

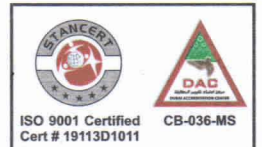


**RUTTONSHA**

# 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



An ISO 9001:2015 Company

Ref. RIR/SEC/13313/2020

5<sup>th</sup> September, 2020

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

**Scrip Code : 517035**

**Subject : Submission of soft copy of 51<sup>st</sup> Annual Report for the Financial Year 2019-20**  
**alongwith Notice of the 51<sup>st</sup> Annual General Meeting**

**Ref: Pursuant to Reg. 30 and 34 of SEBI (Listing Obligations and Disclosure Requirements)**  
**Regulations, 2015**

Dear Sir/Madam,

With reference to the captioned subject and in terms of the provisions of Regulation 30 and Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Annual Report of **Ruttonsha International Rectifier Limited** for the financial year 2019-20 alongwith the copy of Notice of the 51<sup>st</sup> Annual General Meeting (AGM) is enclosed herewith. The 51<sup>st</sup> AGM will be held on Wednesday, 30<sup>th</sup> September, 2020 at 4.00 p.m. (IST), by way of Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM").

The copy of Annual Report alongwith the Notice is uploaded on the Company's website i.e. [www.ruttonsha.com](http://www.ruttonsha.com).

This is for your information and records.

Thanking you.

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

**BHAVIN P RAMBHIA**  
**COMPANY SECRETARY**



Encls : 51<sup>st</sup> Annual Report



**RUTTONSHA**  
INTERNATIONAL RECTIFIER LIMITED



**SUPPLY OF 14.5V / 4050A DC RECTIFIER TO  
NTPC FOR HYDROGENATION PROCESS**





### BOARD OF DIRECTORS

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

### COMPANY SECRETARY

Mr. Bhavin P Rambhia

### STATUTORY AUDITORS

Kirtane & Pandit LLP  
Chartered Accountants

### INTERNAL AUDITORS

Bhandarkar & Kale  
Chartered Accountants

### REGD. / CORPORATE OFFICE

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

### PROMOTERS & TECHNICAL ASSOCIATES

Dr. Harshad Mehta  
Mrs. Bhavna H. Mehta

### MANAGEMENT TEAM

Mr. R. G. Trasi  
Mr. E. K. Lalkaka

### REGISTRAR & TRANSFER AGENTS

Adroit Corporate Services Pvt. Ltd.  
17-20, Jaferbhoy Industrial Estate,  
1<sup>st</sup> Floor, Makwana Road, Marol Naka,  
Andheri (East), Mumbai - 400 059.  
Tel. No.: +91 - 022 - 4227 0400  
Email : info@adroitcorporate.com

### BANKERS

State Bank of India

### WORKS / FACTORY

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

### CIN No.

L31109MH1969PLC014322

## 51<sup>st</sup> ANNUAL GENERAL MEETING

**Date** :- 30<sup>th</sup> September, 2020  
**Day** :- Wednesday  
**Time** :- 4.00 p.m.

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RUTTONSHA

# RUTTONSHA INTERNATIONAL RECTIFIER LTD.



## NOTICE

**NOTICE** is hereby given that the **51<sup>st</sup> Annual General Meeting (AGM)** of the members of **RUTTONSHA INTERNATIONAL RECTIFIER LIMITED** will be held on Wednesday, 30<sup>th</sup> September, 2020 at 4.00 p.m.(IST), through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM"), to transact the following business :

### ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31<sup>st</sup> March, 2020 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.

### NOTES :

1. In view of the continuing restrictions on the movement of people at several places in the country, due to outbreak of COVID-19, the Ministry of Corporate Affairs (MCA), vide its General Circular No.20/2020 dated 5<sup>th</sup> May, 2020 read with General Circular No.17/2020 dated 8<sup>th</sup> April, 2020 and General Circular No.17/2020 dated 13<sup>th</sup> April, 2020 issued by the Securities and Exchange Board of India (SEBI), have allowed the companies to conduct the AGM through Video Conferencing (VC) or Other Audio Visual Means (OVAM) during the calendar year 2020. In accordance with the said circulars of MCA, SEBI and applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the 51<sup>st</sup> AGM of the Company shall be conducted through VC/OAVM.
2. Since this AGM is being held pursuant to the MCA circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and AGM Route Map are not annexed to this Notice.
3. The attendance of the members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
4. Corporate members intending to authorize their representatives to participate and vote at the meeting are requested to send a certified copy of the Board resolution/authorization letter by email to [secretarial@ruttonsha.com](mailto:secretarial@ruttonsha.com)
5. The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday 26<sup>th</sup> September, 2020 to Wednesday 30<sup>th</sup> September, 2020 (both days inclusive) for the purpose 51<sup>st</sup> AGM.
6. 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, 1<sup>st</sup> Floor, Makwana Road, Marol Naka, Andheri (East), Mumbai – 400059.
7. Members holding shares in the electronic/dematerialized form are advised to inform changes in their address/bank mandate directly to their respective Depository Participants.
8. SEBI has mandated that the securities of listed companies can be transferred only in dematerialized form from 1<sup>st</sup> April, 2019, except in case of transmission and transposition of securities. In view of the same and to avail various benefits of dematerialization to eliminate all risks associated with physical shares and for ease of portfolio management, Members are advised to dematerialize shares held by them in physical form. Shareholders can contact the Company or Adroit Corporate Services Pvt. Ltd. for assistance in this regard.
9. In accordance with, the General Circular No.20/2020 dated 5<sup>th</sup> May, 2020 issued by the Ministry of Corporate Affairs (MCA) and Circular No. SEBI/HO/CFD/CMD1/CIR/P/202079 dated 12<sup>th</sup> May, 2020 issued by the Securities and Exchange Board of India (SEBI), the Standalone Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2020 including Report of Board of Directors, Statutory Auditors' Report and other documents required to be attached therewith and the Notice of AGM are being sent through electronic mode to members whose e-mail address is registered with the Company or the Depository Participants.
10. Members may also note that the Notice of AGM and the Annual Report for the Financial Year 2019-20 will be available on the Company's website [www.ruttonsha.com](http://www.ruttonsha.com), on the website of the Stock Exchange where the Equity Shares of the Company are listed, i.e. BSE Limited (at [www.bseindia.com](http://www.bseindia.com)) and on the website of Central Securities Depository Limited (CDSL) at [www.evotingindia.com](http://www.evotingindia.com)
11. 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.
12. All documents referred to in the accompanying Notice are open for inspection and request regarding the same may be sent on [secretarial@ruttonsha.com](mailto:secretarial@ruttonsha.com).



13. 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.
14. 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.
15. 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.
16. 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 2012-13 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. Detailed procedure and the required documentation for claiming the shares/dividend refund can be accessed at [iepf.gov.in/IEPFA/refund.html](http://iepf.gov.in/IEPFA/refund.html).

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

Dividend for the year	Cut-off Date for Transfer to IEPF
2012-13	15 <sup>th</sup> September, 2020

### 17. 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 vote for all the resolutions detailed in the Notice of the 51<sup>st</sup> 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 24<sup>th</sup> September, 2020 (cut-off date).

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 e-voting at the AGM. 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 e-voting during the AGM. If a member casts votes by both the modes, then voting done through remote e-voting shall prevail and e-voting at the AGM 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 e-voting process at the 51<sup>st</sup> AGM in fair and transparent manner.

The scrutinizer shall after the conclusion of voting at AGM, will first count the votes cast at the meeting through e-voting 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](http://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).



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# RUTTONSHA INTERNATIONAL RECTIFIER LTD.

## NOTICE (Cont'd...)



### THE INSTRUCTIONS FOR MEMBERS FOR VOTING ELECTRONICALLY ARE AS UNDER :-

- (i) The remote e-voting period begins on Sunday, 27<sup>th</sup> September, 2020 at 10.00 a.m. and ends on Tuesday, 29<sup>th</sup> September, 2020 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 24<sup>th</sup> September, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (iii) Click on "Shareholders / 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.

OR

Alternatively, if you are registered for CDSL's **EASI/EASIEST** e-services, you can log-in at <https://www.cdslindia.com> from **Login - Myeasi** using your login credentials. Once you successfully log-in to CDSL's **EASI/EASIEST** e-services, click on **e-Voting** option and proceed directly to cast your vote electronically.

- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any Company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below :

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.





**RUTTONSHA**

# RUTTONSHA INTERNATIONAL RECTIFIER LTD.

## NOTICE (Cont'd...)



- (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.

**18. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [secretarial@ruttonsha.com](mailto:secretarial@ruttonsha.com) / [info@adroitcorporate.com](mailto:info@adroitcorporate.com)
2. For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [secretarial@ruttonsha.com](mailto:secretarial@ruttonsha.com) / [info@adroitcorporate.com](mailto:info@adroitcorporate.com)

**19. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [secretarial@ruttonsha.com](mailto:secretarial@ruttonsha.com). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [secretarial@ruttonsha.com](mailto:secretarial@ruttonsha.com). These queries will be replied to by the company suitably by email.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

**20. INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER :**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

**21. NOTE FOR NON-INDIVIDUAL SHAREHOLDERS AND CUSTODIANS :**

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



**RUTTONSHA**

# RUTTONSHA INTERNATIONAL RECTIFIER LTD.

## NOTICE (Cont'd...)



any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [secretarial@ruttonsha.com](mailto:secretarial@ruttonsha.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
22. If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact Mr. Nitin Kunder (022- 23058738 ) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).
23. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

**By Order of the Board of Directors**

Place : **Mumbai**  
Date : **30<sup>th</sup> June, 2020**

**Bhavin P Rambhia**  
**Company Secretary**

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



# RUTTONSHA INTERNATIONAL RECTIFIER LTD.



RUTTONSHA

## DIRECTORS' REPORT TO THE SHAREHOLDERS

Dear Members,

Your Directors have pleasure in presenting the 51<sup>st</sup> Annual Report on the business and operations of the Company together with the Audited Accounts for the financial year ended 31<sup>st</sup> March, 2020.

### FINANCIAL RESULTS AND OPERATIONS

(Amt. in ₹)

Particulars	Year ended 31.03.2020	Year ended 31.03.2019
<b>Revenue from Operations (Net)</b>	<b>340,880,834</b>	435,761,768
<b>EBITDA</b>	<b>36,350,241</b>	56,356,630
Less - (i) Finance Costs	<b>8,410,800</b>	9,961,711
(ii) Depreciation and Amortisation Expenses	<b>11,261,373</b>	10,753,751
<b>Profit before Tax</b>	<b>16,678,068</b>	35,641,168
Less - (i) Provision for Taxation	<b>6,100,000</b>	11,034,000
(ii) Deferred Tax Asset	<b>(3,609,394)</b>	(1,978,479)
(iii) Short / (Excess) provision for Income Tax	<b>(31,715)</b>	587,386
<b>Profit for the year</b>	<b>14,219,177</b>	25,998,261
Add/Less - Other Comprehensive Income for the year	<b>(528,270)</b>	33,307
<b>Total Comprehensive Income</b>	<b>13,690,907</b>	26,031,568

### FINANCIAL PERFORMANCE

During the financial year 2019-20, your Company reported total revenue of ₹ 340,880,834/- as against ₹ 435,761,768/- last year. Earnings before Interest, Tax and Depreciation and Amortisation (EBITDA) for the year was ₹ 36,350,241/- as compared to ₹ 56,356,630/- . Net Profit for the year was ₹ 14,219,177/- as against ₹ 25,998,261/- last year. As a result of lower demand from few key buyers due to their weak financial position, the sales of the company de-grew during the 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 31 March, 2020. 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 31<sup>st</sup> March, 2020 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.

