there is no longer significant increase in credit risks since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12 months ECL. The impairment losses and reversals are recognised in Statement of Profit and Loss. For equity instruments and financial assets measured at FVTPL, there is no requirement of impairment testing.

Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers rights to receive cash flows from an asset, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Financial Liabilities

Initial Recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial liabilities are initially recognised at fair value net of transaction costs for all financial liabilities not carried at fair value through profit or loss.

The Company's financial liabilities includes trade and other payables, loans and borrowings including bank overdrafts.

Subsequent measurement Financial liabilities measured at amortised cost are subsequently measured at using EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss. Loans & Borrowings : After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using EIR method. Gains and losses are recognized in profit & loss when the liabilities are derecognized as well as through EIR amortization process. Financial Guarantee Contracts Financial guarantee contracts issued by the Company are those contracts that requires a payment to be made or to reimburse the holder for a loss it incurs because the specified debtors fails to make payment when due in accordance with the term of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

6. Fair Value Measurement :

The Company measures financial instruments, such as, derivatives, investments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:(a) In the principal market for the asset or liability, or(b) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole :

(i) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities (ii) Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable(iii) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

7. **Inventories :**

Inventories are valued at the lower of cost and net realisable value. Cost is computed on a FIFO basis. Cost of finished goods and work-in-progress include all costs of purchases, conversion costs and other costs incurred in bringing the inventories to their present location and condition. The net realisable value is the estimated selling price in the ordinary course of business less. the estimated costs of completion and estimated costs necessary to make the sale.

8. **Cash and Cash Equivalents:**

Cash and Cash equivalents include cash and Cheque in hand, bank balances, demand deposits with banks and other short-term highly liquid investments that are readily convertible to known amounts of cash & which are subject to an insignificant risk of changes in value where original maturity is three months or less.

9. **Foreign Currency Transactions:**

a) **Initial Recognition -** Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss of the year.

b) **Measurement of Foreign Currency Items at the Balance Sheet Date -** Foreign currency monetary items of the Company are restated at the closing exchange rates. Non monetary items are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising out of these transactions are charged to the Statement of Profit and Loss.

10. **Revenue Recognition:**

Revenue is measured at the value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates, discounts, loyalty discount, value added taxes and amounts collected on behalf of third parties.The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and specific criteria have been met for each of the Company's activities as described below.

Sale of Goods

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, there is no continuing managerial involvement with the goods and the amount of revenue can be measured reliably.

Rendering of Services

Income from services rendered is recognised based on agreements/ arrangements with the customers as the service is performed/rendered.

Export Benefits

Export benefits under duty drawback scheme is estimated and accounted for in the year of export.

Interest

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable and based on Effective interest rate method.

11. **Employee Benefits:**

The Company has provides following post-employment plans:

(a) Defined benefit plans such a gratuity and (b) Defined contribution plans such as Provident fund

(a) Defined-benefit plan:

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of defined benefit obligations at the end of the reporting period less fair value of plan assets. The defined benefit obligations is calculated annually by actuaries through actuarial valuation using the projected unit credit method.The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:(a) Service costs comprising current service costs, past-service costs, gains and losses on curtailment and non-routine settlements; and (b) Net interest expense or income.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and fair value of plan assets. This cost is included in employee benefit expenses in the statement of the profit & loss.Re-measurement comprising of actuarial gains and losses arising from (a) Re-measurement of Actuarial(gains)/losses(b) Return on plan assets, excluding amount recognized in effect of asset ceiling(c) Re-measurement arising because of change in effect of asset ceilingare recognised in the period in which they occur directly in Other comprehensive income. Re-measurement are not reclassified to profit or loss in subsequent periods.Ind AS 19 requires the exercise of judgment in relation to various assumptions including future pay rises, inflation and discount rates and employee and pensioner demographics. The Company determines the assumptions in conjunction with its actuaries, and believes these assumptions to be in line with best practice, but the application of different assumptions could have a significant effect on the amounts reflected in the income statement, other comprehensive income and balance sheet. There may be also interdependency between some of the assumptions.

(b) Defined-contribution plan :

Under defined contribution plans, provident fund, the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. Defined Contribution plan comprise of contributions to the employees' provident fund with the government, superannuation fund and certain state plans like Employees' State Insurance and Employees' Pension Scheme. The Company's payments to the defined contribution plans are recognised as expenses during the period in which the employees perform the services that the payment covers.

(**c) Other employee benefits:**

(i) Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the obligation as at the Balance sheet date determined based on an actuarial valuation.

(ii) Undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the period when the employee renders the related services.

12. Taxes on Income :

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income. Current tax is based on taxable profit for the year. Taxable profit is different from accounting profit due to temporary differences between accounting and tax treatments, and due to items that are never taxable or tax deductible. Tax provisions are included in current liabilities. Interest and penalties on tax liabilities are provided for in the tax charge. The Company offsets, the current tax assets and liabilities (on a year on year basis) where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis or to realise the assets and liabilities on net basis.

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements. Deferred income tax asset are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred tax assets are not recognised where it is more likely than not that the assets will not be realised in the future.The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Minimum Alternative Tax ('MAT') credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income-tax during the specified period. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income-tax during the specified period.

13. Borrowing Cost:

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalized as a part of Cost of that assets, during the period till all the activities necessary to prepare the Qualifying assets for its intended use or sale are complete during the period of time that is required to complete and prepare the assets for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.Other borrowing costs are recognized as an expense in the period in which they are incurred.

14. Earnings Per Share:

Basic earnings per shares are calculated by dividing the net profit or loss after tax 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 net profit or loss for the period attributable to the equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

15. Treasury Shares :

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from Equity. No gain or loss is recognised in profit & loss on purchase, sale, issue or cancellation of the Company's own shares. Any difference in between the carrying amount and the consideration is shown separately as part of Other equity.

16. Provisions, Contingent Liabilities and Contingent Assets :

A provision is recognised if, as a result of a past event, the group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources or an obligation for which the future outcome cannot be ascertained with reasonable certainty. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are neither recognized nor disclosed in financial statements.

