



HIND RECTIFIERS LIMITED

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E-mail: investors@hirect.com CIN: L28900MH1958PLC011077

NOTICE TO THE MEMBERS

NOTICE is hereby given that the 60th Annual General Meeting of the members of **HIND RECTIFIERS LIMITED** will be held on **Monday the 13th August, 2018 at 12:00 noon** at **Odyssey, Mayfair Banquet, 254-C, Dr. Annie Besant Road, Worli, Mumbai 400 030 Maharashtra** to transact the following business:-

ORDINARY BUSINESS

1. To consider and adopt the Audited Financial Statement of the Company for the financial year ended 31st March, 2018, along with the Reports of the Board of Directors' and Auditors' thereon
2. To appoint a Director in place of Shri Vandan Sitaram Shah (DIN: 00759570), who retires from office by rotation and being eligible, offer himself for reappointment.

SPECIAL BUSINESS

3. APPOINTMENT OF BRANCH AUDITOR FOR DEHRADUN PLANTS TO FILL CASUAL VACANCY

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**

"RESOLVED THAT pursuant to Section 139(8), 143(8) and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder, as amended, appointment of M/s. Gada Chheda & Co. LLP, Chartered Accountants (ICAI Firm Registration No. W100059), as Branch Auditor for the Company's Dehradun Plants by the Board of Directors of the Company from 13th February, 2018 till the conclusion of this Annual General Meeting, for filling the casual vacancy due to dissolution of the firm M/s. Ronak Gada & Associates, Chartered Accountants (ICAI Firm Registration No. 133987W) be and is hereby approved."

"RESOLVED FURTHER THAT pursuant to Section 139, 143(8) and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder, as amended, M/s. Gada Chheda & Co. LLP, Chartered Accountants (ICAI Firm Registration No. W100059), be and are hereby appointed as Branch Auditors for the Company's Dehradun Plants for a term of up to 5 (five) years and to hold office from the conclusion of this Annual General Meeting till the conclusion of the 65th Annual General Meeting and on such remuneration plus applicable taxes and reimbursement of out of pocket expenses incurred during the course of audit, as may be decided by the Board/Audit Committee."

4. RATIFICATION OF REMUNERATION TO COST AUDITORS

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**

"RESOLVED THAT pursuant to the provision of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 including any statutory modification(s) or re-enactment(s) thereof for the time being in force, the remuneration payable to M/s. N. Ritesh & Associates, Cost Accountants, having Firm Registration Number 100675, appointed by the Board of Directors of the Company as Cost Auditors to conduct the audit of the cost records of the Company for the financial year 2018-19, being ₹ 50,000/- (Rupees Fifty Thousands only) plus applicable tax be and is hereby ratified and confirmed."

5. APPROVAL TO CONTINUATION OF OFFICE BY VIJAY KUMAR BHARTIA AS AN INDEPENDENT DIRECTOR OF THE COMPANY

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**

"RESOLVED THAT, in supersession of the earlier ordinary resolution passed by the members at their 56th Annual General Meeting held on 14th August, 2014, and pursuant to the provisions of Regulation 17(1A) and other applicable provisions, if any, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the applicable provisions of the Companies Act, 2013, including any statutory



modification(s) or re-enactment thereof for the time being in force, the appointment of Shri Vijay Kumar Bhartia (DIN: 00019810) as Non-Executive Independent Director of the Company for a period of five years (w.e.f. 14th August, 2014 as approved by the members of the Company in the 56th Annual General Meeting of the Company held on 14th August, 2014) be and is hereby approved by way of special resolution."

6. **RE-APPOINTMENT OF SHRI PARIMAL RAMESHCHANDRA MERCHANT AS AN INDEPENDENT DIRECTOR**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, Shri Parimal Rameshchandra Merchant (DIN:00201962), who was appointed as an Independent Director and who holds office as an Independent Director up to 11th August, 2018 and being eligible, be and is hereby re-appointed as an Independent Director of the Company w.e.f. 12th August, 2018, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company."