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.

Mrs. Bhavna H. Mehta – Managing Director, 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).





**RUTTONSHA**

# RUTTONSHA INTERNATIONAL RECTIFIER LTD.

## DIRECTORS' REPORT TO THE SHAREHOLDERS (Cont'd...)



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**

#### **(1) Statutory Auditors :**

M/s. Kirtane & Pandit LLP Chartered Accountants, Mumbai (Firm Regn. No. 105215W/W100057) have been appointed as the Statutory Auditors of the Company at the 50<sup>th</sup> Annual General Meeting (AGM) of the Shareholders of the Company held on Tuesday, 24<sup>th</sup> September, 2019, pursuant to Sections 139 to 144 of the Companies Act, 2013 and Rules 3 to 6 of the Companies (Audit and Auditors) Rules, 2014, for a term of 5 (five) years, to hold office from the conclusion of the 50<sup>th</sup> AGM, till the conclusion of the 55<sup>th</sup> AGM. Pursuant to the amendments made to Section 139 of the Companies Act, 2013 by the Companies (Amendment) Act, 2017, effective from May 7, 2018, the requirement of seeking ratification of the Members for the appointment of the Statutory Auditors was withdrawn from Companies Act, 2013. Therefore, the approval of the Members for continuance of their appointment at this AGM is not being sought.

#### **(2) 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.

The Auditors Report and the Secretarial Audit Report for the financial year ended 31<sup>st</sup> March, 2020 do not contain any qualification, reservation, adverse remark or disclaimer.

### **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



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# RUTTONSHA INTERNATIONAL RECTIFIER LTD.

## DIRECTORS' REPORT TO THE SHAREHOLDERS (Cont'd...)



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

Five 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.

There has not been any instance 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 31<sup>st</sup> March, 2020, 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 31<sup>st</sup> March, 2020 and of the profit of the Company for the financial year ended 31<sup>st</sup> March, 2020;
- 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 31<sup>st</sup> March, 2020 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 – ₹ 47,160,395/-

(ii) Outgo of Foreign Exchange during the year – ₹ 98,242,907/-

## 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 ₹ 120 Lacs or more, or employees who are employed for part of the year and in receipt of ₹ 8.50 Lacs or more per month.





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# RUTTONSHA INTERNATIONAL RECTIFIER LTD.

## DIRECTORS' REPORT TO THE SHAREHOLDERS (Cont'd...)



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 on request to 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 2019-20.

### 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.

### ACKNOWLEDGEMENTS

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

**For and on behalf of the Board of Directors**

**Place :- Mumbai**

**Date :- 30<sup>th</sup> June, 2020**

**Hasmukh J. Shah**

**Chairman**

## ANNEXURE [A] TO THE DIRECTORS' REPORT

### FORM No. MGT – 9

### EXTRACT OF ANNUAL RETURN

(As on the financial year ended on 31<sup>st</sup> March, 2020)

[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	65.39
2.	Power Equipments	2790	29.73

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



# RUTTONSHA INTERNATIONAL RECTIFIER LTD.



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## ANNEXURE [A] TO THE DIRECTORS' REPORT (Cont'd...)

### 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 01.04.2019]				No. of Shares held at the end of the year [As on 31.03.2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	15000	-	15000	0.22	15000	-	15000	0.22	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	-	-	-	-	-	-	-	-	-
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
<b>Subtotal (A)(1) :</b>	<b>15000</b>	<b>-</b>	<b>15000</b>	<b>0.22</b>	<b>15000</b>	<b>-</b>	<b>15000</b>	<b>0.22</b>	<b>-</b>
<b>(2) Foreign</b>									
a) NRI Individuals	4980333	-	4980333	71.58	4980333	-	4980333	71.58	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
<b>Subtotal (A)(2) :</b>	<b>4980333</b>	<b>-</b>	<b>4980333</b>	<b>71.58</b>	<b>4980333</b>	<b>-</b>	<b>4980333</b>	<b>71.58</b>	<b>-</b>
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>4995333</b>	<b>-</b>	<b>4995333</b>	<b>71.80</b>	<b>4995333</b>	<b>-</b>	<b>4995333</b>	<b>71.80</b>	<b>-</b>
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	1400	1400	0.02	-	1400	1400	0.02	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-





# RUTTONSHA INTERNATIONAL RECTIFIER LTD.



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## ANNEXURE [A] TO THE DIRECTORS' REPORT (Cont'd...)

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01.04.2019]				No. of Shares held at the end of the year [As on 31.03.2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1) :</b>	<b>-</b>	<b>1400</b>	<b>1400</b>	<b>0.02</b>	<b>-</b>	<b>1400</b>	<b>1400</b>	<b>0.02</b>	<b>-</b>
<b>(2) Non-Institutions</b>									
<b>a) Bodies Corporate</b>									
i) Indian	10929	2660	13589	0.20	7659	2660	10319	0.15	(0.05)
ii) Overseas	-	-	-	-	-	-	-	-	-
<b>b) Individuals</b>									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	729595	585217	1314812	18.90	732093	572835	1304928	18.76	(0.14)
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	435133	-	435133	6.25	447504	-	447504	6.43	0.18
<b>c) Others (specify)</b>									
i) Non Resident Indians	5072	1700	6772	0.10	6135	1700	7835	0.11	0.01
ii) Trusts	189411	-	189411	2.72	189711	-	189711	2.73	0.01
iii) Clearing Member	790	-	790	0.01	210	-	210	0.00	(0.01)
<b>Sub-total (B)(2) :</b>	<b>1370930</b>	<b>589577</b>	<b>1960507</b>	<b>28.18</b>	<b>1383312</b>	<b>577195</b>	<b>1960507</b>	<b>28.18</b>	<b>0.00</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>1370930</b>	<b>590977</b>	<b>1961907</b>	<b>28.20</b>	<b>1383312</b>	<b>577195</b>	<b>1960507</b>	<b>28.18</b>	<b>0.00</b>
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>6366263</b>	<b>590977</b>	<b>6957240</b>	<b>100.00</b>	<b>6378645</b>	<b>578595</b>	<b>6957240</b>	<b>100.00</b>	<b>0.00</b>



# RUTTONSHA INTERNATIONAL RECTIFIER LTD.



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## ANNEXURE [A] TO THE DIRECTORS' REPORT (Cont'd...)

### ii) Share Holding of Promoters :

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year [As on 01.04.2019]			Shareholding at the end of the year [As on 31.03.2020]			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Smt. Bhavna H. Mehta	4724583	67.91	-	4724583	67.91	-	-
2.	Shri. Jitendra Mehta	127875	1.84	-	127875	1.84	-	-
3.	Smt. Ila J. Mehta	127875	1.84	-	127875	1.84	-	-
4.	Shri. Hasmukh J. Shah	8750	0.13	-	8750	0.13	-	-
5.	Shri. Bakulesh J. Shah	6250	0.08	-	6250	0.08	-	-
<b>TOTAL</b>		<b>4995333</b>	<b>71.80</b>	<b>-</b>	<b>4995333</b>	<b>71.80</b>	<b>-</b>	<b>-</b>

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

Particulars	Shareholding at the beginning of the year 01.04.2019		Cumulative Shareholding during the year 31.03.2020	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the beginning of the year	4995333	71.80	-	-
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer / bonus/ sweat equity etc.)	No change during the year			
At the end of the year	-	-	4995333	71.80

### 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.	<b>Ruttonsha International Rectifier Ltd. – Equity Trust (through its Trustees Hasmukh J. Shah and Pravin G. Shah)</b>				
	At the beginning of the year	185211	2.66	-	-
	Changes during the year	No change during the year			
	At the end of the year	-	-	185211	2.66
2.	<b>Veena Manoj Mehta</b>				
	At the beginning of the year	100000	1.44	-	-
	Changes during the year	No change during the year			
	At the end of the year	-	-	100000	1.44



# RUTTONSHA INTERNATIONAL RECTIFIER LTD.



RUTTONSHA

## ANNEXURE [A] TO THE DIRECTORS' REPORT (Cont'd...)

Sr. No.	For Each of the Top 10 Shareholders		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
<b>3.</b>	<b>Sheetal Dharmesh Badani</b>					
	At the beginning of the year		92625	1.33	-	-
	Changes during the year		No change during the year			
	At the end of the year		-	-	92625	1.33
<b>4.</b>	<b>Sharad Kanayalal Shah</b>					
	At the beginning of the year		72000	1.03	-	-
	Changes during the year		No change during the year			
	At the end of the year		-	-	72000	1.03
<b>5.</b>	<b>Kalpana Prakash Pandey</b>					
	At the beginning of the year		39101	0.56	-	-
	Changes during the year					
	<b>Benpos. Date</b>	<b>Reason</b>				
	08.11.2019	Purchase	218	0.00	39319	0.57
	20.12.2019	Purchase	877	0.01	40196	0.58
	27.03.2020	Purchase	500	0.01	40696	0.59
	At the end of the year		-	-	40696	0.59
<b>6.</b>	<b>Sandeep Rao</b>					
	At the beginning of the year		27585	0.40	-	-
	Changes during the year		No change during the year			
	At the end of the year		-	-	27585	0.40
<b>7.</b>	<b>Amita Ashvin Shah</b>					
	At the beginning of the year		23325	0.34	-	-
	Changes during the year		No change during the year			
	At the end of the year		-	-	23325	0.34
<b>8.</b>	<b>Surendra Ramanlal Patel</b>					
	At the beginning of the year		12485	0.18	-	-
	<b>Benpos. Date</b>	<b>Reason</b>				
	19.04.2019	Purchase	395	0.01	12880	0.19
	26.04.2019	Purchase	605	0.01	13485	0.19
	21.06.2019	Purchase	1000	0.01	14485	0.20
	19.07.2019	Purchase	316	0.00	14801	0.21
	09.08.2019	Purchase	1684	0.02	16485	0.23
	30.08.2019	Purchase	1000	0.01	17485	0.25
	22.11.2019	Purchase	828	0.01	18313	0.26
	29.11.2019	Purchase	2172	0.03	20485	0.29
	At the end of the year		-	-	20485	0.29



# RUTTONSHA INTERNATIONAL RECTIFIER LTD.



RUTTONSHA

## ANNEXURE [A] TO THE DIRECTORS' REPORT (Cont'd...)

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
<b>9.</b>	<b>Vandana Lakshminarayan Bhat</b>				
	At the beginning of the year	17333	0.25	-	-
	Changes during the year				
	<b>Benpos. Date</b>	<b>Reason</b>			
	07.06.2019	Purchase	149	0.00	17482
	21.06.2019	Purchase	400	0.01	17882
	28.06.2019	Purchase	1578	0.02	19460
	05.07.2019	Purchase	149	0.00	19609
	13.12.2019	Purchase	25	0.00	19634
	13.03.2020	Purchase	192	0.00	19826
	At the end of the year	-	-	19826	0.28
<b>10.</b>	<b>Ashvin S Shah</b>				
	At the beginning of the year	17163	0.25	-	-
	Changes during the year	No change during the year			
	At the end of the year	-	-	17163	0.25