NOTE 2 : PROPERTY, PLANT & EQUIPMENT

(Amt. in ₹)

	FREEHOLD LAND	BUILDINGS	PLANT AND MACHINERIES	DIES AND MOULDS	ELECTRICAL INSTALLATION AND FITTINGS	AIR CONDITIONERS AND WATER COOLERS	VEHICLES	OFFICE EQUIPMENTS	FURNITURE AND FIXTURES	TOTAL
Balance as at April 01, 2016										
GROSS CARRYING AMOUNT										
Deemed cost as at April 01, 2016 (refer Note 2(b) below)	**3,589,950**	**11,339,049**	**76,277,430**	**570,643**	**821,551**	**714,708**	**858,439**	**1,143,190**	**1,839,972**	**97,154,932**
Additions	-	909,947	2,263,579	-	-	178,811	957,697	808,805	194,408	**5,313,247**
Disposals	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2017	**3,589,950**	**12,248,996**	**78,541,009**	**570,643**	**821,551**	**893,519**	**1,816,136**	**1,951,995**	**2,034,380**	**102,468,179**
Additions	-	268,678	225,032	153,140	838,891	153,247	415,999	367,597	134,007	**2,556,591**
Disposals	-	-	-	-	-	-	(23,206)	-	-	**(23,206)**
Balance as at March 31, 2018	**3,589,950**	**12,517,674**	**78,766,041**	**723,783**	**1,660,442**	**1,046,766**	**2,208,929**	**2,319,592**	**2,168,387**	**105,001,564**
ACCUMULATED DEPRECIATION										
Balance as at April 01, 2016										
Depreciation charge for the year	-	**499,404**	**9,354,907**	**118,636**	**116,482**	**256,347**	**360,458**	**472,487**	**282,886**	**11,461,607**
Disposals	-	-	-	-	-	-	-	-		
Accumulated Depreciation as at March 31, 2017	-	**499,404**	**9,354,907**	**118,636**	**116,482**	**256,347**	**360,458**	**472,487**	**282,886**	**11,461,607**
Depreciation charge for the year	-	537,713	9,142,321	126,418	129,764	286,058	459,013	573,284	288,488	**11,543,059**
Disposals	-	-	-	-	-	-	-	-	-	-
Accumulated Depreciation as at March 31, 2018	-	**1,037,117**	**18,497,228**	**245,054**	**246,246**	**542,405**	**819,471**	**1,045,771**	**571,374**	**23,004,666**
Net carrying amount as at April 01, 2016	3,589,950	11,339,049	76,277,430	570,643	821,551	714,708	858,439	1,143,190	1,839,972	**97,154,932**
Net carrying amount as at March 31, 2017	3,589,950	11,749,592	69,186,102	452,007	705,069	637,172	1,455,678	1,479,508	1,751,494	**91,006,572**
Net carrying amount as at March 31, 2018	**3,589,950**	**11,480,557**	**60,268,813**	**478,729**	**1,414,196**	**504,361**	**1,389,458**	**1,273,821**	**1,597,013**	**81,996,898**

Notes: 2 (a) Refer note no. 31 for disclosure on contractual commitments for the acquisition of property, plant and equipment.

2 (b) The Company elected to continue with the net carrying value of all property, plant & equipment as at April 01, 2016 (Gross Block of ₹ 242,491,657/-) ; (Accumulated Depreciation of ₹ 145,336,725/-) as per previous GAAP and used that as Deemed Cost.
Refer Note below for the Gross Block value and the Accumulated Depreciation on 1st April, 2016 under the previous GAAP

Particulars	Gross Block	Accumalated Depreciation	Net Block considered as deemed cost
FREEHOLD LAND	3,589,950	-	3,589,950
BUILDINGS	24,282,073	12,943,024	11,339,049
PLANT AND MACHINERIES	185,902,625	109,625,195	76,277,430
DIES AND MOULDS	4,912,162	4,341,519	570,643
ELECTRICAL INSTALLATION AND FITTINGS	4,383,422	3,561,871	821,551
AIR CONDITIONERS AND WATER COOLERS	2,732,143	2,017,435	714,708
VEHICLES	3,155,827	2,297,388	858,439
OFFICE EQUIPMENTS	6,337,520	5,194,330	1,143,190
FURNITURE AND FIXTURES	7,195,935	5,355,963	1,839,972
TOTAL	**242,491,657**	**145,336,725**	**97,154,932**

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

		As at 31st March, 2018 (Amt. in ₹)	As at 31st March, 2017 (Amt. in ₹)	As at 1st April, 2016 (Amt. in ₹)
NOTE 3 : OTHER FINANCIAL ASSETS (Non- Current)				
(Un-secured Considered Good)				
(a) Security Deposits		**3,532,171**	3,692,722	3,601,909
(b) Interest accrued on Deposits		**276,386**	397,427	1,489,455
(c) Compensation Receivable		-	250,000	250,000
	TOTAL	**3,808,557**	4,340,149	5,341,364

During the year, the Company received Land Compensation of Rs.902,661/-. The Company had already made provision to the extent of Rs.2,50,000/- towards the same in earlier years and hence, balance amount was recognised as income in the Current year.

		As at 31st March, 2018 (Amt. in ₹)	As at 31st March, 2017 (Amt. in ₹)	As at 1st April, 2016 (Amt. in ₹)
NOTE 4 : INVENTORIES				
(Valued at lower of cost or net realisable value)				
(a) Raw Materials		**59,824,155**	40,336,318	53,149,782
(b) Work-in-Progress		**54,108,080**	61,840,079	70,845,978
(c) Finished Goods		**34,001,588**	1,873,326	2,045,365
	TOTAL	**147,933,823**	104,049,723	126,041,125
NOTE 5 : TRADE RECEIVABLES				
(a) Un-secured, considered good		**141,213,731**	139,087,932	117,059,044
(b) Un-secured, considered doubtful		**3,831,278**	3,831,278	3,831,278
Less: Provision for doubtful trade receivables		**(3,831,278)**	(3,831,278)	(3,831,278)
	TOTAL	**141,213,731**	139,087,932	117,059,044
NOTE 6 : CASH AND CASH EQUIVALENTS				
(a) Cash and Cash Equivalents				
- Cash on hand		**266,347**	68,693	54,628
(b) Balances with Banks				
- In Current Accounts		**319,865**	247,050	987,041
	TOTAL	**586,212**	315,743	1,041,669
NOTE 7 : BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS				
(a) Balances with Banks				
- In Deposit account		**6,000,000**	6,300,000	7,762,870
- In Margin Money		**9,198**	-	-
(b) Unclaimed Dividends		**569,294**	729,578	741,483
	TOTAL	**6,578,492**	7,029,578	8,504,353

Fixed Deposits with the Bank have been kept as per the terms of sanction, as collateral security and a lien thereon has been ear marked by the said bank.

		As at 31st March, 2018 (Amt. in ₹)	As at 31st March, 2017 (Amt. in ₹)	As at 1st April, 2016 (Amt. in ₹)
NOTE 8 : CURRENT TAX ASSETS (NET)				
Advance Income Tax		**5,694,579**	-	-
Less: Provision for Income Tax		**4,600,000**	-	-
	TOTAL	**1,094,579**	-	-
NOTE 9 : OTHER CURRENT ASSETS				
(unsecured, considered good unless otherwise stated)				
(a) Advance to Suppliers		**455,353**	900,462	1,379,410
(b) Advance to Employees		**580,377**	91,530	295,568
(c) Prepaid Expenses		**1,208,511**	912,123	878,571
(d) Balance with Government Authorities				
- GST / Duty draback receivable/Cenvat receivable		**427,589**	1,518,440	4,454,397
- Service Tax receivable		-	205,064	1,492,812
	TOTAL	**2,671,830**	3,627,619	8,500,758
NOTE 10 : EQUITY SHARE CAPITAL				
AUTHORISED				
10,000,000 Equity Shares of ₹ 10/- each		**100,000,000**	100,000,000	100,000,000
4,050,000 Redeemable Optionally Convertible Cumulative Preference Shares of Rs.10/- each		**40,500,000**	40,500,000	40,500,000
	TOTAL	**140,500,000**	140,500,000	140,500,000

