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**HIND RECTIFIERS LIMITED**

**PROSPECTUS**

1. The consent of the Government of India has been obtained to this Issue of Capital by the letters No. R-238CCI/61-1632 dated 15-9-1961, 6-3-1962 & 29-3-1962 issued by the Ministry of Finance, of which complete copies are open to public inspection at the Registered Office of the Company. It must be distinctly understood that in giving this consent the Government of India do not take any responsibility for the financial soundness of any scheme or for the correctness of any of the statements made or opinions expressed with regard to them.

2. Industrial Licences Nos. L/5(I)N-21/58 dated 29-5-1958 for Selenium Rectifier Apparatus, L/5(I)N-60/59 dated 22-12-1959 for Selenium Plates, L/5(I)-21/EEI/60 dated 25-1-1961 for Silicon Diodes and Trintsters and L/5(I)-31/EEI/60 dated 1-4-1961 for substantial expansion of the Silicon Rectifier Apparatus to 4500 Kw per annum have been issued in favour of the Company by the Central Government. Copies of the Licences are open to public inspection at the Registered Office of the Company. It must be distinctly understood that in granting these licences the Government of India do not take any responsibility for the financial soundness of this undertaking or for the correctness of any of the statements made or opinions expressed in regard to it.

3. A copy of this prospectus having attached thereto documents as required under Section 60 of the Companies Act, 1956 and specified hereunder has been delivered to the Registrar of Companies, Maharashtra, Bombay for registration.

4. Application will be made to the Bombay Stock Exchange for permission to deal in and for an official quotation of the shares of the Company.

5. The subscription list will open at the commencement of Banking hours on the 7th day of June 1962 and will close at the close of Banking hours on the 13th day of June 1962, or earlier at the discretion of the Board of Directors but not before the close of Banking hours on the 9th day of June 1962.

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## PROSPECTUS

# HIND RECTIFIERS LIMITED

LAKE ROAD, BHANDUP, BOMBAY-78.

### 6. SHARE CAPITAL.

Authorised :	3,00,000 shares of Rs. 10/- each	Rs. 30,00,000
Issued, Subscribed and Paid-up :	50,000 Equity Shares of Rs. 10/- each.	Rs. 5,00,000

### 7. PRESENT ISSUE

2,00,000 Equity Shares of Rs. 10/- each	Rs. 20,00,000
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Out of this :

50,000 Equity Shares of Rs 10/- each will be issued at par to the existing Shareholders. Rs. 5,00,000

30,000 Equity Shares of Rs. 10/- each are reserved for issue to Messrs. Westinghouse Brake & Signal Co. Ltd., 82, York Way, London N. 1., for supply of Plant & Equipment Rs. 3,00,000

OFFERED AT PAR TO THE PUBLIC FOR SUBSCRIPTION IN CASH PURSUANT TO A SPECIAL RESOLUTION UNDER SECTION 81 OF THE COMPANIES ACT, 1956 PASSED AT THE GENERAL MEETING HELD ON 23rd APRIL 1962.

1,20,000 Equity Shares of Rs. 10/- each Rs. 12,00,000

Rs. 20,00,000

### 8. TERMS OF PAYMENT OF SHARES OFFERED TO THE PUBLIC

On application :	Rs. 2.50 nP. per share
On allotment :	Rs. 2.50 nP. per share
Balance :	Rs. 5.00 per share, as and when called in accordance with the Articles of Association, but not earlier than three months after the date of allotment. No call shall exceed Rs. 2.50 nP. per share and no call will be made payable within two months after the last preceding call was payable.

Rs. 10.00

Application for shares must be for a minimum of 50 shares or for multiples of 50 shares.