### 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. Hasmukh J. Shah	8750	0.13	8750	0.13
3.	Shri. Kisan R. Choksey	4100	0.06	4100	0.06
4.	Shri. Pravin G. Shah	2500	0.04	2500	0.04
5.	Shri. Venkitaraman Iyer	-	-	-	-
6.	Shri. R. G. Trasi	10000	0.14	10000	0.14
7.	Shri. Bhavin P Rambhia	-	-	-	-



# RUTTONSHA INTERNATIONAL RECTIFIER LTD.



RUTTONSHA

## ANNEXURE [A] TO THE DIRECTORS' REPORT (Cont'd...)

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

(Amt. in ₹)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year (01.04.2019)</b>				
i) Principal Amount	421,418	13,000,000	-	<b>13,421,418</b>
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>421,418</b>	<b>13,000,000</b>	-	<b>13,421,418</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	-	-	-	
* Reduction	390,455	13,000,000	-	<b>13,390,455</b>
<b>Net Change</b>	<b>390,455</b>	<b>13,000,000</b>	-	<b>13,390,455</b>
<b>Indebtedness at the end of the financial year (31.03.2020)</b>				
i) Principal Amount	<b>30,963</b>	-	-	<b>30,963</b>
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>30,963</b>	-	-	<b>30,963</b>

### 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
		Shri. Kisan R. Choksey	Shri. Pravin G. Shah	Shri. Venkitaraman Iyer	
1.	Independent Directors				
	Fee for attending board/ committee meetings	45,000	45,000	10,000	<b>100,000</b>
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	<b>Total (1)</b>	<b>45,000</b>	<b>45,000</b>	<b>10,000</b>	<b>100,000</b>





	Other Non-Executive Directors	Smt. Bhavna H. Mehta	Shri. Hasmukh J. Shah	
2.	Fee for attending board/ committee meetings	-	45,000	45,000
	Commission	-	-	-
	Others, please specify	-	-	-
	<b>Total (2)</b>	-	<b>45,000</b>	<b>45,000</b>
	<b>Total Managerial Remuneration = (1+2)</b>			<b>145,000</b>

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

(Amt. in ₹)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		C.E.O. Shri R. G. Trasi	Company Secretary Shri Bhavin P. Rambhia	
	Gross salary			
1.	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,756,400	11,20,000	<b>2,876,400</b>
	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	-	-	-
	<b>Total</b>	<b>1,756,400</b>	<b>11,20,000</b>	<b>2,876,400</b>

### 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 31<sup>ST</sup> MARCH, 2020

[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.,**

139/141, Solaris 1, B Wing, 1st Floor,

Saki Vihar Road, Powai, Andheri (East),

Mumbai – 400072

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 31<sup>st</sup> March, 2020, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial year ended on 31<sup>st</sup> March, 2020 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.



**RUTTONSHA**

# RUTTONSHA INTERNATIONAL RECTIFIER LTD.

## ANNEXURE [B] TO THE DIRECTORS' REPORT (Cont'd...)



### 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

**Place : Mumbai**  
**Date : 30<sup>th</sup> July, 2020**

**Neetu Vikas Agrawal**  
Proprietor  
FCS No. 8347; C.P. No. 9272  
UDIN : F008347B000532970

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.,**  
139/141, Solaris 1, B Wing, 1st Floor,  
Saki Vihar Road, Powai, Andheri (East),  
Mumbai – 400072

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

**Place : Mumbai**  
**Date : 30<sup>th</sup> July, 2020**

**Neetu Vikas Agrawal**  
Proprietor  
FCS No. 8347; C.P. No. 9272  
UDIN : F008347B000532970



## 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.

Due to the renewed focus on 'Atmanirbhar Bharat - Invest 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 :** During the year 2019-20, as a result of lower demand from few key industrial customers due to their weak financial position, the sales of the Company de-grew by about 22%. Resulting from the lower working capital requirement the Company has used the opportunity to streamline its operations by reducing its operational costs and debts to a sizeable extent.

Going into the next financial year, the Company continues to focus on High Power Semiconductor devices business and foresees ample opportunities for growth in International Markets. Our vision of creating worldwide recognition for our products in International markets would garner better growth in export business in coming years.

Due to ongoing Covid-19 pandemic, we expect turbulence in short term, in industrial and manufacturing sectors. Many PSU's, Government Organisations and Railways may downsize /cut their budgetary spending thereby resulting in delay in implementation of various projects.

However, several macro trends point towards a very positive medium-term outlook for the electronic manufacturing industry in India. Few of them are listed below.

- a) Announcement of schemes to incentivize manufacturing including capital investment in India
- b) Dis-incentivizing imports
- c) The US-China Trade war
- d) Negative sentiment towards China due to Covid-19 pandemic has triggered many US and other Companies world over to revisit their supply chains; and de-risk their manufacturing and supply chain footprints in order to ensure business continuity. This has resulted in many global companies looking out for alternate source of manufacturing outside China. Many Indian Companies are already being considered and approached by global giants for their new business tie ups with India.

**(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 crystallization 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.



RUTTONSHA

# RUTTONSHA INTERNATIONAL RECTIFIER LTD.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT (Cont'd...)



### 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 Total Revenue declined by 21.77% to ₹ 340,880,834/- as compared to ₹ 435,761,768/- in 2018-19. Earnings before Interest, Tax and Depreciation and Amortisation (EBITDA) for the year declined by 35.50 % to ₹ 36,350,241/- as compared to ₹ 56,356,630/- last year. Net Profit for the year was ₹ 14,219,177/- as against ₹ 25,998,261/- 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 15.57 % to ₹ 8,410,800/- Lacs as against ₹ 9,961,711/- Lacs 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 : 30<sup>th</sup> June, 2020

Hasmukh J. Shah  
Chairman





**To the Members of Ruttonsha International Rectifier Limited**

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the Financial Statements of **Ruttonsha International Rectifier Ltd. ("the Company")**, which comprise the balance sheet as at March 31, 2020, and the statement of Profit and Loss including statement of changes in equity and statement of cash flows for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information.

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, of the state of affairs of the Company as at March 31, 2020, and profit, Statement of changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no significant reportable Key Audit Matters to be communicated in the Report.

**Information Other than the Financial Statements and Auditor's Report thereon**

The Company's Board of Directors is responsible for the Other Information. The other information comprises the Director's Report and Annexures thereon, Management & Discussion Analysis, but does not include Financial Statements and our auditor's report thereon.

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

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to date of this Auditor's Report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**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, (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 Standalone Financial Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As a part of an audit in accordance with SA's, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### Other Matters

The comparative information of the Company for the year ended March 31, 2019 has been audited by the predecessor Auditor, M/s. Ajmera Ajmera & Associates, Chartered Accountants, who had audited the financial statements for the relevant period. The report dated May 16, 2019 of the predecessor Auditor on the comparative financial information has expressed an unmodified opinion.

Our opinion is not modified in respect of these matters.

### Report on Other Legal and Regulatory Requirements

1. 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 purposes 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 the 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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and as amended.
  - (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 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 A".
  - (g) With the respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197 (16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid any remuneration to any Directors in accordance with the provisions of the Section 197 of the Act.
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Statements- Refer Note No. 35 to the Financial Statements.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. The Company regularly transfers sums to the Investor Education and Protection Fund.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of Sub-section (11) of Section 143 of the Companies Act, 2013, we give in the "Annexure B", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

For **Kirtane & Pandit LLP**,  
Chartered Accountants  
(Firm's Registration No.105215W/W100057)

Place : Mumbai  
Date : 30<sup>th</sup> June, 2020

**Aditya A. Kanetkar**  
Partner  
M. No.149037  
UDIN: 20149037AAAAD1868



**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 Ltd. ("the Company")** as of March 31, 2020 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 Companies Act, 2013.

**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 Companies Act, 2013, to the extent applicable to an audit of internal financial controls, 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 March 31, 2020, 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 **Kirtane & Pandit LLP**,  
Chartered Accountants  
(Firm's Registration No.105215W/W100057)

**Aditya A. Kanetkar**  
Partner  
M. No.149037  
UDIN: 20149037AAAAD1868

Place : **Mumbai**  
Date : **30<sup>th</sup> June, 2020**



Annexure B referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our Report of even date to the members of Ruttonsha International Rectifier Ltd on the accounts of the company for the year ended March 31, 2020.

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment;
- (b) As explained to us, Property, Plant & Equipment have been physically verified by the management at regular intervals; as informed to us no material discrepancies were noticed on such verification;
- (c) According to the information and explanation given to us and on the basis of examination of the records, the title deeds of the immovable properties are held in the name of the Company.
- (ii) According to the information and explanations given to us, the inventories excluding inventory lying with third parties have been physically verified at reasonable intervals by the management during the year. No material discrepancies were noticed on such verification. For inventories lying with third parties at the year end, we have relied on the written confirmations received from respective third parties.
- (iii) The Company has not granted any loans, secured or unsecured to Companies, Firms, LLP or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, reporting under clauses (a), (b) and (c) of paragraph 3 (iii) of the Order does not arise.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not given any loan, made investments, or provided securities, to companies and other parties listed in Section 185 & 186 of the Act.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013.
- (vi) As informed to us, the Central Government has not prescribed maintenance of cost records under sub-Section (1) of Section 148 of the Act.
- (vii) According to the information and explanations given to us and based on the records of the company examined by us,
  - (a) The company has generally been regular in depositing the undisputed statutory dues, including Provident Fund, Employees State Insurance, Income-tax, Goods & Service Tax, Custom Duty and other material statutory dues, as applicable, with the appropriate authorities in India;
 

According to the information and explanation given to us, no undisputed amount payable in respect of Provident Fund, Employees State Insurance, Income-tax, Goods & Service Tax, Custom Duty and other material statutory dues were in arrears as at March 31, 2020 for a period of more than six months from the date they become payable.
  - (b) According to the information and explanations given to us and based on the records of the company examined by us, the following dues of Income Tax demands have not been deposited by the company on account of dispute:

Name of the Statute	Nature of the Dues	Amount in Lakhs	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	4.89	2014-2015	Appeal filed with ITAT

- (viii) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to the banks, financial institutions and government. The company does not have dues to debenture holders as at the balance sheet date.
- (ix) In our opinion, and according to the information and explanations given to us, the Company does not raise money by way of initial public offer or further public offer and term loans, other than for what it was purposes.