		As at 31st March, 2018 (Amt. in ₹)	As at 31st March, 2017 (Amt. in ₹)	As at 1st April, 2016 (Amt. in ₹)
ISSUED, SUBSCRIBED AND PAID UP				
6,957,240 Equity Shares of Rs.10/- each fully paid-up		**69,572,400**	69,572,400	69,572,400
Less: Shares held under Trust - 185,211 Treasury Shares (As at March 31, 2017 - 207,084 equity shares; As at April 01, 2016 - 210,584 equity shares)		**(745,537)**	(833,577)	(847,665)
Treasury Shares held in trust pursuant to the Scheme of amalgamation of which the Company is sole beneficiary.				
	TOTAL	**68,826,863**	68,738,823	68,724,735

(i) Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period :

Number of shares at the beginning of the year	**6,957,240**	6,957,240	6,957,240
Add: Issued during the year	-	-	-
Number of shares at the closing of the year	**6,957,240**	6,957,240	6,957,240

(ii) Terms/rights attached to Equity Shares

The Company has only one class of Equity shares having a par value of Rs.10/- per share. Each holder of Equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Shareholder's holding more than 5% Equity shares of the Company :

	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
Name of the Shareholder	**No. of shares**	**%**	No. of shares	%	No. of shares	%
Bhavna H. Mehta	**4,724,583**	**67.91**	4,724,583	67.91	4,724,583	67.91

(iv) Shareholder's holding more than 5% Redeemable Optionally Convertible Cumulative Preference Shares of the Company:

	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
Name of the Shareholder	**No. of shares**	**%**	No. of shares	%	No. of shares	%
Bhavna H. Mehta	**3,660,255**	**90.38%**	3,660,255	90.38%	3,660,255	90.38%

NOTE 11 : OTHER EQUITY

		31st March, 2018	31st March, 2017	1st April, 2016
(a)	**CAPITAL RESERVE :**			
	Balance at the beginning and end of the year	**2,396,456**	2,396,456	2,396,456
(b)	**CASH SUBSIDY RESERVE :**			
	Balance at the beginning and end of the year	**323,500**	323,500	323,500
(c)	**AMALGAMATION RESERVE :**			
	Balance at the beginning and end of the year	**4,359,936**	4,359,936	4,359,936
(d)	**REVALUATION RESERVE:**			
	Balance at the beginning and end of the year	-	-	88,540
(e)	**GAIN ON SALE OF TREASURY SHARES**			
	Balance at the beginning of the year	**137,208**	-	-
	Add : During the year	**1,428,787**	137,208	
	Balance at the end of the year	**1,565,995**	137,208	-
(f)	**SURPLUS IN STATEMENT OF PROFIT AND LOSS:**			
	As per Last Balance Sheet	**89,416,036**	82,745,797	82,745,797
	Add : Profit for the year	**8,278,290**	6,670,239	-
	Closing Balance	**97,694,326**	89,416,036	82,745,797
	TOTAL	**106,340,213**	96,633,136	89,914,229

	As at 31st March, 2018 (Amt. in ₹)	As at 31st March, 2017 (Amt. in ₹)	As at 1st April, 2016 (Amt. in ₹)
NOTE 12 : LONG TERM BORROWINGS			
SECURED			
Vehicle Loans from Bank	**412,675**	805,742	219,169
	412,675	805,742	219,169
UN-SECURED			
(a) Loan from a Director	**18,401,997**	18,401,997	18,401,997
(b) 4,050,000 2% Redeemable Optionally Convertible Cumulative Preference shares	**20,428,830**	18,310,044	16,410,742
TOTAL	**39,243,502**	37,517,783	35,031,908

12.1) Vehicle Loans from State Bank of India is secured by hypothecation of vehicles.

12.2) 4,050,000 2%, Redeemable Optionally Convertible Cumulative Preference Shares capital were issued to the erstwhile shareholders of Orient Semiconductors Pvt. Ltd. pursuant to the scheme of Amalgamation.

12.3) The shareholders of the Company at their meeting held on 22nd September, 2014 extended redemption period of the above Preference Shares by 10 years.

	As at 31st March, 2018 (Amt. in ₹)	As at 31st March, 2017 (Amt. in ₹)	As at 1st April, 2016 (Amt. in ₹)
NOTE 13 : OTHER FINANCIAL LIABILITIES - NON-CURRENT			
OTHER PAYABLES			
Trade / Security Deposit received	**125,000**	125,000	192,500
TOTAL	**125,000**	125,000	192,500
NOTE 14 : PROVISIONS			
PROVISIONS FOR EMPLOYEE BENEFITS			
(a) Provision for Gratuity	**4,917,457**	6,558,051	5,921,414
(b) Provision for Compensated Absences	**781,121**	705,611	708,238
TOTAL	**5,698,578**	7,263,662	6,629,652
NOTE 15 : SHORT TERM BORROWINGS			
SECURED			
(a) Cash Credit from Bank	**62,450,492**	61,715,120	67,948,255
(b) Vehicle Loans from Bank	**474,588**	-	-
TOTAL	**62,925,080**	61,715,120	67,948,255

Cash credit from bank is secured by hypothecation of stocks and current assets as primary security and by first charge on Land and Building under Survey Nos. 338/P1, 338/P2, 338 /P3 and 338/P4 situated at Baska, Taluka Halol, District Panchmahals and hypothecation of entire plant and machinery and other fixed assets both present and future, as collateral security to the bank. The said facility is further secured by lien on STDR of Rs. 55 Lacs kept with the bank.

	As at 31st March, 2018 (Amt. in ₹)	As at 31st March, 2017 (Amt. in ₹)	As at 1st April, 2016 (Amt. in ₹)
NOTE 16 : TRADE PAYABLE			
Others than Micro, Small and Medium Enterprises	**71,600,819**	43,738,393	61,550,397
TOTAL	**71,600,819**	43,738,393	61,550,397
NOTE 17 : OTHER FINANCIAL LIABILITIES - CURRENT			
(a) Un-paid/ Unclaimed Dividends	**569,294**	729,578	741,483
(b) Other Payable	**2,834,348**	3,149,879	2,646,893
TOTAL	**3,403,642**	3,879,457	3,388,376

During the year, the Company has transferred Unclaimed Dividend for 2009-10 to Investor Education and Protection Fund (IEPF).