### 9. DIRECTORS.

Name	Description & Occupation	Address
1. Shri Rameshwarprasad Nevatia. (Chairman)	Industrialist. Director:—  1. Mukand Iron & Steel Works Ltd. 2. Bajaj Auto Limited. 3. Raza Buland Sugar Co., Ltd. etc.	22A, Pitale Prasad, Worli, Bombay 18.
2. L. E. Thompson Esq.	Engineer Director:— Westinghouse Brake & Signal Co. Ltd., U.K.	"Ryecroft", 37, Coulsdon Road, Old Coulsdon, Surrey, (U.K.)
3. Shri Ramkrishna Bajaj.	Industrialist. Director:—  1. Bajaj Electricals Ltd. 2. Batala Engineering Co. Ltd. etc.	31B, Carmichael Road, Bombay-26.



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|---|---|--|
| 4. Shri Rasiklal J. Chinai.                       | Industrialist,<br>Director:—<br>1. National Rayon Corporation Ltd.<br>2. Gwalior Rayon Silk Mfg. (Wvg.) Co. Ltd.<br>3. Mukand Iron & Steel Works Ltd., etc. | Mount Pleasant,<br>Murzban Road,<br>Andheri,<br>Bombay-58. |
| 5. Shri Ganeshnarayan R. Podar.                   | Industrialist,<br>Director:—<br>1. Podar Mills Ltd.<br>2. State Bank of Jaipur.<br>3. Shree Shakti Mills Ltd., etc.   | Podar Mansion,<br>Marine Drive,<br>Bombay-1.               |
| 6. Shri M. T. Shivdasani.<br>(Technical Director) | Executive,  | Shyam Niwas,<br>B. Desai Road,<br>Bombay-26.               |
| 7. Shri Rahulkumar Bajaj<br>(Ex-officio).         | Industrialist,<br>Mg. Director:—<br>Jamnalal Sons Pvt. Ltd.<br>Director:—<br>Bachhraj & Company Ltd.<br>etc.  | 31B, Carmichael Road,<br>Bombay-26                         |

#### 10. REGISTERED OFFICE.

Lake Road, Bhandup, Bombay—78.

#### 11. MANAGING AGENTS.

M/s. R. P. Nevatia & Co., Pitale Prasad, 22A, Worli Sea Face, Bombay—18.

#### 12. BANKERS.

1. The Punjab National Bank Ltd.
2. The Central Bank of India Ltd.

#### 13. SOLICITORS.

M/s. Chimanlal Shah & Co., Dalal Street, Fort, Bombay—1.

#### 14. AUDITORS.

M/s. Khandwala & Shah, Commerce House, Medows Street, Fort, Bombay—1.

#### 15. UNDERWRITERS.

The entire aforesaid issue of 1,20,000 Equity Shares offered to the public has been underwritten by:

The Punjab National Bank Ltd., Parliament Street, New Delhi

In the opinion of the Board of Directors the resources of the underwriters are sufficient to discharge their obligations.

#### 16. BROKERS.

##### BOMBAY

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|---|--|
| 1. Messrs. Devkaran Nanjee & Co.,<br>5, Hamam Street,<br>Bombay 1.                              | 2. Messrs. Batlivala & Karani,<br>Union Bank Building,<br>Dalal Street,<br>Bombay 1. |
| 3. Messrs. Merwanjee Bomanjee Dalal,<br>Allahabad Bank Building,<br>Apollo Street,<br>Bombay 1. | 4. Messrs. Harkisondass Lukhmidass,<br>5, Hamam Street,<br>Bombay 1.                 |

5. Messrs. Narandas & Sons,  
Union Bank Building,  
Dalal Street,  
Bombay 1.
6. Messrs. P. R. Subramanyam,  
70-A, Stock Exchange Bldg.,  
Apollo Street,  
Bombay 1.
7. Messrs. Jashwantlal V. Bhagat,  
5, Hamam Street,  
Bombay 1.
8. Messrs. Indralal Madanlal Jhunjhunwala,  
Agha Khan Bldg.,  
Dalal Street, Bombay-1.

#### MADRAS

9. Messrs. Maconochie & Co.,  
Mercantile Bank Bldg.,  
Madras-1.
10. Messrs. Chitra & Co.,  
322/323, Linghi Chetty Street,  
Madras 1.