# RUTTONSHA INTERNATIONAL RECTIFIER LTD.



**RUTTONSHA**

## ANNEXURE 'B' TO THE INDEPENDENT AUDITORS' REPORT (Cont'd...)

- (x) During the course of audit, we have not noticed any fraud by the company or any fraud on the company by its officers or employees during the year.
- (xi) In our opinion, the company has complied with the provisions of Section 197 read with Schedule V of the Companies Act, 2013.
- (xii) The nature of business is not related to Nidhi Company; hence, this clause is not applicable.
- (xiii) In our opinion, and according to the information and explanations given to us and based on our examination of the records of the Company, all transactions with related parties are in compliances with the section 177 & 188 of the Companies Act, 2013 and details have been disclosed in the Financial Statements as required by the applicable Accounting Standards.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) The company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For Kirtane & Pandit LLP,**  
Chartered Accountants  
(Firm's Registration No.105215W/W100057)

**Place : Mumbai**  
**Date : 30<sup>th</sup> June, 2020**

**Aditya A. Kanetkar**  
Partner  
M. No.149037  
UDIN: 20149037AAAADE1868





# RUTTONSHA INTERNATIONAL RECTIFIER LTD.

BALANCE SHEET AS AT 31ST MARCH, 2020



	Note No.	As at 31st March, 2020 (Amt. in ₹)	As at 31st March, 2019 (Amt. in ₹)
<b>I. ASSETS</b>			
<b>1. NON-CURRENT ASSETS</b>			
(a) Property, Plant and Equipment	3	69,359,562	75,001,588
(b) Capital work - in - progress	3	534,205	-
(c) Right of Use Assets	4	663,316	-
(d) Financial Assets			
(i) Other Non-Current Financial Assets	5	4,526,221	4,476,396
		<b>75,083,304</b>	<b>79,477,984</b>
<b>2. CURRENT ASSETS</b>			
(a) Inventories	6	133,526,947	126,835,403
(b) Financial Assets			
(i) Trade Receivables	7	100,774,651	141,997,243
(ii) Cash and Cash Equivalents	8	508,625	151,598
(iii) Bank balances other than (ii) above	9	1,484,758	6,398,598
(c) Current Tax Assets (Net)	10	440,145	-
(d) Other Current Assets	11	6,000,328	7,173,795
		<b>242,735,454</b>	<b>282,556,637</b>
		<b>317,818,758</b>	<b>362,034,621</b>
<b>II EQUITY AND LIABILITIES</b>			
<b>1. EQUITY</b>			
(a) Equity Share Capital	12	68,826,863	68,826,863
(b) Other Equity	13	137,675,372	132,371,781
		<b>206,502,235</b>	<b>201,198,644</b>
<b>2. NON-CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	14	25,430,325	35,807,207
(ii) Other Financial Liabilities	15	125,000	125,000
(b) Provisions	16	888,306	1,380,283
(c) Deferred Tax Liabilities (Net)	17	16,516,184	20,303,249
		<b>42,959,815</b>	<b>57,615,739</b>
<b>3. CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	18	29,386,773	40,537,924
(ii) Trade Payables	19		
(a) total outstanding dues of micro enterprises and small enterprises		-	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		28,581,102	50,939,448
(c) Other Financial Liabilities	20	5,232,825	7,052,013
(b) Other Current Liabilities	21	3,206,565	1,807,271
(c) Provisions	22	1,949,443	2,444,391
(d) Current Tax Liabilities (Net)	23	-	439,191
		<b>68,356,708</b>	<b>103,220,238</b>
		<b>111,316,523</b>	<b>160,835,977</b>
		<b>317,818,758</b>	<b>362,034,621</b>
<b>TOTAL EQUITY AND LIABILITIES</b>			

Significant Accounting Policies

2

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 KIRTANE & PANDIT LLP,  
CHARTERED ACCOUNTANTS

Firm's Registration No: 105215W/W100057

HASMUKH J. SHAH  
DIRECTOR  
(DIN : 00322383)

PRAVIN G. SHAH  
DIRECTOR  
(DIN : 00179771)

ADITYA A. KANETKAR  
PARTNER  
M. No : 149037

KISAN R. CHOKSEY  
DIRECTOR  
(DIN : 00190931)

VENKITARAMAN IYER  
DIRECTOR  
(DIN : 00730501)

Place : Mumbai

Date : 30th June, 2020

BHAVIN P RAMBHIA  
COMPANY SECRETARY



# RUTTONSHA INTERNATIONAL RECTIFIER LTD.



RUTTONSHA

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2020

	Note No.	Year Ended 31st March, 2020 (Amt. in ₹)	Year Ended 31st March, 2019 (Amt. in ₹)
<b>I. REVENUE</b>			
(a) Revenue From Operations	24	335,803,482	430,453,020
(b) Other Income	25	5,077,352	5,308,748
	<b>TOTAL INCOME</b>	<b>340,880,834</b>	<b>435,761,768</b>
<b>II. EXPENSES</b>			
(a) Cost of Materials Consumed	26	208,070,116	236,929,508
(b) Purchases of Stock -in-Trade	27	10,665,716	-
(c) Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	28	(2,501,865)	54,112,533
(d) Employee Benefit Expenses	29	47,214,274	46,684,969
(e) Finance Costs	30	8,410,800	9,961,711
(f) Depreciation and Amortization Expenses	31	11,261,373	10,753,751
(g) Other Expenses	32	41,082,352	41,678,128
	<b>TOTAL EXPENSES</b>	<b>324,202,766</b>	<b>400,120,600</b>
<b>III. PROFIT BEFORE TAX (I - II)</b>		<b>16,678,068</b>	<b>35,641,168</b>
<b>IV. TAX EXPENSES</b>			
(a) Current Tax		6,100,000	11,034,000
(b) Deferred Tax		(3,609,394)	(1,978,479)
(c) Prior Period Tax Expenses		(31,715)	587,386
<b>V. PROFIT FOR THE PERIOD (III - IV)</b>		<b>14,219,177</b>	<b>25,998,261</b>
<b>VI. OTHER COMPREHENSIVE INCOME</b>			
(1) Items that will not be reclassified to profit or loss - Re-measurements of (net) Defined Benefit Liability obligations		(705,941)	46,145
(2) Income Tax Effect		177,671	(12,838)
<b>VII. TOTAL COMPREHENSIVE INCOME FOR THE PERIOD (V + VI)</b>		<b>13,690,907</b>	<b>26,031,568</b>
<b>VIII. EARNINGS PER SHARE</b>			
(a) Basic	33	2.10	3.84
(b) Diluted		2.10	3.84

Significant Accounting Policies

2

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 KIRTANE & PANDIT LLP,  
CHARTERED ACCOUNTANTS  
Firm's Registration No: 105215W/W100057

HASMUKH J. SHAH  
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(DIN : 00322383)

PRAVIN G. SHAH  
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ADITYA A. KANETKAR  
PARTNER  
M. No : 149037

KISAN R. CHOKSEY  
DIRECTOR  
(DIN : 00190931)

VENKITARAMAN IYER  
DIRECTOR  
(DIN : 00730501)

Place : Mumbai  
Date : 30th June, 2020

BHAVIN P RAMBHIA  
COMPANY SECRETARY



RUTTONSHA

## RUTTONSHA INTERNATIONAL RECTIFIER LTD.



## STATEMENT OF CHANGES IN EQUITY

## (A) Equity Share Capital

	(Amt. in ₹)
Balance as at April 01, 2019	68,826,863
Changes in Equity Share Capital during the year	-
Balance as at March 31, 2020	68,826,863

## (B) Other Equity

Particulars	Reserves & Surplus					Total
	Capital Reserve	Cash Subsidy Reserve	Amalgamation Reserve	Gain on sale of Treasury shares	Retained Earnings	
Balance as at April 01, 2019	2,396,456	323,500	4,359,936	1,565,995	123,725,894	132,371,781
Profit for the year	-	-	-	-	14,219,177	14,219,177
Other comprehensive income for the year	-	-	-	-	(528,270)	(528,270)
Dividends including Taxes	-	-	-	-	(8,387,316)	(8,387,316)
Balance as at March 31, 2020	2,396,456	323,500	4,359,936	1,565,995	129,029,485	137,675,372

(Amt. in ₹)

As per our attached report of even date

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

For KIRTANE & PANDIT LLP,  
CHARTERED ACCOUNTANTS  
Firm's Registration No: 105215WW/100057

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DIRECTOR  
(DIN : 00730501)

Place : Mumbai  
Date : 30th June, 2020

BHAVIN P RAMBHIA  
COMPANY SECRETARY



# RUTTONSHA INTERNATIONAL RECTIFIER LTD.



## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

	Year Ended 31st March, 2020 (Amt. in ₹)		Year Ended 31st March, 2019 (Amt. in ₹)	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net Profit Before Tax		16,678,068		35,641,168
Adjustments for :				
Interest Expenses	8,410,800		9,961,711	
Depreciation and Amortisation Expense	11,261,373		10,753,751	
Interest Income	(457,982)		(504,981)	
Profit on Sale of Property, Plant and Equipment	19,865		4,489	
		<u>19,234,056</u>		<u>20,214,970</u>
		<u>35,912,124</u>		<u>55,856,138</u>
<b>CHANGE IN OPERATING ASSETS AND LIABILITIES</b>				
(Increase)/Decrease in Inventories	(6,691,544)		21,098,420	
(Increase)/Decrease in Trade Receivables	41,222,592		(783,512)	
(Increase)/Decrease in Other Current Financial Assets	4,913,840		179,894	
(Increase)/Decrease in Other Non Current Financial Assets	(49,825)		(667,839)	
(Increase)/Decrease in Other Current Assets	1,173,467		(4,501,965)	
Increase/(Decrease) in Trade Payables	(22,358,347)		(20,661,371)	
Increase/(Decrease) in Other Current Financial Liabilities	(1,819,187)		3,648,371	
Increase/(Decrease) in Other Current Liabilities	1,399,294		(1,958,860)	
Increase/(Decrease) in Short Term Provisions	(1,692,866)		(3,546,009)	
		<u>16,097,424</u>		<u>(7,192,871)</u>
<b>CASH (USED IN) / GENERATED FROM OPERATING ACTIVITIES</b>		<u>52,009,549</u>		<u>48,663,267</u>
Taxes Paid (Net)		(6,947,621)		(10,100,451)
<b>NET CASH (USED IN) / GENERATED FROM OPERATING ACTIVITIES</b>		<u>45,061,928</u>		<u>38,562,816</u>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Expenditure on Property, Plant & Equipments (net)	(6,816,869)		(3,712,761)	
Profit on Sale of Property, Plant and Equipment	(19,865)		(4,489)	
Gain on Fair Valuation of Deposits	46,130		41,386	
Interest Income	411,852		463,596	
<b>NET CASH GENERATED FROM / (USED IN) INVESTING ACTIVITIES</b>		<u>(6,378,752)</u>		<u>(3,212,268)</u>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Dividend Paid	(6,957,240)		-	
Tax on Dividend Paid	(1,430,076)		-	
Repayment of Long Term Borrowings	(10,376,882)		(3,436,295)	
Repayment of Short Term Borrowings	(11,151,151)		(22,387,156)	
Unwinding Discounts on 2% Redeemable Optionally Convertible Cumulative Preference Shares	(2,637,525)		(2,363,970)	
Interest Expenses	(5,773,275)		(7,597,741)	
<b>NET CASH USED IN FINANCING ACTIVITIES</b>		<u>(38,326,149)</u>		<u>(35,785,162)</u>
<b>Net (decrease) / Increase in Cash and Cash Equivalents</b>		<u>357,027</u>		<u>(434,614)</u>
<b>Cash and Cash Equivalents at the beginning of the year</b>		<u>151,598</u>		<u>586,212</u>
<b>Cash and Cash Equivalents at the end of the year</b>		<u>508,625</u>		<u>151,598</u>
Reconciliation of Cash and Cash Equivalents as per Cash Flow Statement				
<b>Cash and Cash Equivalents as above comprises</b>				
- Balance With Banks		398,389		101,874
- Cash in Hand		110,236		49,724
<b>Balances as per Cash Flows</b>		<u>508,625</u>		<u>151,598</u>

As per our attached report of even date

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

For KIRTANE & PANDIT LLP,  
CHARTERED ACCOUNTANTS  
Firm's Registration No: 105215W/W100057

HASMUKH J. SHAH  
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VENKITARAMAN IYER  
DIRECTOR  
(DIN : 00730501)

Place : Mumbai  
Date : 30th June, 2020

BHAVIN P RAMBHIA  
COMPANY SECRETARY

**NOTE 1 : GENERAL INFORMATION**

Ruttonsha International Rectifier Limited ("the Company")(CIN : L31109MH1969PLC014322) is a Public Limited Company incorporated and domiciled in India. The address of the registered office and principal office is at 139/141, Solaris-1, 'B' Wing, 1st Floor, Saki Vihar Road, Powai, Andheri-(East), Mumbai-400072. The Company is in the business of Manufacturing industry. The Company's manufacturing facilities are located in Baska, Halol, Gujarat and has its registered office in Mumbai. The equity shares of the Company are listed on the Bombay Stock Exchange (BSE).