	As at 31st March, 2018 (Amt. in ₹)	As at 31st March, 2017 (Amt. in ₹)	As at 1st April, 2016 (Amt. in ₹)
NOTE 18 : OTHER CURRENT LIABILITIES			
(a) Other Payable	**1,299,266**	658,607	1,969,249
(b) Statutory Remittances	**2,466,861**	1,517,782	1,100,346
TOTAL	**3,766,127**	2,176,389	3,069,595
NOTE 19 : SHORT TERM PROVISIONS			
Provision for Employee benefits	**1,718,250**	1,778,732	1,061,958
TOTAL	**1,718,250**	1,778,732	1,061,958

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

	As at 31st March, 2018 (Amt. in ₹)	As at 31st March, 2017 (Amt. in ₹)	As at 1st April, 2016 (Amt. in ₹)
NOTE 20 : CURRENT TAX LIABILITIES			
Provision for Tax	-	5,800,000	2,523,469
Less: Advance income tax paid	-	2,844,726	1,146,173
TOTAL	**-**	2,955,274	1,377,296

			2017-18 (Amt. in ₹)	2016-17 (Amt. in ₹)
NOTE 21 : REVENUE FROM OPERATIONS				
Manufactured Goods				
(a)	Semiconductor Devices		**207,326,315**	236,403,424
(b)	Power Rectifier Assemblies		**108,294,191**	42,719,862
(c)	Others		**2,344,617**	3,469,805
Add :	Excise Duty		**5,707,781**	30,233,515
Net Revenue from Operations		**TOTAL**	**323,672,904**	312,826,606
NOTE 22 : OTHER INCOME				
(a)	Interest Income		**2,259,102**	1,382,178
(b)	Labour Charges recovered		**5,500**	174,337
(c)	Liabilities/ Provisions (no longer required) written back		**27,217**	-
(d)	Net gains on Foreign Currency Transactions		**(446,811)**	454,830
(e)	Gain on fair valuation of Financial assets - Deposits		**37,130**	33,312
(f)	Miscellaneous Receipts		**780,308**	896,040
		TOTAL	**2,662,447**	2,940,697
NOTE 23 : COST OF MATERIALS CONSUMED				
Opening Stock			**40,336,318**	53,149,782
Add : Purchases			**256,366,331**	160,627,310
			296,702,649	213,777,092
Less : Closing Stock			**59,824,155**	40,336,318
		TOTAL	**236,878,494**	173,440,774
NOTE 24 : CHANGE IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS				
OPENING STOCK				
(a)	Work in Progress		**61,840,079**	70,845,978
(b)	Finished Goods		**1,873,326**	2,045,365
			63,713,405	72,891,343
CLOSING STOCK				
(a)	Work in Progress		**54,108,080**	61,840,079
(b)	Finished Goods		**34,001,588**	1,873,326
			88,109,668	63,713,405
			(24,396,263)	9,177,938
NOTE 25 : EMPLOYEE BENEFITS EXPENSES				
(a)	Salaries and Wages		**35,017,339**	32,686,592
(b)	Contribution to Provident and other Funds		**2,698,422**	3,138,359
(c)	Staff Welfare Expenses		**1,130,630**	1,152,542
		TOTAL	**38,846,391**	36,977,493

		2017-18 (Amt. in ₹)	2016-17 (Amt. in ₹)
NOTE 26 : FINANCE COSTS			
(a) Interest Expenses		**9,699,643**	11,217,966
(b) Other Borrowing Costs		**1,821,459**	1,715,408
(c) Unwinding of discounts on Financial Liabilities		**2,118,786**	1,899,302
	TOTAL	**13,639,888**	14,832,676

		2017-18 (Amt. in ₹)	2016-17 (Amt. in ₹)
NOTE 27 : OTHER EXPENSES			
(I) OPERATING EXPENSES			
(a) Packing Materials		**3,150,259**	1,860,832
(b) Freight and Forwarding		**2,431,432**	3,277,604
(c) Power and Electricity Charges		**6,901,975**	6,597,330
(d) Rent including Lease Rentals		**1,042,459**	1,135,192
(e) Repairs and Maintenance:			
- Building		**349,930**	715,787
- Machinery		**271,849**	241,059
- Others		**299,863**	168,430
(f) Insurance		**559,557**	472,969
(g) Rates and Taxes		**160,555**	334,836
		15,167,879	14,804,039
(II) ADMINISTRATIVE & OTHER EXPENSES			
(a) Telephone Expenses		**489,468**	568,940
(b) Travelling and Conveyance		**3,065,990**	4,241,100
(c) Printing and Stationery		**554,290**	506,058
(d) Commission on Sales		**666,125**	55,000
(e) Advertisement and Sales Promotional Expenses		**649,742**	732,721
(f) Donation and Contributions		**10,000**	10,000
(g) Legal and Professional Charges		**6,406,227**	5,861,256
(h) Directors' Sitting Fees		**80,000**	125,000
(i) Auditors' Remuneration		**80,000**	80,000
(j) Miscellaneous Expenses		**5,515,816**	3,663,619
		17,517,658	15,843,694
	TOTAL	**32,685,537**	30,647,733

As per our attached report of even date

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

For AJMERA AJMERA & ASSOCIATES
CHARTERED ACCOUNTANTS
(Regn. No. 123989W)

BHAVNA H. MEHTA
DIRECTOR

HASMUKH J. SHAH
DIRECTOR

K. N. AJMERA
PARTNER
M. No. 010805

PRAVIN G. SHAH
DIRECTOR

KISAN R. CHOKSEY
DIRECTOR

Place : Mumbai
Date : 24th May, 2018

VENKITARAMAN IYER
DIRECTOR

BHAVIN P RAMBHIA
COMPANY SECRETARY

Note 28 : INCOME TAXES

(a) Tax expense recognised in the Statement of profit and loss :

(Amt. in ₹)

	For the year ended March 31, 2018	For the year ended March 31, 2017
Current tax		
Current year	**4,600,000**	5,800,000
Total current tax	**4,600,000**	5,800,000
Deferred tax		
Relating to origination and reversal of temporary difference	**(519,624)**	(2,224,828)
Total deferred income tax expense/(credit)	**(519,624)**	(2,224,828)
Short/(Excess) provision for tax reversed	**(588,629)**	(1,310,349)
Total income tax expense/(credit)	**3,491,747**	2,264,823

A reconciliation between the statutory income tax rate applicable to the Company and the effective income tax rate of the Company is as follows :

(b) Reconciliation of Effective Tax amount :

(Amt. in ₹)

	For the year ended March 31, 2018	For the year ended March 31, 2017
Profit /(loss) before taxation	**11,430,464**	8,995,567
Enacted income tax rate in India	**27.55%**	33.06%
Tax at the enacted income tax rate	**3,149,379**	2,974,204
Reconciliation line items:		
Short/(Excess) provision for tax reversed	**588,629**	1,310,349
Others	**(246,261)**	(2,019,730)
Tax expense/ (credit)	**3,491,747**	2,264,823

(c) The movement in deferred tax assets and liabilities during the year ended March 31, 2018 and March 31, 2017 :

(Amt. in ₹)

	As at April 01, 2016	Credit/ (charge) in Statement of profit and loss	As at March 31, 2017
Deferred tax assets/(liabilities)			
On Account of Depreciation	17,049,183	(1,656,002)	15,393,181
On account of Fair Valuation of Financial Liabilities	8,187,939	(645,573)	7,542,366
	25,237,122	(2,301,575)	22,935,547

(Amt. in ₹)

	As at April 01, 2017	Credit/ (charge) in Statement of profit and loss	As at March 31, 2018
Deferred tax assets/(liabilities)			
On Account of Depreciation	15,393,181	(53,673)	**15,339,508**
On account of Fair Valuation of Financial Liabilities	7,542,366	(600,146)	**6,942,220**
	22,935,547	(653,819)	**22,281,728**

NOTE No. 29 : DISCLOSURE PURSUANT TO IND AS - 19 "EMPLOYEE BENEFITS"

i) Gratuity : In accordance with the applicable laws, the Company provides for gratuity, a defined benefit retirement plan ("The Gratuity Plan") covering eligible employees. The Gratuity Plan provides for a lump sum payment to vested employees on retirement (subject to completion of five years of continuous employment), death, incapacitation or termination of employment that are based on last drawn salary and tenure of employment. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation on the reporting date.