#### NEW DELHI

11. Messrs. Harbans Singh Mehta & Co.,  
33, Regal Building,  
Parliament Street,  
New Delhi.
12. Messrs. Raj Paul Chadha & Co.,  
Delite Cinema Building,  
Asaf Ali Road,  
New Delhi.

#### CALCUTTA

13. Messrs. M. R. Dhawan & Co.,  
4/8, Asaf Ali Road,  
New Delhi 1.
14. Messrs. G. M. Pyne,  
Allahabad Bank Building,  
14, India Exchange Place,  
Calcutta 1.

The Consents in writing of the abovenamed Bankers, Solicitors, Auditors, Underwriters and Brokers to act in their respective capacities have been filed with the Registrar of Companies, Maharashtra, Bombay and the same have not been withdrawn.

#### 17. HISTORY OF THE COMPANY.

This Company was incorporated as a Private Limited Company on 25th April 1958 to take over from Messrs. Kaycee Industries Ltd., Bombay, the business of manufacture of rectifier apparatus, being carried on by them in technical collaboration with the Westinghouse Brake & Signal Co. Ltd., U.K. The Company was converted into a public company on the 11th May 1961.

#### 18. OBJECTS OF THE COMPANY.

The objects of the Company are as set out in the Memorandum of Association and in particular to manufacture, assemble, process, sell, distribute, import or export or otherwise deal in all kinds of rectifier apparatus, elements, any other types of electrical apparatus or devices, machinery, equipment and goods. A copy of the Memorandum of Association is available for inspection at the Registered Office of the Company during usual business hours.

#### 19. TECHNICAL COLLABORATION.

The Company has technical know-how agreement with Westinghouse Brake & Signal Co. Ltd., 82, Yorkway, London N. 1, U.K. for the manufacture and application of Semi-Conductors and Rectifiers of all types and for the manufacture and application of Rectifier Apparatus embodying such Semi-Conductors. The said Agreement is open for inspection at the Registered Office of the Company. The Company has also obtained the approval of the Government of India to enter into a sub-licence with Westinghouse Brake & Signal Co. Ltd. under which the Company will receive technical know-how and patent rights of the Westinghouse Electric Corporation of U.S.A. through Westinghouse Brake & Signal Co. Ltd. in connection with the manufacture of Silicon Semi-Conductors, including Transistors, Photo-transistors, etc. etc.

#### 20. PROSPECTS OF THE INDUSTRY.

Electric Power Generation is usually for consideration of economy in the form of Alternating Current. Nevertheless, the use of Direct Current is very widespread. For certain applications, viz., electroplating, battery charging, tele-communication, etc. Direct Current is indispensable. For industrial applications requiring speed regulation such as railway traction, cranes, mill drives, etc. DC Motors are necessary. Since power generated and transmitted is in the form of AC it has to be converted into DC for all these applications. In the past various methods for conversion of AC to DC were used such as mercury arc rectifiers, motor gene-

rators, etc. Because of rapid technological development semi-conductor rectifiers have now very largely replaced rotating equipment in certain fields such as battery charging and electroplating. Semi-conductor rectifiers offer various advantages like robustness, low maintenance costs, reliability of service, smaller space and weight ratio and higher efficiency. Hence, semi-conductor rectifiers such as selenium and silicon rectifiers are now progressively displacing other modes of conversion in the various applications. The rising industrial tempo of the country during the Third Five Year Plan will generate a large demand for this class of equipment.

The Company enjoys premier position in the country in the production of selenium plates and apparatus. The Company is now extending its activities to production of silicon semi-conductors and the multifarious applications thereof. For the extended activities it is in an advantageous position as it has secured a sub-licence for technical know-how of Westinghouse Electric Corporation of U.S.A. as mentioned above.

#### 21. FACTORY SITE.

The Company's factory is situated on land admeasuring about 20,000 sq. yds. at Lake Road, Bhandup. At present the factory has built up area of 24,000 sq. ft. and another 18,000 sq. ft. area is under construction. When the extension is completed it will be the largest factory in India devoted to the manufacture of semi-conductors and rectifier apparatus.