Company engaged in the 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.

**NOTE 2 : SIGNIFICANT ACCOUNTING POLICIES****A. Basis of presentation of Financial Statements**

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended). These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 (Act) (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

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

**B. Use of Estimates**

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements. Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

**C. 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

(b) Estimation of current tax expenses and payable

**D. Property, plant and equipment**

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is de-recognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred. Depreciation methods, estimated useful lives and residual value are as follows:

Asset Category	No. of Years
Factory Buildings	30
Plant & Equipment	15
Furniture & Fixtures	10
Vehicles	4

Depreciation for the year ended March 31, 2020 has been provided on the basis of useful lives as prescribed in the Schedule II of the Companies Act, 2013. Depreciation on Property, Plant and Equipments purchased / sold during the year is provided on pro-rata basis, for period during which the assets are put to use. Where there is a revision of the estimated useful life of an asset, the unamortized depreciable amount is charged over the revised remaining useful life of the said asset.





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".

#### **E. Intangible assets**

Costs associated with maintaining software programs are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised as intangible assets when the following criteria are met:

- i. it is technically feasible to complete the software so that it will be available for use
- ii. management intends to complete the software and use or sell it
- iii. there is an ability to use or sell the software
- iv. it can be demonstrated how the software will generate probable future economic benefits
- v. adequate technical, financial and other resources to complete the development and to use or sell the software are available and
- vi. the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software cost includes employee costs and an appropriate portion of relevant overheads. Intangible Assets are stated at cost less accumulated amortisation and impairment loss, if any. Computer Software is amortised over a period of ten years, as per revised useful lives prescribed in the Schedule II.

#### **F. Impairment of Assets**

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from sale of the asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

#### **G. Leases**

The Company has adopted Ind AS 116 'Leases' with effect from April 01, 2019. Ind AS 116 replaces Ind AS 17 - Leases and Implementation and related Guidance. The standard sets out principles for recognition, measurement, presentation and disclosure of Leases for both parties i.e. for Lessor and for Lessee. Ind AS 116 introduces single lessee accounting entry approach and requires lessee to account asset and liabilities for all leases for more than 12 months and underlying assets are not defined as 'Low Value' by the Management of the Company. The Company treated the leases with remaining lease term for less than 12 months as if they were "short term lease".

The Company has adopted IND AS 116 and elected to apply standard prospectively, recognised on the initial date of application i.e. April 01, 2019. With the effect from April 01, 2019, the Company recognised new asset & new liabilities for its operating lease of premises and other assets. The nature of expenses related to those leases will change from lease rent in previous periods to:

- a) amortization charge for the right to use;
- b) interest accrued on lease liability.

#### **H. Inventory**

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.

#### **I. Cash and Cash Equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, other short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.



## J. Financial Instruments

### (i) Classification of Financial Assets :

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Company reclassifies debt investments when and only when its business model for managing those assets changes.

### (ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

### (iii) Debt Instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the group classifies its debt instruments:

- **Amortised Cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is de-recognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair Value through Other Comprehensive Income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is de-recognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair Value through Profit or Loss (FVTPL):** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

### (iv) Equity Instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments continue to be recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

### (v) Impairment of Financial Assets

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.

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

**(vi) De-recognition of financial assets**

A financial asset is de-recognised only when:

- The Company has transferred the rights to receive cash flows from the financial asset or;
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised. Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

**(vii) Income recognition**

Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

**K. Financial Liabilities**

**(i) Initial recognition and measurement**

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss.

**(ii) Subsequent measurement**

Financial liabilities are subsequently measured at amortised cost using the effective interest rate 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.

**(iii) De-recognition**

A financial liability is de-recognised when the obligation specified in the contract is discharged, cancelled or expires.

**(iv) Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counter party.

**L. Fair Value Measurement**

Fair Value Hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consist of following three levels:

**Level 1:** Inputs are quoted prices in active markets for identical assets or liabilities.



**Level 2:** Inputs are other than quoted prices included within Level 1 that are observable asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

**Level 3:** Inputs are unobservable inputs for the asset or liability.

#### **M. 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.

#### **N. Revenue Recognition**

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of allowances, incentives, service 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 entity and specific criteria have been met for each of the Company's activities as described below. Revenue is recognised in the period when the service is provided as per arrangements/agreements with the customers.

##### **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. The performance obligation in case of sale of goods is satisfied at the point of time i.e. when the material is shift to the customer on delivery to the customer as may be specified in the contract.

##### **Rendering of Services**

Revenue from services rendered are generally recognized in proportion to the stage of completion of the transaction at reporting date. The stage of the completion of the contract is determined based on the actual service provided as a proportion to the total service provided. Revenue from contracts priced on a time and material basis are recognised when services are rendered and related costs are incurred.

##### **Export Incentives**

Duty Drawback, MEIS benefits are recognized at the time and exports and benefits in respect of licenses received by the company against exports made by it are recognized as and when goods are imported against them.

##### **Dividend and Interest**

Dividend are recognized as Income when shareholder's right to receive payment has been established.

Interest Income is recognised on accrued basis on proportion basis taking into account the amount outstanding and the interest rate applicable and based on Effective interest rate method.

#### **O. Employee Benefits**

##### **(i) Gratuity Obligations**

The Company has maintained a Group Gratuity Cum Life Assurance Scheme with the Life Insurance Corporation of India (LIC) towards which it annually contributes a sum determined by LIC. The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. Defined benefit costs are categorised as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income ;and
- Re-measurement.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

**(ii) Defined Contribution Plans****Provident fund and Family Pension Fund**

The Company contributes towards Provident Fund and Family Pension Fund. Liability in respect thereof is determined on the basis of contribution as required under the Statute/ Rules.

**Compensated Absences**

The Company does not have a policy of encashing unavailed leave for its employees. The provision is based on an independent external actuarial valuation at the balance sheet date, which includes assumptions about demographics, early retirement, salary increases and interest rates.

**P. Foreign Currency Transactions:****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.

**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.

**Q. Income Taxes**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. Income tax provision is made based on the estimated tax liability as computed after taking credit for allowances and exemptions in accordance with the Income Tax Laws prevalent at the time of the relevant assessment year. Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

**R. MAT (Minimum Alternate Tax)**

As per Section 115JB of Income Tax Act, 1961, the Company recognizes MAT Credit as an asset only when and to the extent there is a convincing evidence that the Company will be liable to pay normal Income Tax during the specified period.

**S. Provisions**

Provisions for legal claims and discounts / incentives are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

**T. Contingent Liabilities**

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

**U. 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.

**V. Segmental Information**

The Company is engaged in the business of Power Electronics which is considered as the primary reportable business segment as per Ind AS 108 "Segment Reporting" issued by the Institute of Chartered Accountants of India.

**W. Earnings per share**

Earnings per share is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. There is no dilution to basic EPS as there are no outstanding dilutive potential equity shares.



**NOTE 3 : PROPERTY, PLANT & EQUIPMENT**

( Amt. in ₹ )

Particulars	GROSS BLOCK				DEPRECIATION			NET BLOCK	
	As at 1st Apr-19	Additions	(Disposals)	As at 31st Mar-20	As at 1st Apr-19	Charge for the year	As at 31st Mar-20	As at 31st Mar-20	As at 31st Mar-19
<b>PROPERTY, PLANT &amp; EQUIPMENTS</b>									
FREEHOLD LAND	3,589,950	-	-	3,589,950	-	-	-	3,589,950	3,589,950
BUILDINGS	13,267,448	423,626	-	13,691,074	1,591,714	506,403	2,098,117	11,592,957	11,675,734
PLANT AND EQUIPMENT	79,526,087	2,977,096	(36,478)	82,466,705	26,946,694	8,517,973	35,464,667	47,002,038	52,579,393
DIES & MOULDS	825,639	13,100	-	838,739	385,330	63,376	448,706	390,033	440,309
ELECTRICAL INSTALLATION & FITTINGS	1,696,402	160,698	-	1,857,100	445,101	202,730	647,831	1,209,269	1,251,301
AIR CONDITIONERS & WATER COOLERS	1,266,574	297,459	-	1,564,033	711,660	202,556	914,216	649,817	554,914
VEHICLES	2,803,381	-	(1,996)	2,801,385	1,083,035	187,289	1,270,324	1,531,061	1,720,346
OFFICE EQUIPMENT	3,326,537	673,135	-	3,999,672	1,713,326	572,677	2,286,003	1,713,669	1,613,211
FURNITURE & FIXTURES	2,457,987	449,391	-	2,907,378	881,557	345,053	1,226,610	1,680,768	1,576,430
<b>TOTAL</b>	<b>108,760,005</b>	<b>4,994,505</b>	<b>(38,474)</b>	<b>113,716,036</b>	<b>33,758,417</b>	<b>10,598,057</b>	<b>44,356,474</b>	<b>69,359,562</b>	<b>75,001,588</b>
PREVIOUS YEAR	105,001,564	3,766,254	(7,813)	108,760,005	23,004,666	10,753,751	33,758,417	75,001,588	81,996,898
CAPITAL WORK-IN-PROGRESS								534,205	-



	As at 31st March, 2020 (Amt. in ₹)	As at 31st March, 2019 (Amt. in ₹)
<b>NOTE 4 : LEASE</b>		
<b>Following are the changes in the carrying value of right of use assets for the Year Ended March 31, 2020:</b>		
Classified on account of adoption of IND AS 116 as on April 1, 2019	1,326,633	-
Less: Depreciation for the year	663,316	-
<b>Balance as on March 31, 2020</b>	<u>663,316</u>	<u>-</u>
<b>The following is the movement in lease liabilities during the Year Ended March 31, 2020:</b>		
Balance as on April 1, 2019	1,326,633	-
Add: Finance cost accrued during the year	83,114	-
Less: Payment of lease liabilities	720,000	-
<b>Balance as on March 31, 2020</b>	<u>689,747</u>	<u>-</u>
<b>The following is the break Up of Current and Non current lease liabilities as at March 31, 2020:</b>		
Current lease liabilities	689,747	-
Non current lease liabilities	-	-
<b>TOTAL</b>	<u>689,747</u>	<u>-</u>
<b>NOTE 5 : OTHER NON-CURRENT FINANCIAL ASSETS (Un-secured Considered Good)</b>		
(a) Security Deposits	4,343,955	4,235,304
(b) Interest Accrued on Deposits	182,266	241,092
<b>TOTAL</b>	<u>4,526,221</u>	<u>4,476,396</u>
<b>NOTE 6: INVENTORIES</b>		
(a) Raw Materials	97,027,947	92,838,268
(b) Work-in-Progress	3,875,965	12,824,024
(c) Finished Goods	32,623,035	21,173,111
<b>TOTAL</b>	<u>133,526,947</u>	<u>126,835,403</u>
<b>NOTE 7 : TRADE RECEIVABLES</b>		
(a) Un-secured, considered good	100,774,651	141,997,243
(b) Allowance for Expected Credit Loss	8,171,939	4,872,693
Less: Provision for doubtful debts	(8,171,939)	(4,872,693)
<b>TOTAL</b>	<u>100,774,651</u>	<u>141,997,243</u>
<b>NOTE 8 : CASH AND CASH EQUIVALENTS</b>		
(a) Cash and Cash Equivalents		
- Cash on hand	110,236	49,724
(b) Balances with banks		
- In Current Accounts	398,389	101,874
<b>TOTAL</b>	<u>508,625</u>	<u>151,598</u>
<b>NOTE 9 : BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS</b>		
(a) Balance with Banks		
- In Deposit account	915,000	6,000,000
- In Margin Money	4,146	5,880
(b) Unclaimed Dividends	565,612	392,718
<b>TOTAL</b>	<u>1,484,758</u>	<u>6,398,598</u>
<b>NOTE 10 : CURRENT TAX ASSETS (NET)</b>		
Advance payment of Income Tax (including TDS Receivable)	6,540,145	-
Less: Provision for Income Tax	(6,100,000)	-
<b>TOTAL</b>	<u>440,145</u>	<u>-</u>