The disclosure in respect of the defined Gratuity Plan are given below: **Defined benefit plans**

A. Balance Sheet **(Amt. in ₹)**

	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Present value of plan liabilities	**7,968,046**	8,023,625	7,784,674
Fair value of plan assets	**(3,050,589)**	(1,465,574)	(1,863,260)
Asset/(Liability) recognised	**4,917,457**	6,558,051	5,921,414

B. Movements in plan assets and plan liabilities

	Present value of obligations	**Fair Value of Plan assets**
As at 1st April 2017	8,023,625	1,465,574
Current service cost	380,639	-
Interest Cost/(Income)	189,357	117,246
Return on plan assets excluding amounts included in net finance income/cost	-	10,003
Actuarial gain/(loss) arising from experience adjustments	463,765	-
Employer contributions		1,619,577
Benefit payments	(161,810)	(161,810)
As at 31st March 2018	**7,968,046**	3,050,590

	Present value of obligations	**Fair Value of Plan assets**
As at 1st April 2016	7,784,674	1,863,260
Current service cost	622,774	
Interest Cost/(Income)	352,361	(145,568)
Return on plan assets excluding amounts included in net finance income/cost		-
Actuarial gain/(loss) arising from changes in financial assumptions	(225,792)	-
Employer contributions	-	418,722
Benefit payments	(961,976)	(961,976)
As at 31st March 2017	8,023,625	1,465,574

C. Statement of Profit and Loss

	As at March 31, 2018	**As at March 31, 2017**
Employee Benefit Expenses:		
Current service cost	**380,639**	622,774
Interest cost/(income)	**72,111**	497,929
Total amount recognised in Statement of Profit & Loss	**452,750**	1,120,703

D. Remeasurement of the net defined benefit liability:

Return on plan assets excluding amounts included in net finance income/(cost)	**10,003**	-
Actuarial gains/(losses) arising from changes in financial assumptions	**8,163**	(225,792)
Experience gains/(losses)	**455,602**	-
Total amount recognised in Other Comprehensive Income	**473,768**	(225,792)

E. Assumptions

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

The significant actuarial assumptions were as follows :

	As at March 31, 2018	As at March 31, 2017
Financial Assumptions		
Discount rate	**7.50%**	7.50%
Salary Escalation Rate	**5.00%**	5.00%

F. Sensitivity

The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are:

	Impact on defend benefit obligation		
	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	1.00%	7,845,776	9,066,215
Salary Escalation Rate	1.00%	9,079,218	7,824,835

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

NOTE No.30 : CONTINGENT LIABILITIES **(Amt. in ₹)**

	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Contingent liabilities			
Claims against the Company not acknowledged as debts			
(i) Bank Guarantees (Performance Guarantee issued by Banks)	**1,365,860**	1,693,855	1,260,914
	1,365,860	1,693,855	1,260,914

Note : - The Company's pending litigations comprise of claims against the Company and proceedings pending with tax and other authorities. The Company has reviewed all its pending litigations and proceedings and has made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in its financial statements. The Company does not reasonably expect the outcome of these proceedings to have a material impact on its financial statements.

NOTE No.31 : COMMITMENTS

There were no Commitments (including Capital Commitments) as at March 31, 2018 and March 31, 2017

NOTE No.32 : EARNINGS PER SHARE

	For the year ended March 31, 2018	For the year ended March 31, 2017
Net Profit after tax available for equity shareholders (Amt. in ₹)	**7,938,717**	6,730,744
Weighted average number of equity shares	**6,772,029**	6,750,156
Nominal value of equity shares (Amt. in ₹)	**10**	10
Basic and Diluted Earnings per share (Amt. in ₹)	**1.17**	1.00

NOTE No.33 : NET DEBT RECONCILIATIONS **(Amt. in ₹)**

Changes in liability arising from financing activities	**For the year ended March 31, 2018**
Net debt as at April 01, 2017 (Non-Current+Current)	**99,232,903**
Add : Cash flows	**816,893**
Add: Unwinding of discount on Preference shares	**2,118,786**
Net debt as at March 31, 2018	**102,168,582**

Note No. 34 : FINANCIAL INSTRUMENTS

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

1.Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.

2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The carrying amounts and fair values of financial instruments by category are as follows :

(Amt. in ₹)

As at March 31, 2018	**FVOCI**	**FVTPL**	**Amortised cost**	**Total fair value**	**Carrying amount**
Financial assets					
Trade receivables	-	-	141,213,731	141,213,731	141,213,731
Cash and cash equivalents	-	-	586,212	586,212	586,212
Other bank balances	-	-	6,578,492	6,578,492	6,578,492
Other financial assets	-	-	3,808,557	3,808,557	3,808,557
Total	**-**	**-**	**152,186,992**	**152,186,992**	**152,186,992**
Financial liabilities					
Borrowings	-	-	102,168,582	102,168,582	102,168,582
Trade payables	-	-	71,600,819	71,600,819	71,600,819
Others	-	-	3,528,642	3,528,642	3,528,642
Total financial liabilities	**-**	**-**	**177,298,043**	**177,298,043**	**177,298,043**

As at March 31, 2017					
Financial assets	**FVOCI**	**FVTPL**	**Amortised cost**	**Total fair value**	**Carrying amount**
Trade receivables	-	-	139,087,932	139,087,932	139,087,932
Cash and cash equivalents	-	-	315,743	315,743	315,743
Other bank balances	-	-	7,029,578	7,029,578	7,029,578
Other financial assets	-	-	4,340,149	4,340,149	4,340,149
Total	**-**	**-**	**150,773,402**	**150,773,402**	**150,773,402**
Financial liabilities					
Borrowings	-	-	99,232,903	99,232,903	99,232,903
Trade payables	-	-	43,738,393	43,738,393	43,738,393
Others	-	-	4,004,457	4,004,457	4,004,457
Total financial liabilities	**-**	**-**	**146,975,753**	**146,975,753**	**146,975,753**