#### 22. SELLING AGENTS.

The Company has entered into a sole distributorship agreement dated the 7th October 1958 with M/s. Kaycee Industries Ltd., Kamani Chambers, Nicol Road, Ballard Estate, Bombay, who have considerable experience in marketing engineering products. They are entitled to a discount at rates varying from 12½% to 5% on slab basis on the net sale proceeds. The said Agreement is to remain in force till 31st March 1963.

#### 23. MANAGING AGENTS.

The Articles of Association of the Company provide for appointment of Managing Agents, Messrs. R. P. Nevatia & Co., Pitale Prasad, Worli Sea Face, Bombay—18 were appointed Managing Agents of the Company from the 1st April 1961. The Central Government has approved the appointment of the Managing Agents by their letter No. 9(780)—C III/60 dated the 2nd December 1960 and an Agreement dated the 29th March 1961 incorporating the modifications directed by the Central Government has been executed with the Managing Agents which provides for a tenure of 5 years on a remuneration of 10 per cent of commission on the net profits of the Company subject to a minimum remuneration of Rs. 15,000/- per year in the event of absence or inadequacy of profits.

In the event of the Company being wound up either voluntarily by or subject to the supervision of the Court and if such winding up was not due to negligence or the default of the Managing Agents, they shall receive from the Company or the Liquidator thereof as a compensation for the loss of their employment as such Managing Agents as aforesaid the maximum sum of money to be determined in accordance with the provisions of Section 366 of the Companies Act, 1956 provided that in the event of the winding up of the Company commencing whether before or at any time within twelve months after the date of the cessation or termination of the Office of the Managing Agents no compensation shall be payable to them if the assets of the Company on the winding up after deduction of the expenses thereof are not sufficient to repay the share capital (including the premium, if any) contributed by the Members of the Company. The Managing Agents shall not be entitled to any compensation for the loss of their office in any of the cases specified in Section 365 of the Companies Act, 1956.

#### 24. INTEREST OF DIRECTORS.

All the Directors will be interested to the extent of the shares held by them and shares subscribed for and allotted to them in the Company.

Shri R. P. Nevatia and Shri Rahlukumar Bajaj being partners of Messrs. R. P. Nevatia & Co., the Managing Agents are entitled to their respective shares of the remuneration payable to the Managing Agents and are interested accordingly.

Mr. L. E. Thompson is a Director of M/s. Westinghouse Brake & Signal Co. Ltd., U.K. and accordingly interested in the royalty payable to the said Company in terms of the Collaboration Agreement and the arrangement for supply of Plant and Equipment to the Company for which payment is to be made by allotment of Equity Shares of Rs. 3,00,000/-.

Shri M. T. Shivdasani is a Technical Director of the Company and is paid Rs. 500/- per month.



Shri Ramkrishna Bajaj and Shri Rahulkumar Bajaj are members and Shri M. T. Shivdasani is Chief Executive of Kaycee Industries Ltd. who are Sole Distributors of the Company.

#### 25. PAST BENEFITS TO OFFICERS.

During the two preceding financial years ended 31st March 1960 and 31st March 1961 Shri S. K. Nevatia, then Managing Director of the Company, received by way of remuneration Rs. 18,000/- and Rs. 19,500/- respectively. During the said two financial years Shri M. T. Shivdasani received Rs. 6,000/- each year.

#### 26. CAPITAL OUTLAY AND MINIMUM SUBSCRIPTION

The minimum subscription in respect of the public issue on which the Directors will proceed to allot shares is Rs. 12,00,000/-.