# RUTTONSHA INTERNATIONAL RECTIFIER LTD.

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



	As at 31st March, 2020 (Amt. in ₹)	As at 31st March, 2019 (Amt. in ₹)
<b>NOTE 11 : OTHER CURRENT ASSETS</b> (unsecured, considered good unless otherwise stated)		
(a) Advance to Suppliers	3,923,480	5,024,858
(b) Advance to Employees	121,679	298,293
(c) Prepaid Expenses	1,269,198	1,225,288
(d) Balance with Government Authorities	685,971	625,356
<b>TOTAL</b>	<b>6,000,328</b>	<b>7,173,795</b>
<b>NOTE 12 : EQUITY SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
10,000,000 Equity shares of ₹ 10/- each	100,000,000	100,000,000
4,050,000 Redeemable Optionally Convertible Cumulative Preference shares of ₹ 10/- each	40,500,000	40,500,000
<b>TOTAL</b>	<b>140,500,000</b>	<b>140,500,000</b>
<b>ISSUED, SUBSCRIBED AND PAID UP</b>		
6,957,240 Equity Shares of ₹ 10/- each fully paid-up	69,572,400	69,572,400
Less: Shares held under Trust - 185,211 Treasury Shares	(745,537)	(745,537)
<b>TOTAL</b>	<b>68,826,863</b>	<b>68,826,863</b>

## 12.1 Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period :

	As at 31st March, 2020	As at 31st March, 2019
Number of shares at the beginning of the year	6,957,240	6,957,240
Add: Issued during the year	-	-
Number of shares at the closing of the year	<u>6,957,240</u>	<u>6,957,240</u>

## 12.2 Shareholder's holding more than 5% Equity shares of the Company :

Name of the Shareholder	As at 31st March, 2020		As at 31st March, 2019	
	No. of shares	%	No. of shares	%
Bhavna H. Mehta	4,724,583	67.91	4,724,583	67.91

## 12.3 Shareholder's holding more than 5% Redeemable Optionally Convertible Cumulative Preference Shares of the Company:

Name of the Shareholder	As at 31st March, 2020		As at 31st March, 2019	
	No. of shares	%	No. of shares	%
Bhavna H. Mehta	3,660,255	90.38	3,660,255	90.38

12.4 The company has only one class equity shares having a par value of Rs.10/- each. Each holder of equity shares is entitled to one vote per share.

12.5 In the event of the 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.

12.6 The company declares and pays dividend in Indian Rupees. No dividend has been declared by the company during the year ended March 31, 2020.



# RUTTONSHA INTERNATIONAL RECTIFIER LTD.

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



	As at 31st March, 2020 (Amt. in ₹)	As at 31st March, 2019 (Amt. in ₹)
<b>NOTE 13 : OTHER EQUITY</b>		
<b>(a) CAPITAL RESERVE :</b>		
Balance at the beginning and end of the year	2,396,456	2,396,456
<b>(b) AMALGAMATION RESERVE :</b>		
Balance at the beginning and end of the year	4,359,936	4,359,936
<b>(c) GAIN ON SALE OF TREASURY SHARES</b>		
Balance at the beginning and end of the year	1,565,995	1,565,995
<b>(d) CASH SUBSIDY RESERVE :</b>		
Balance at the beginning and end of the year	323,500	323,500
<b>(e) Retained Earnings :</b>		
Balance at the beginning of the year	123,725,894	97,694,326
Profit/ (Loss) during the year	13,690,907	26,031,568
Dividend paid	(6,957,240)	-
Tax paid on Dividend	(1,430,076)	-
Balance at the end of the year	<u>129,029,485</u>	<u>123,725,894</u>
<b>TOTAL</b>	<u><u>137,675,372</u></u>	<u><u>132,371,781</u></u>

## NOTE 14 : BORROWINGS

### SECURED

Vehicle Loans from Bank	-	14,407
	<u>-</u>	<u>14,407</u>

### UN-SECURED

(a) Loan from a Director	-	13,000,000
(b) 2% Redeemable Optionally Convertible Cumulative Preference shares	25,430,325	22,792,800
	<u>25,430,325</u>	<u>35,792,800</u>
<b>TOTAL</b>	<u><u>25,430,325</u></u>	<u><u>35,807,207</u></u>

Particulars	Terms of Repayment
40,50,000 2% Redeemable Optionally Convertible Cumulative Preference Shares were issued to erstwhile shareholders of Orient Semiconductors Private Limited pursuant to scheme of Amalgamation.	The shareholders of the Company at their meeting held on 22nd September, 2014 extended redemption period of the above Preference Shares by further 10 years.

## NOTE 15 : OTHER FINANCIAL LIABILITIES - NON-CURRENT

### OTHER PAYABLES

Trade / Security Deposit received	125,000	125,000
<b>TOTAL</b>	<u><u>125,000</u></u>	<u><u>125,000</u></u>

## NOTE 16 : PROVISIONS

### PROVISIONS FOR EMPLOYEE BENEFITS

(a) Provision for Gratuity	-	609,559
(b) Provision for Compensated Absences	888,306	770,724
<b>TOTAL</b>	<u><u>888,306</u></u>	<u><u>1,380,283</u></u>



# RUTTONSHA INTERNATIONAL RECTIFIER LTD.



RUTTONSHA

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

	As at 31st March, 2020	As at 31st March, 2019
<b>NOTE 17: DEFERRED TAX LIABILITIES (NET)</b>		
Opening Balance	20,303,249	22,281,728
Deferred Tax Charge/(Credit) to Profit & Loss Account		
- On Account of Depreciation	(2,871,041)	(1,320,822)
- On Fair Valuation of Financial Liabilities	(663,812)	(657,657)
- On Disallowances	(74,540)	-
	<u>(3,609,394)</u>	<u>(1,978,479)</u>
Deferred Tax Charge/ (Credit) to OCI		
- On Remeasurement of post-retirement employment benefits obligations	(177,671)	-
Closing Balance	<u>16,516,184</u>	<u>20,303,249</u>

### NOTE 18: BORROWINGS

#### SECURED

(a) From Banks - Cash Credit Facility	29,355,810	40,130,913
(b) Vehicle loan from Banks	30,963	407,011
<b>TOTAL</b>	<u>29,386,773</u>	<u>40,537,924</u>

Particulars	Nature of Security
Indian Rupee Working Capital Facility from Banks	First pari-passu charge on Land and Building under Survey Nos. 338/P1, 338/P2, 338 /P3 and 338/P4 situated at Baska, Taluka Halol, District Panchmahals, Gujarat.
Obligation under Finance	Hypothecation of Stocks and Current Assets.
Collateral Security	Hypothecation of entire Plant & Machinery and other Fixed Assets, both present and future.

### NOTE 19: TRADE PAYABLE

Others than Micro, Small and Medium Enterprises	28,581,102	50,939,448
<b>TOTAL</b>	<u>28,581,102</u>	<u>50,939,448</u>

None of the Creditors of the Company are registered with MSMED, hence they have been classified as other trade payables.

### NOTE 20: OTHER FINANCIAL LIABILITIES - CURRENT

(a) Current maturities of finance lease obligations	689,747	-
(b) Un-paid/ Unclaimed Dividends	565,612	392,718
(c) Other Payable	3,977,466	6,659,295
<b>TOTAL</b>	<u>5,232,825</u>	<u>7,052,013</u>

### NOTE 21: OTHER CURRENT LIABILITIES

(a) Advances from Customers	2,127,621	567,205
(b) Statutory Payables	1,078,944	1,240,066
<b>TOTAL</b>	<u>3,206,565</u>	<u>1,807,271</u>

### NOTE 22: PROVISIONS

(a) Provision for Gratuity	110,768	648,676
(b) Provision for Bonus	1,838,675	1,795,715
<b>TOTAL</b>	<u>1,949,443</u>	<u>2,444,391</u>

### NOTE 23: CURRENT TAX LIABILITIES

(a) Provision for Tax	-	11,034,000
(b) Less : Advance payment of Income Tax (including TDS Receivable)	-	10,594,809
<b>TOTAL</b>	<u>-</u>	<u>439,191</u>

	Year ended 31st March, 2020 (Amt. in ₹)	Year ended 31st March, 2019 (Amt. in ₹)
<b>NOTE 24 : REVENUE FROM OPERATIONS</b>		
(a) Sale of Products	332,128,069	430,453,020
(b) Other Operating Revenue	3,675,413	-
<b>TOTAL</b>	<b><u>335,803,482</u></b>	<b><u>430,453,020</u></b>
<b>Sale of Products</b>		
<b>Sale of Manufactured Goods</b>		
(a) Semiconductor Devices	180,456,380	232,495,491
(b) Power Rectifier Assemblies	96,796,003	147,161,403
(c) Others	47,025,782	51,194,466
Less : Sales Return	-	(398,340)
	<u>324,278,165</u>	<u>430,453,020</u>
<b>Sale of Traded Goods</b>	<b>7,849,904</b>	<b>-</b>
<b>TOTAL</b>	<b><u>332,128,069</u></b>	<b><u>430,453,020</u></b>
<b>NOTE 25 : OTHER INCOME</b>		
(a) Interest Income	923,351	504,981
(b) Dividend Income	185,211	-
(c) Net Gain on Foreign Currency Transactions	1,586,470	2,494,928
(d) Profit on Sale of Property, Plant & Equipment	19,865	4,489
(e) Excess Provision/ Sundry Balances Written Back	205,339	241,250
(f) Duty Drawback Receivable	447,540	510,359
(g) Other Non-Operating Income	1,709,576	1,552,741
<b>TOTAL</b>	<b><u>5,077,352</u></b>	<b><u>5,308,748</u></b>
<b>NOTE 26 : COST OF MATERIALS CONSUMED</b>		
Opening Stock	92,838,268	59,824,155
Add : Purchases/Freight Cost	212,259,795	269,943,621
	<u>305,098,063</u>	<u>329,767,776</u>
Less : Closing Stock	97,027,947	92,838,268
<b>TOTAL</b>	<b><u>208,070,116</u></b>	<b><u>236,929,508</u></b>
<b>Details of Closing Inventory - Raw Materials</b>		
- Low Power Devices Division	33,880,259	28,455,361
- Equipment Division	18,895,291	19,407,740
- High Power Devices Division	44,081,017	44,975,167
- Others	171,380	-
<b>TOTAL</b>	<b><u>97,027,947</u></b>	<b><u>92,838,268</u></b>
<b>NOTE 27 : PURCHASES OF STOCK -IN-TRADE</b>		
Purchases	10,665,716	-
<b>TOTAL</b>	<b><u>10,665,716</u></b>	<b><u>-</u></b>
<b>NOTE 28 : CHANGE IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE</b>		
<b>Inventories at the end of the year</b>		
- Finished Goods	26,523,335	21,173,111
- Work In Progress	3,875,965	12,824,024
- Stock-in-Trade	6,099,700	-
<b>TOTAL (A)</b>	<b><u>36,499,000</u></b>	<b><u>33,997,135</u></b>
<b>Inventories at the beginning of the year</b>		
- Finished Goods	21,173,111	34,001,588
- Work In Progress	12,824,024	54,108,080
- Stock-in-Trade	-	-
<b>TOTAL (B)</b>	<b><u>33,997,135</u></b>	<b><u>88,109,668</u></b>
Net Increase/(Decrease) [B-A]	<b><u>(2,501,865)</u></b>	<b><u>54,112,533</u></b>