As at April 01, 2016					
Financial assets	**FVOCI**	**FVTPL**	**Amortised cost**	**Total fair value**	**Carrying amount**
Trade receivables	-	-	117,059,044	117,059,044	117,059,044
Cash and cash equivalents	-	-	1,041,669	1,041,669	1,041,669
Other bank balances	-	-	8,504,353	8,504,353	8,504,353
Other financial assets	-	-	5,341,364	5,341,364	5,341,364
Total	**-**	**-**	**131,946,430**	**131,946,430**	**131,946,430**
Financial liabilities					
Borrowings	-	-	102,980,163	102,980,163	102,980,163
Trade payables	-	-	61,550,397	61,550,397	61,550,397
Others	-	-	3,580,876	3,580,876	3,580,876
Total financial liabilities	**-**	**-**	**168,111,436**	**168,111,436**	**168,111,436**

Note No.35 : FINANCIAL RISK FACTORS

The Company's principal financial liabilities comprise loans and borrowings, advances and trade and other payables. The purpose of these financial liabilities is to finance the Company's operations and to provide to support its operations. 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's activities exposes it to Liquidity Risk, Market Risk and Credit risk. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised as below.

(a) Liquidity risk

The risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk management implies maintenance sufficient cash including availability of funding through an adequate amount of committed credit facilities to meet the obligations as and when due.

The Company manages its liquidity risk by ensuring as far as possible that it will have sufficient liquidity to meet its short term and long term liabilities as and when due. Anticipated future cash flows are expected to be sufficient to meet the liquidity requirements of the Company. The Company does not have any undrawn borrowing facilities with the Banks/Financial institutions

(i) Financing arrangements

The Company has access to the following undrawn borrowing facilities as at the end of the reporting period : **(Amt. in ₹)**

	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Secured working capital credit facility from Bank	**17,549,508**	18,284,880	12,051,745

(ii) The following is the contractual maturities of the financial liabilities : **(Amt. in ₹)**

	Carrying amount	**Payable on demand**	**1-12 months**	**More than 12 months**
As at March 31, 2018				
Non-derivative liabilities				
Borrowings	102,168,582	-	62,925,080	39,243,502
Trade payables	71,600,819	-	71,600,819	-
Other financial liabilities	3,528,642	-	3,528,642	-
	177,298,043	**-**	**138,054,541**	**39,243,502**

	Carrying amount	**Payable on demand**	**1-12 months**	**More than 12 months**
As at March 31, 2017				
Non-derivative liabilities				
Borrowings	99,232,903	-	61,715,120	37,517,783
Trade payables	43,738,393	-	43,738,393	-
Other financial liabilities	4,004,457	-	4,004,457	-
	146,975,753	**-**	**109,457,970**	**37,517,783**

	Carrying amount	**Payable on demand**	**1-12 months**	**More than 12 months**
As at March 31, 2016				
Non-derivative liabilities				
Borrowings	102,980,163	-	67,948,255	35,031,908
Trade payables	61,550,397	-	61,550,397	-
Other financial liabilities	3,580,876	-	3,580,876	-
	168,111,436	**-**	**133,079,528**	**35,031,908**

(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 three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk includes investment, deposits, foreign currency receivables and payables. The Company's treasury team manages the Market risk, which evaluates and exercises independent control over the entire process of market risk management.

(i) Foreign currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company has foreign currency trade payables and receivables and is therefore exposed to foreign exchange risk. The exchange rates have been volatile in the recent years and may continue to be volatile in the future. Hence the operating results and financials of the Company may be impacted due to volatility of the rupee against foreign currencies.

Unhedged Foreign currency exposure

	Payables		Receivables	
	In Foreign Currency	**In INR**	**In Foreign Currency**	**In INR**
As at March 31, 2018				
- USD	**99,497**	**6,546,926**	**234,343**	**15,033,116**
- EURO	**148,330**	**12,126,018**	**-**	**-**
- GBP	**543**	**50,087**	**2,266**	**209,152**
As at March 31, 2017				
- USD	65,587	4,341,836	428,707	27,651,599
- EURO	112,762	8,039,905	-	-
- GBP	-	-	5,394	425,317
As at April 01, 2016				
- USD	79,486	5,361,317	203,577	13,517,483
- EURO	151,477	11,519,837	-	-
- GBP	4,103	396,393	10,362	978,694

Foreign currency risk sensitivity

A change of 5% in foreign currency exchange rates would have the following impact in profits before taxes.

(Amt. in ₹)

	For the year ended March 31, 2018		For the year ended March 31, 2017	
	5% increase	5% decrease	5% increase	5% decrease
Payables - Profit/(Loss)	(936,152)	936,152	(619,087)	619,087
Receivables - Profit/(Loss)	762,113	(762,113)	1,403,846	(1,403,846)
	(174,039)	174,039	784,759	(784,759)

(ii) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. The Company's does not have any long term borrowings. Hence, the Company is not exposed to the interest rate risk.

(c) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations. The Company is exposed to credit risks from its operating activities, primarily trade receivables, cash and cash equivalents, deposits with banks and other financial instruments.Credit risk is managed by the Company through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business.

(Amt. in ₹)

Exposure to the Credit risks	**As at March 31, 2018**	As at March 31, 2017	As at April 01, 2016
Financial assets for which loss allowance is measured using Life time Expected Credit Losses (ECL)			
- Trade Receivables	**141,213,731**	139,087,932	117,059,044

Trade and other receivables

The Company considers the probability of default upon initial recognition of assets and whether there has been a significant increase in credit risks on an ongoing basis throughout each reporting period.

To assess whether there is a significant change increase in credit risk the Company compares the risks of default occurring on the assets as at the reporting date with the risk of default as at the date of initial recognition. It considers the reasonable and supportive forward looking information such as:

(i) Actual or expected significant adverse changes in business.

(ii) Actual or expected significant changes in the operating results of the counterparty.
(iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations.
(iv) Significant increase in credit risk on other financial instruments of same counterparty.

Note No. 36 : CAPITAL RISK MANAGEMENT

The Company's objectives when managing capital are to :

(i) safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
(ii) maintain an optimal capital structure to reduce the cost of capital

In order to maintain or adjust the capital structure, the Company may issue new shares, adjust the amount of dividends paid to shareholders etc. The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

The Company monitors capital using a gearing ratio being a ratio of net debt as a percentage of total capital.

(Amt. in ₹)

	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Total equity	**175,167,076**	165,371,959	158,638,964
Net debt (Total borrowings less cash and cash equivalents)	**101,582,370**	98,917,160	101,938,494
Total capital (Borrowings and Equity)	**276,749,446**	264,289,119	260,577,458
Gearing ratio (in %)	**36.71%**	37.43%	39.12%

Note No.37 : SEGMENT REPORTING :

The Company's Board of Directors together with the Chief Executive Officer has been identified as the Chief Operating Decision Maker (CODM) as defined under Ind AS 108 "Operating Segments". The CODM evaluates the Company's performance and allocated the resources based on an analysis of various performance indicators. The Company is primarily engaged in the only one business segment i.e. business of manufacturing components for 'Power Electronics'. The Company has accordingly identified this as Operating segments in accordance with requirements of Ind AS 108 on 'Operating segments'.