The financial requirements of the Company are estimated as follows :-

	(Figures in lakhs Rs.)		
	Existing	Proposed	Total
1. Land	Rs. 1.63	-	1.63
2. Buildings	7.97	2.40	10.37
3. Machinery, Equipment & Installations	7.40	3.60	11.00
4. Underwriting, Brokerage and Expenses of the issue	-	.65	.65
5. Working Capital	5.50	4.85	10.35
<b>Total</b>	<b>Rs. 22.50</b>	<b>11.50</b>	<b>34.00</b>

The present issue of Rupees twenty lakhs is proposed to be utilised as under :-

Additions to Fixed Assets	Rs. 6,00,000
Additional Working Capital (including Expenses of the Issue Rs. 65,000/-)	Rs. 5,50,000
	<b>Rs. 11,50,000</b>
Balance amount will be used for repayment of the borrowings, out of which the existing Fixed Capital Expenditure has been partly financed.	Rs. 8,50,000
<b>Total</b>	<b>Rs. 20,00,000</b>

Additional requirements of working capital will continue to be met by cash credit or overdraft arrangement with Banks or by short term deposits.

#### 27. EXPENSES OF THIS ISSUE.

Expenses of this issue are expected to be Rs. 65,000/- including underwriting commission, brokerage, printing, advertisements, legal expenses, etc. and will be met out of the Company's revenue. No other preliminary expenses are outstanding or payable by the Company.

#### 28. UNDERWRITING AND BROKERAGE.

The whole of the public issue of Rs. 12,00,000/- consisting of 1,20,000 Equity Shares of Rs. 10/- each has been underwritten by the Punjab National Bank Ltd., Parliament Street, New Delhi.

The underwriting commission at the rate of 2½% of the nominal value of 1,20,000 Equity Shares of Rs. 10/- each is payable to the said underwriters. The brokerage will be paid by the Company to bankers (including the underwriters) and to members of any recognised Stock Exchange at the rate of 1% of the nominal value of the aforesaid 1,20,000 Equity Shares on the basis of allotments made in respect of applications bearing their stamp.

#### 29. AUDITORS' REPORT.

Khandwala and Shah,  
Chartered Accountants.  
30th April 1962.

The Directors,  
M/s. Hind Rectifiers Limited,  
Lake Road, Bhandup,  
Bombay-78.  
Dear Sirs,

We have examined the Books of Account of the Hind Rectifiers Pvt. Ltd. for the three years ended 31st March 1961 and report that the profits of the Company are as set out below. These profits are arrived at after charging all expenses of Working & Management.



Particulars	Period ended	Year ended	Year ended
	31-3-1959	31-3-1960.	31-3-1961.
	Rs.	Rs.	Rs.
1. Income as audited Accounts			
Sales			
Stocks	11,78,486	18,27,941	15,81,397
Service Charges & Miscellaneous Receipts	6,27,180	5,77,349	7,30,328
	718	23,427	8,784
	Rs. 18,06,384	24,28,717	23,20,509
2. Expenditure as per audited Accounts.	16,63,270	22,08,818	22,05,527
3. Loss on Sale of Machinery	1,743	181	-
4. Provision for Depreciation	9,881	10,401	12,987
5. Provision for Taxation	65,000	98,03	45,898
	17,39,894	23,17,400	22,64,412
6. Balance of Profits before Appropriations.	66,490	1,11,317	56,097
7. Excess provision of Royalty of previous year less short provision for Taxation.			9,596
8. Total for Appropriations			65,693
9. Preliminary Expenses	2,781	-	-
10. Goodwill	20,000	20,000	20,000
11. Development Rebate Reserve	10,000	4,000	3,000
12. General Reserve		25,000	-
	32,781	49,000	23,000
13. Balance of Profits after Appropriations	33,709	62,317	42,693
Rates of Dividend on Equity Shares	9%	18%	10%
Source from which paid	Out of profits.	Out of profits.	Out of profits.

#### NOTES:

1. Figures for only three years have been given as the Company was incorporated on 25th April 1958.
2. Audited Accounts of the Company have not been made up for the year ended 31st March 1962.

We further report that the Assets and the Liabilities of the Company as at 31st March 1961 which is the last date to which the Company's audited Accounts were made up prior to the date of this report, are as set out below:

1. Fixed Assets at original cost less Sales, Adjustments and Depreciation and including Machinery awaiting installation Rs. 5,55,011/-

Rs. 14,51,812