# RUTTONSHA INTERNATIONAL RECTIFIER LTD.

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



	Year ended 31st March, 2020 (Amt. in ₹)	Year ended 31st March, 2019 (Amt. in ₹)
<b>DETAILS OF CLOSING INVENTORY - DIVISION-WISE</b>		
<b>Work In Progress</b>		
- Low Power Devices Division	393,798	8,973,333
- Equipment Division	1,283,708	2,307,169
- High Power Devices Division	2,198,459	1,543,522
	<u>3,875,965</u>	<u>12,824,024</u>
<b>Finished Goods</b>		
- Low Power Devices Division	13,681,838	10,384,169
- Equipment Division	8,563,808	6,143,517
- High Power Devices Division	4,277,689	4,645,425
- Stock-in-Trade	6,099,700	-
	<u>32,623,035</u>	<u>21,173,111</u>
<b>NOTE 29 : EMPLOYEE BENEFITS EXPENSES</b>		
(a) Salaries, Wages and Bonus	42,651,961	42,018,211
(b) Contribution to Provident Fund and other Funds	3,312,776	3,478,064
(c) Staff Welfare Expenses	1,249,537	1,188,694
<b>TOTAL</b>	<u>47,214,274</u>	<u>46,684,969</u>
<b>NOTE 30 : FINANCE COSTS</b>		
(a) Interest Expenses	4,098,741	5,721,631
(b) Other Borrowing Cost	1,674,534	1,876,110
(c) Unwinding of Discounts on Financial Liabilities	2,637,525	2,363,970
<b>TOTAL</b>	<u>8,410,800</u>	<u>9,961,711</u>
<b>NOTE 31 : DEPRECIATION AND AMORTIZATION EXPENSES</b>		
(a) Depreciation on Property, Plant & Equipment (Refer Note 3)	10,598,057	10,753,751
(b) Depreciation on Right of Use Assets (Refer Note 4)	663,316	-
<b>TOTAL</b>	<u>11,261,373</u>	<u>10,753,751</u>
<b>NOTE 32 : OTHER EXPENSES</b>		
Packing Material	3,937,701	4,150,278
Freight & Forwarding Charges	1,943,240	3,143,516
Power & Fuel	5,811,964	6,139,120
Payment to Auditors (exclusive of applicable taxes)(Refer below Note for details)	400,000	200,000
Rent*	467,194	1,048,579
Repairs & Maintenance		
- Building	217,561	819,469
- Machinery	1,824,985	424,655
- Others	171,259	338,258
Insurance	231,411	401,150
Legal and Professional Charges (Including Consultancy Charges)	11,276,648	8,139,750
Director Sitting Fees	145,000	75,000
Advertisement and sales promotional expenses	737,588	1,272,451
Commission on Sales	145,786	233,659
Printing & Stationery	505,221	476,286
Rates & Taxes	95,960	85,039
Travelling Expenses	3,876,368	3,372,711
Telephone Expenses	287,222	327,590
Membership & Subscription Fees	91,686	95,750
ROC Fees Expenses	36,271	3,000
Donation	23,000	10,000
Provision for Doubtful Debts	3,299,247	1,041,415
Miscellaneous Expenses	5,557,041	9,880,452
<b>TOTAL</b>	<u>41,082,352</u>	<u>41,678,128</u>
* Represents Lease Expenses for Short Term Lease for the Current Financial Year.		
<b>PAYMENT TO AUDITORS</b>		
As a Auditor		
- Statutory Audit Fees (including Limited Review Fees)	400,000	200,000
<b>TOTAL</b>	<u>400,000</u>	<u>200,000</u>



	Year ended 31st March, 2020 (Amt. in ₹)	Year ended 31st March, 2019 (Amt. in ₹)
<b>NOTE 33 : EARNINGS PER SHARE</b>		
Profit for the year attributable to Equity Shareholders	14,219,177	25,998,261
Weighted Average Number of Equity Shares Outstanding During The Year (Nos.)	6,772,029	6,772,029
Basic /Diluted Earnings Per Share (₹)	2.10	3.84
Nominal Value of Equity Share (₹)	10	10

Note : There is no dilution to basic EPS as there are no outstanding dilutive potential equity shares.

### NOTE 34 : RELATED PARTY DISCLOSURES

As per Ind AS 24, the disclosures of transactions with Related Parties are given below:

#### 34.1 Details of Related Parties

Sr. No.	Names of related parties	Description of relationships
<b>A KEY MANAGERIAL PERSONNEL</b>		
	Bhavna H. Mehta	Director and Promoter
	Hasmukh J. Shah	Non-Executive Director
	Kisan R. Choksey	Non-Executive Director
	Pravin G. Shah	Non-Executive Director
	Venkitaraman Iyer	Non-Executive Director
	Ramesh G. Trasi	Chief Executive Officer
	Bhavin Rambhia	Company Secretary

(Note: Related parties have been identified by the management)

#### 34.2 DETAILS OF TRANSACTIONS WITH RELATED PARTIES

Sr. No.	Nature of Transactions	Transactions with KMP	Total
1	<b>Interest Expenses</b> Bhavna H. Mehta	627,213	627,213
		<i>1,358,040</i>	<i>1,358,040</i>
2	<b>Payment of Rent</b> Bhavna H. Mehta	720,000	720,000
		<i>720,000</i>	<i>720,000</i>
3	<b>Repayment of Unsecured Loan</b> Bhavna H. Mehta	13,000,000	13,000,000
		<i>5,401,997</i>	<i>5,401,997</i>
4	<b>Director Sitting Fees</b> Hasmukh J. Shah	45,000	45,000
		<i>20,000</i>	<i>20,000</i>
	Pravin G. Shah	45,000	45,000
		<i>20,000</i>	<i>20,000</i>
	Kisan R. Choksey	45,000	45,000
		<i>20,000</i>	<i>20,000</i>
	Venkitaraman Iyer	10,000	10,000
		<i>15,000</i>	<i>15,000</i>
5	<b>Consultancy Charges</b> Ramesh G. Trasi	1,756,400	1,756,400
		<i>1,156,400</i>	<i>1,156,400</i>
6	<b>Salary</b> Bhavin Rambhia	1,120,000	1,120,000
		<i>820,000</i>	<i>820,000</i>

Figures in *Italics* represents Previous Year's amounts.

#### 34.3 DETAILS OF BALANCES WITH RELATED PARTIES AT THE YEAR END (Amt. in ₹)

	Year Ended 31st March 2020	Year Ended 31st March 2019
Bhavna H. Mehta		
1. Unsecured Loan (Payable)	-	(13,000,000)
2. Security Deposit (Receivable)	500,000	500,000

Figures in Negative represents Payable amounts.

	Year ended 31st March, 2020 (Amt. in ₹)	Year ended 31st March, 2019 (Amt. in ₹)
<b>NOTE 35 : CONTINGENT LIABILITIES</b>		
Claims against the Company not acknowledged as debts		
(i) Bank Guarantees (Performance Guarantee issued by Banks)	3,663,832	4,548,343
(ii) Disputed Income Tax Liabilities	488,953	782,433
	<u>4,152,785</u>	<u>5,330,776</u>

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 36 : CAPITAL COMMITMENTS

There are NIL commitments as on March 31, 2020 (Previous Year as on March 31, 2019 : NIL).

### NOTE 37: DISCLOSURE AS PER IND AS 19 'EMPLOYEE BENEFITS'

#### 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 :

#### GRATUITY

	As at March 31, 2020 (Amt. in ₹)	As at March 31, 2019 (Amt. in ₹)
<b>A. BALANCE SHEET</b>		
Present Value of Plan Liabilities	9,746,106	8,274,380
Fair value of Plan Assets	<u>(9,635,338)</u>	<u>(7,016,145)</u>
Asset/Liability recognised	<u>110,768</u>	<u>1,258,235</u>
<b>B. MOVEMENTS IN PLAN ASSETS &amp; PLAN LIABILITIES</b>		
	<b>Present Value of Obligations</b>	<b>Fair Value of Plan Assets</b>
<b>As at March 31, 2019</b>	<b>8,274,380</b>	<b>7,016,145</b>
Current Service Cost	473,988	-
Interest Cost/(Income)	620,579	526,211
Return on plan assets excluding amounts included in net finance income/cost	-	58,983
Actuarial (Gain)/Loss arising from changes in financial assumptions	477,556	-
Actuarial (Gain)/Loss arising from experience adjustments	287,368	-
Employer Contributions	-	2,421,764
Benefit Payments	<u>(387,765)</u>	<u>(387,765)</u>
<b>As at March 31, 2020</b>	<u>9,746,106</u>	<u>9,635,338</u>
<b>As at March 31, 2018</b>	<b>8,420,579</b>	<b>3,050,589</b>
Current Service Cost	386,053	-
Interest Cost/(Income)	631,543	228,794
Return on plan assets excluding amounts included in net finance income/cost	-	38,906
Actuarial (Gain)/Loss arising from changes in financial assumptions	136,784	-
Actuarial (Gain)/Loss arising from experience adjustments	<u>(51,733)</u>	-
Employer Contributions	-	4,946,702
Benefit Payments	<u>(1,248,846)</u>	<u>(1,248,846)</u>
<b>As at March 31, 2019</b>	<u>8,274,380</u>	<u>7,016,145</u>
<b>C. STATEMENT OF PROFIT &amp; LOSS</b>		
	<b>As at March 31, 2020 (Amt. in ₹)</b>	<b>As at March 31, 2019 (Amt. in ₹)</b>
<b>Employee Benefit Expenses</b>		
Current Service Cost	473,988	386,053
Interest Cost/(Income)	94,368	402,749
<b>Total amount recognised in Statement of Profit &amp; Loss</b>	<u>568,356</u>	<u>788,802</u>



# RUTTONSHA INTERNATIONAL RECTIFIER LTD.



RUTTONSHA

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

	As at 31st March, 2020 (Amt. in ₹)	As at 31st March, 2019 (Amt. in ₹)
<b>D. REMEASUREMENT OF THE NET DEFINED BENEFIT LIABILITY</b>		
Return on plan assets excluding amounts included in net finance income/cost	(58,983)	38,906
Actuarial (Gain)/Loss arising from changes in financial assumptions	477,556	(136,784)
Actuarial (Gain)/Loss arising from experience adjustments	287,368	51,733
	<u>705,941</u>	<u>(46,145)</u>
<b>E. ASSUMPTIONS</b>		
With the objective of presenting the plan assets and plan liabilities of the defined benefit plans at the fair value on the Balance Sheet, assumptions under IND AS 19 are set by reference to market conditions at the valuation date.		
Discount Rate	6.75%	7.50%
Salary Escalation Rate	4.50%	5.00%

### F. SENSITIVITY

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

Particulars	Impact on Defined Benefit Obligation		
	Change in Assumption	Increase in Assumption	Decrease in Assumption
Discount Rate	1.00%	9,228,342	10,327,133
Salary Escalation Rate	1.00%	10,334,438	9,212,993

The sensitivity analysis above has 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 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 38 : LEASES

The Company has adopted Ind AS 116 'Leases' with the date of initial application April 01, 2019 which replaces existing Ind AS 17 'Leases and related interpretations and guidance'. The Company has elected to apply standard prospectively, recognised on the initial date of application i.e. April 01, 2019. The Company has applied single discounting rates to a lease portfolio with a reasonable characteristic.