Note No.38 : RELATED PARTY DISCLOSURES

Name and description of related parties

(a) Key Managerial Personnel - **Mrs. Bhavna H. Mehta - Director and Promoter**

Transaction carried out with the related party during the year:

(Amt. in ₹)

Nature of Transaction	**For the year ended March 31, 2018**	For the year ended March 31, 2017
Interest expenses	**2,300,256**	2,300,256
Rent	**720,000**	720,000

Balances outstanding :	**As at March 31, 2018**	As at March 31, 2017
Unsecured Loan (Payable)	**18,401,997**	18,401,997
Security Deposit (Receivable)	**500,000**	500,000

Note No.39 : FIRST TIME ADOPTION OF IND AS

The accounting policies set out in Note 1, have been applied in preparing the financial statements from the year ended March 31, 2018, the comparative information presented in these financial statements for the year ended March 31, 2017 and in the preparation of an opening Ind AS balance sheet at April 01, 2016 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

Exemptions and exceptions availed

A. Ind AS optional exemptions

(i) Deemed Cost

The Company on first time adoption of Ind AS, has elected to continue with the carrying value for all of its property, plant & equipment and other intangible assets as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed costs as at the date of transition.

B. Ind AS mandatory exemptions

(i) Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies).

Ind AS estimates as at April 01, 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP.

The Company made estimates for following item in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- Impairment of financial assets based on expected credit loss model.

(ii) Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

(iii) De-recognition of financial assets and financial liabilities

The Company has elected to apply derecognition requirements for financial assets and financial liabilities in Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS.

C. Transition to Ind AS - Reconciliations

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from previous GAAP to Ind AS in accordance with Ind AS 101:

(i) Reconciliation of Balance sheet as at April 1, 2016 (Transition date)

(ii) (A) Reconciliation of Balance sheet as at March 31, 2017

(B) Reconciliation of total comprehensive income for the year ended March 31, 2017

(iii) Reconciliation of Equity as at April 1, 2016 and March 31, 2017

(iv) Impact on cash flow statement for the period ended March 31, 2017

The presentation requirements under previous GAAP differs from Ind AS and hence Previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The regrouped previous GAAP information is derived from the Financial Statements of the Company prepared in accordance with previous GAAP.

(i) Reconciliation of Balance sheet as at April 1, 2016

(Amt. in ₹)

	Notes	Previous GAAP	Ind AS adjustments	Ind AS
ASSETS				
1. Non - Current Assets				
Property, plant and equipment		97,154,932	-	97,154,932
Capital work-in-progress		482,778	-	482,778
Financial assets				
(a) Investments	(v)	847,665	(847,665)	-
(b) Other financial assets	(ii)	5,631,989	(290,625)	5,341,364
		104,117,364	**(1,138,290)**	**102,979,074**
2. Current Assets				
Inventories		126,041,125	-	126,041,125
Financial assets				
(a) Trade Receivable		117,059,044	-	117,059,044
(b) Cash & Cash Equivalents		1,041,669	-	1,041,669
(c) Bank balances other than (b) above		8,504,353	-	8,504,353
Other current assets	(ii)	8,210,133	290,625	8,500,758
		260,856,324	**290,625**	**261,146,949**
TOTAL		**364,973,688**	**(847,665)**	**364,126,023**
EQUITY AND LIABILITIES				
1. Shareholders' Funds				
(a) Share Capital	(v)	110,072,400	(41,347,665)	68,724,735
(b) Other equity	(i) to (vii)	74,012,910	15,901,319	89,914,229
		184,085,310	**(25,446,346)**	**158,638,964**
2. Non - Current Liabilities				
Financial Liabilities				
(a) Borrowings	(iii)	18,621,166	16,410,742	35,031,908
(b) Other financial Liabilities		192,500	-	192,500
Provisions		6,629,652	-	6,629,652
Deferred Tax Liability (Net)	(vi)	17,049,183	8,187,939	25,237,122
		42,492,501	**24,598,681**	**67,091,182**
3. Current Liabilities				
Financial liabilities				
(a) Borrowing		67,948,255	-	67,948,255
(b) Trade Payables		61,550,397	-	61,550,397
(c) Other Current financial liabilities		3,388,376	-	3,388,376
(i) Other current liabilities		3,069,595	-	3,069,595
(ii) Short Term Provisions		1,061,958	-	1,061,958
(iii) Current tax liabilities (net)		1,377,296	-	1,377,296
		138,395,877	**-**	**138,395,877**
TOTAL		**364,973,688**	**(847,665)**	**364,126,023**

(ii) (A) Reconciliation of Balance sheet as at March 31, 2017

(Amt. in ₹)

	Notes	Previous GAAP	Ind AS adjustments	Ind AS
ASSETS				
1. **Non - Current Assets**				
Property, plant and equipment		91,006,572	-	91,006,572
Financial assets				
(a) Investments	(v)	833,577	(833,577)	-
(b) Other financial assets	(ii)	4,597,462	(257,313)	4,340,149
		96,437,611	**(1,090,890)**	**95,346,721**
2. **Current Assets**				
Inventories		104,049,723	-	104,049,723
Financial assets				
(a) Trade Receivable		139,087,932	-	139,087,932
(b) Cash & Cash Equivalents		315,743	-	315,743
(c) Bank balances other than (b) above		7,029,578	-	7,029,578
Other current assets	(ii)	3,378,754	248,865	3,627,619
		253,861,730	**248,865**	**254,110,595**
TOTAL		**350,299,341**	**(842,025)**	**349,457,316**
EQUITY AND LIABILITIES				
1. **Shareholders' Funds**				
(a) Share Capital	(v)	110,072,400	(41,333,577)	68,738,823
(b) Other equity	(i) to (vii)	81,993,994	14,639,142	96,633,136
		192,066,394	**(26,694,435)**	**165,371,959**
2. **Non - Current Liabilities**				
Financial Liabilities				
(a) Borrowings	(iii)	19,207,739	18,310,044	37,517,783
(b) Other current liabilities		125,000	-	125,000
Provisions		7,263,662	-	7,263,662
Deferred Tax Liability (Net)	(vi)	15,393,181	7,542,366	22,935,547
		41,989,582	**25,852,410**	**67,841,992**
3. **Current Liabilities**				
Financial liabilities				
(a) Borrowing		61,715,120	-	61,715,120
(b) Trade Payables		43,738,393	-	43,738,393
(c) Other Current financial liabilities		3,879,457	-	3,879,457
(i) Other current liabilities		2,176,389	-	2,176,389
(ii) Short Term Provisions		1,778,732	-	1,778,732
(iii) Current tax liabilities (net)		2,955,274	-	2,955,274
		116,243,365	**-**	**116,243,365**
TOTAL		**350,299,341**	**(842,025)**	**349,457,316**

(ii) (B) Reconciliation of Statement of total comprehensive income for the year ended March 31, 2017

(Amt. in ₹)

	Notes	Previous GAAP	Ind AS adjustments	Ind AS
Revenue from operations	(iv)	282,635,301	30,191,305	312,826,606
Other income	(ii)	3,044,593	(103,896)	2,940,697
Total income		**285,679,894**	**30,087,409**	**315,767,303**
Expenses				
Cost of materials consumed		173,440,774	-	173,440,774
Excise Duty	(iv)	-	30,233,515	30,233,515
Change in inventories of Finished goods and Semi finished goods		9,177,938		9,177,938
Employee benefits expense	(i)	37,203,285	225,792	36,977,493
Finance costs	(iii)	12,933,374	1,899,302	14,832,676
Depreciation and amortisation expense		11,373,067	88,540	11,461,607
Other expenses	(iv)	30,648,183	(450)	30,647,733
Total expenses		**274,776,621**	**32,446,699**	**306,771,736**
Profit before tax		**10,903,273**	**(2,359,290)**	**8,995,567**
Tax expense				
Current tax		5,800,000	-	5,800,000
Deferred tax (net)	(i)	(1,656,002)	(568,826)	(2,224,828)
Short/(Excess) provision for income tax reversed		(1,310,349)	-	(1,310,349)
		2,833,649	**(568,826)**	**2,264,823**
Profit for the year (A)		**8,069,624**	**(1,790,464)**	**6,730,744**
Other comprehensive income				
Items that will not be reclassified to profit or loss				
Remeasurements of post-employment benefit obligations	(i)	-	(225,792)	(225,792)
Tax impact on above		-	76,747	76,747
Other comprehensive income for the year		-	(149,045)	(149,045)
Total comprehensive income for the year		**8,069,624**	**(1,641,419)**	**6,581,699**

(iii) Reconciliation of Equity as at April 1, 2016 and March 31, 2017

(Amt. in ₹)

	As at March 31, 2017	As at April 1, 2016
Other Equity (Shareholder's funds) under previous GAAP	81,993,994	74,012,910
Financial liability carried at amortised cost	22,189,956	24,089,258
Fair valuation of Financial Assets - Security Deposits	(8,448)	-
Deferred tax impact on above adjustments	(7,542,366)	(8,187,939)
Total Other Equity under Ind AS	**96,633,136**	**89,914,229**

(iv) Impact on cash flow statement for the period ended March 31, 2017

There is no material impact on the cash flow on account of Ind AS Transition.

Other Notes to First-time adoption:

(i) Remeasurement of post employment benefit obligations : Under Ind AS, re-measurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in Other Comprehensive Income (OCI) instead of profit or loss. Under the previous GAAP, these re-measurements were forming part of the profit or loss for the year. As a result of this change there is no impact on the total equity as at March 31, 2017.

(ii) Fair valuation of financial assets - Interest free deposits : Under the previous GAAP, interest free lease security deposits (that are refundable in cash on completion of lease term) are recorded at transaction price. Under Ind AS All financial assets are required to be recognised at fair value. Accordingly, the Company has fair valued the security deposits and the difference between the fair value and transaction value of the security deposit has been recognised as prepaid rent.

(iii) 2% Redeemable Optionally Convertible Cumulative Preference shares : Under Previous GAAP, these preference share were considered as pert of Share capital. Under Ind AS, since this being a Financial Instruments, and considering the terms of the preference shares, the has been classified as financial liability.

(iv) Adjustments to revenue : Under previous GAAP, the Company accounted revenue net of trade discounts, sales taxes and excise duties. Under Ind AS, revenue is being recognised at fair value of consideration received or receivable, gross of excise duty. Excise duty is being charged under Other expenses. Any sales incentive, discounts or rebates in any form including cash discounts given to customer are being considered as reductions to selling price and revenue is presented on net basis.

(v) Treasury Shares : Under previous GAAP, the Company has shown the treasury shares as a part of Its investment. Under Ind AS, there being separate guidance available, the same has been shown as reduction from the share capital.

(vi) Deferred taxes : Under previous GAAP, deferred taxes were recognised based on profit and loss approach i.e. tax impact on difference between the accounting income and taxable income. Under Ind AS, deferred tax is being recognised by following balance sheet approach i.e. tax impact on temporary difference between the carrying value of asset and liabilities in the books and their respective tax base. Also, deferred tax have been recognised on the adjustments made on transition to Ind AS. Deferred tax asset has been recognised to the extent Company has reasonable certainty over future taxable profits as against virtual certainty under the previous GAAP.

(vii) Other Comprehensive Income: Under Ind AS, all items of income and expense recognised during the year should be included in profit or loss for the year, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss are shown in the Statement of Profit and Loss as "other comprehensive income". The concept of other comprehensive income did not exist under previous GAAP.

Note No.40 : RECENT ACCOUNTING PRONOUNCEMENTS

IND AS 115 - Revenue from Contracts with Customers

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amended Rules, 2018 ("amended rules"). As per the amended rules, Ind AS 115 "Revenue from contracts with customers" supersedes Ind AS 11, "Construction contracts" and Ind AS 18, "Revenue" and is applicable for all accounting periods commencing on or after 1 April 2018. Ind AS 115 introduces a new framework of five step model for the analysis of revenue transactions. The model specifies that revenue should be recognised when (or as) an entity transfer control of goods or services to a customer at the amount to which the entity expects to be entitled. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The new revenue standard is applicable to the Company from 1 April 2018.

The management is yet to assess the impact of the aforesaid amendments on the Company's financial information.

Ind AS 21 - Foreign currency transactions and advance consideration:

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 effective from April 1, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

This amendment will not have any material impact on the financial statements of the Company.

Note No.41 : The financial statements were approved for issue by the Board of Directors on May 24, 2018.

Note No. 42 : The figures of the previous year's have been regrouped or reclassified wherever necessary to make them comparable.

As per our attached report of even date	FOR AND ON BEHALF OF THE BOARD OF DIRECTORS	
For AJMERA AJMERA & ASSOCIATES **CHARTERED ACCOUNTANTS** (Regn. No. 123989W)	**BHAVNA H. MEHTA** DIRECTOR	**HASMUKH J. SHAH** DIRECTOR
K. N. AJMERA PARTNER M. No. 010805	**PRAVIN G. SHAH** DIRECTOR	**KISAN R. CHOKSEY** DIRECTOR
Place : Mumbai **Date : 24th May, 2018**	**VENKITARAMAN IYER** DIRECTOR	**BHAVIN P RAMBHIA** COMPANY SECRETARY

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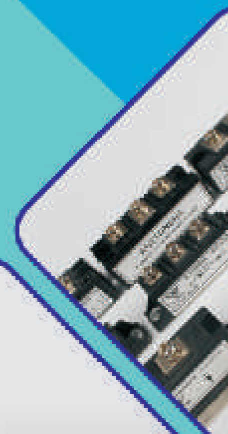

RUTTONSHA

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INTERNATIONAL RECTIFIER LIMITED

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