On transition date April 01, 2019, Company has recognised Right to Use of Assets and Lease Liability of ₹ 13,26,633/-.

The details of contractual commitments of lease payments on an undiscounted basis are as follows :

Not later than one year	720,000	720,000
Later than one year and not later than five years	-	1,440,000
Later than five years	-	-

### NOTE 39 : NET DEBT RECONCILIATIONS

#### Change in Liability arising from financial activities

Opening Balance of Net Debt	76,345,131	102,168,582
Add: Cash Inflows	(24,165,558)	(28,187,421)
Add: Unwinding of Discount on 2% Redeemable Optionally Convertible Cumulative Preference Shares	2,637,525	2,363,970
Closing Balance of Debt	<u>54,817,098</u>	<u>76,345,131</u>

### NOTE 40 : 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 allocates resources based on an analysis of various performance parameters. The Company is primarily engaged in 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 : Operating Segments.

### NOTE 41 : CORPORATE SOCIAL RESPONSIBILITY

The company is not required to spend any amount during the year on CSR expenditure as per Section 135 of the Companies Act, 2013 read with schedule III.


**NOTE 42 : FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT :**

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 bank and 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 counter party. 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.

**ACCOUNTING CLASSIFICATION AND FAIR VALUES:**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(Amt. in ₹)

March 31, 2020	Carrying amount				Fair value			
	Mandatorily at FVTPL	FVTOCI - designated as such	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>								
Other Non-Current Financial Assets	-	-	4,526,221	4,526,221	-	-	4,526,221	4,526,221
Trade Receivables	-	-	100,774,651	100,774,651	-	-	100,774,651	100,774,651
Cash and Cash Equivalents	-	-	508,625	508,625	-	-	508,625	508,625
Bank balances other than above	-	-	1,484,758	1,484,758	-	-	1,484,758	1,484,758
	-	-	<b>107,294,254</b>	<b>107,294,254</b>	-	-	<b>107,294,254</b>	<b>107,294,254</b>
<b>Financial liabilities</b>								
Long Term Borrowings	-	-	25,430,325	25,430,325	-	-	25,430,325	25,430,325
Other Financial Liabilities	-	-	125,000	125,000	-	-	125,000	125,000
Short Term Borrowings	-	-	29,386,773	29,386,773	-	-	29,386,773	29,386,773
Trade Payables	-	-	28,581,102	28,581,102	-	-	28,581,102	28,581,102
Other Financial Liabilities	-	-	5,232,825	5,232,825	-	-	5,232,825	5,232,825
	-	-	<b>88,756,025</b>	<b>88,756,025</b>	-	-	<b>88,756,025</b>	<b>88,756,025</b>

(Amt. in ₹)

March 31, 2019	Carrying amount				Fair value			
	Mandatorily at FVTPL	FVTOCI - designated as such	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>								
Other Financial Assets	-	-	4,476,396	4,476,396	-	-	4,476,396	4,476,396
Trade receivables	-	-	141,997,243	141,997,243	-	-	141,997,243	141,997,243
Cash and cash equivalents	-	-	151,598	151,598	-	-	151,598	151,598
Bank Balances other than above	-	-	6,398,598	6,398,598	-	-	6,398,598	6,398,598
	-	-	<b>153,023,834</b>	<b>153,023,834</b>	-	-	<b>153,023,834</b>	<b>153,023,834</b>
<b>Financial liabilities</b>								
Long Term Borrowings	-	-	35,807,207	35,807,207	-	-	35,807,207	35,807,207
Other Financial Liabilities	-	-	125,000	125,000	-	-	125,000	125,000
Short Term Borrowings	-	-	40,537,924	40,537,924	-	-	40,537,924	40,537,924
Trade Payables	-	-	50,939,449	50,939,449	-	-	50,939,449	50,939,449
Other Financial Liabilities	-	-	7,052,013	7,052,013	-	-	7,052,013	7,052,013
	-	-	<b>134,461,592</b>	<b>134,461,592</b>	-	-	<b>134,461,592</b>	<b>134,461,592</b>



All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. The fair value hierarchy is described as under:

**Level 1**

This Level hierarchy includes financial instruments measured using quoted prices. This includes quoted equity instruments. The fair value of all the equity instruments which are treated in the stock exchanges is valued using the closing price as at the reporting period.

**Level 2**

The fair value of derivatives and investment in unquoted equity and unquoted mutual funds instruments is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2. The mutual funds are valued using the closing NAV.

**Level 3**

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

**NOTE 43 : FINANCIAL RISK MANAGEMENT:**

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:

The Company's activity exposes it to Market Risk, Liquidity Risk, Interest Risk and Credit Risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

**(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 maintaining sufficient cash including availability of funding through an adequate amount of committed credit facilities to meet the obligations as and when due.

Liquidity Risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity Risk may result from an inability to sell a financial asset quickly at close to its fair value.

Prudent Liquidity Risk Management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying business, the Company's treasury maintains flexibility in funding by maintaining availability under committed credit lines.

**(i) Financing arrangements**

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

Particulars	As at March 31, 2020	As at March 31, 2019
Secured working capital credit facility from Bank	<b>50,644,190</b>	39,869,087

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

Particulars	Carrying amount	1-12 months	More than 12 months
<b>As at March 31, 2020</b>			
<b>Non-derivative liabilities</b>			
Long Term Borrowings	25,430,325	-	25,430,325
Other Financial Liabilities	125,000	-	125,000
Short Term Borrowings	29,386,773	29,386,773	-
Trade Payables	28,581,102	28,581,102	-
Other Financial Liabilities	5,232,825	5,232,825	-
	<b>88,756,025</b>	<b>63,200,700</b>	<b>25,555,325</b>



# RUTTONSHA INTERNATIONAL RECTIFIER LTD.



RUTTONSHA

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

(Amt. in ₹)

Particulars	Carrying amount	1-12 months	More than 12 months
<b>As at 31st March, 2019</b>			
<b>Non Derivative Liabilities</b>			
Long Term Borrowings	35,807,207	-	35,807,207
Other Financial Liabilities	125,000	-	125,000
Short Term Borrowings	40,537,924	40,537,924	-
Trade Payables	50,939,449	50,939,449	-
Other Financial Liabilities	7,052,013	7,052,013	-
	<b>134,461,592</b>	<b>98,529,385</b>	<b>35,932,207</b>

### (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 investments, 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 Exposure

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

Particulars	Payables		Receivables	
	In Foreign Currency	In INR	In Foreign Currency	In INR
<b>As at March 31, 2020</b>				
- USD	47,039	3,546,069	108,263	8,161,478
- EURO	36,501	3,031,411	9,290	771,531
- GBP	-	-	5,820	541,655
		<b>6,577,480</b>		<b>9,474,664</b>
<b>As at March 31, 2019</b>				
- USD	4,093	286,487	91,881	6,280,046
- EURO	75,845	6,067,591	5,700	439,186
- GBP	4,020	375,104	4,654	418,860
		<b>6,729,182</b>		<b>7,138,092</b>

#### Foreign currency risk sensitivity

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

(Amt. in ₹)

Particulars	For the year ended March 31, 2020		For the year ended March 31, 2019	
	5% increase	5% decrease	5% increase	5% decrease
Payables-Profit/(Loss)	(328,874)	328,874	(336,459)	336,459
Receivables-Profit/(Loss)	473,733	(473,733)	356,905	(356,905)
	<b>144,859</b>	<b>(144,859)</b>	<b>20,446</b>	<b>(20,446)</b>

#### (ii) Interest rate risk

Interest Rate Risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Since the Company has no borrowings, exposure to risk of change in market interest rate is Nil.

### (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.





# RUTTONSHA INTERNATIONAL RECTIFIER LTD.

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



(Amt. in ₹)

Exposure to the Credit risks	As at March 31, 2020	As at March 31, 2019
Financial assets for which loss allowance is measured using Life time Expected Credit Losses (ECL) - Trade Receivables	<b>100,774,651</b>	141,997,243

## (i) TRADE 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 risk of default occurring on the assets as at the reporting date with the risk of default as at the date of initial recognition. It consider the reasonable and supportive forward looking information such as :

- Actual or expected significant adverse changes in the business
- Actual or expected significant adverse changes in the operating results of the counter-party
- Financial or economic conditions that are expected to cause a significant change to the counter-party's ability to meet its obligations
- Significant increase in credit risk on other financial instruments of same counter party.

## NOTE 44 : CAPITAL RISK MANAGEMENT

The Company's objectives when managing capital are to :

- 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
- 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 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 ₹)

Particulars	As at March 31, 2020	As at March 31, 2019
Total equity	<b>206,502,235</b>	201,198,644
Net debt (Total borrowings less cash and cash equivalents)	<b>54,308,473</b>	76,193,533
Total capital (Borrowings and Equity)	<b>260,810,708</b>	277,392,177
Gearing ratio (in %)	<b>20.82%</b>	27.47%

## NOTE 45 : OTHER DISCLOSURES

Prior year comparatives have been regrouped and reclassified wherever necessary to conform to the current year's presentation. Amounts and other disclosures for the prior year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

As per our attached report of even date

### For KIRTANE & PANDIT LLP, CHARTERED ACCOUNTANTS

Firm's Registration No: 105215W/W100057

**ADITYA A. KANETKAR**  
PARTNER

M. No : 149037

Place : Mumbai  
Date : 30th June, 2020

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

**HASMUKH J. SHAH**  
DIRECTOR  
(DIN : 00322383)

**PRAVIN G. SHAH**  
DIRECTOR  
(DIN : 00179771)

**KISAN R. CHOKSEY**  
DIRECTOR  
(DIN : 00190931)

**VENKITARAMAN IYER**  
DIRECTOR  
(DIN : 00730501)

**BHAVIN P RAMBHIA**  
COMPANY SECRETARY



**SUPPLY OF 100V / 150A DC RECTIFIER TO POWER PLANT FOR CATHODIC PROTECTION**



An ISO 9001:2015 Company



# RUTTONSHA

## INTERNATIONAL RECTIFIER LIMITED

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