7. **RE-APPOINTMENT OF SHRI PRADEEP VEDPRAKASH GOYAL AS AN INDEPENDENT DIRECTOR**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, Shri Pradeep Vedprakash Goyal (DIN:00008370), who was appointed as an Independent Director and who holds office as an Independent Director up to 13th August, 2019 and being eligible, be and is hereby re-appointed as an Independent Director of the Company w.e.f. 14th August, 2019, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company."

8. **RE-APPOINTMENT OF SHRI VIJAY KUMAR BHARTIA AS AN INDEPENDENT DIRECTOR**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17(1A) and other applicable provisions, if any, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, Shri Vijay Kumar Bhartia (DIN:00019810), who was appointed as an Independent Director and who holds office as an Independent Director up to 13th August, 2019 and being eligible, be and is hereby re-appointed as an Independent Director of the Company w.e.f. 14th August, 2019, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company."

9. **RE-APPOINTMENT OF SHRI BINOD KUMAR PATODIA AS AN INDEPENDENT DIRECTOR**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17(1A) and other applicable provisions, if any, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, Shri Binod Kumar Patodia (DIN: 00003516), who was appointed as an Independent Director and who holds office as an Independent Director up to 13th August, 2019 and being eligible, be and is hereby re-appointed as an Independent Director of the Company w.e.f. 14th August, 2019, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company."

10. **RE-APPOINTMENT OF SHRI SUSHIL KUMAR RAMESHWARPRASAD NEVATIA AS CHAIRMAN AND MANAGING DIRECTOR AND APPROVAL OF REMUNERATION**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 17(6)(e) and other applicable provisions, if any, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment thereof for the time being in force, consent of the members be and is hereby accorded to the re-appointment of Shri Sushil Kumar Rameshwarprasad Nevatia (DIN:00341349) as Chairman and Managing Director of the Company, for a period of three years, on expiry of his present term of office, i.e. with effect from 1st April, 2019, on the terms and conditions including remuneration as set out in the explanatory statement, with liberty to the Board of Directors to alter and vary the terms and conditions of the said re-appointment and/or remuneration as it may deem fit and as may be acceptable to Shri Sushil Kumar Rameshwarprasad Nevatia, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification or re-enactment thereof.”

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

11. **APPROVAL TO PAYABLE REMUNERATION TO SMT. AKSHADA SURAMYA NEVATIA, EXECUTIVE DIRECTOR**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**

“RESOLVED THAT pursuant to the Regulation 17(6)(e) and other applicable provisions, if any, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 197 and 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, including any statutory modification(s) or re-enactment thereof for the time being in force, consent of the members of the Company be and is hereby accorded, for payment of remuneration, as stated in explanatory statement and subject to the overall ceiling, to Smt. Akshada Suramya Nevatia (DIN: 05357438), Executive Director, up to the expiry of her present term of office i.e. 14th January, 2020.”

“RESOLVED FURTHER THAT the Board of Directors and the Nomination and Remuneration Committee be and are hereby authorised to revise, amend, alter and vary such terms of appointment and remuneration so as to not exceed the limits specified in Section 197 read with Schedule V to the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof for the time being in force, as may be agreed to by the Board of Directors and Smt. Akshada Suramya Nevatia, without any further reference to the shareholders in general meeting.”

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

12. **APPROVAL OF RELATED PARTY TRANSACTION**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**

“RESOLVED THAT pursuant to the provisions of Section 188(1)(f) of the Companies Act, 2013 read with Companies (Meeting of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including statutory modification(s) or re-enactment thereof for the time being in force and as may be enacted from time to time, the consent of the members be and is hereby accorded to the revision in the remuneration of Shri Saurabh Nevatia, Chief Executive Officer, Nasik Plant (related party), w.e.f 1st April, 2018 as detailed in the Explanatory Statement.”

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



13. **APPROVAL OF HIRECT EMPLOYEES STOCK OPTION PLAN-2018**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**

"RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013, and Rules made there under, the Memorandum and Articles of Association of the Company, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI (Share Based Employee Benefits) Regulations, 2014, issued by the SEBI and subject to such other approvals, permissions and sanctions as may be necessary from time to time and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, approval and consent of the Company be and is hereby accorded respectively to the 'HIRECT Employees Stock Option Plan-2018' (hereinafter referred to as the "ESOP 2018") and to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee which the Board has constituted to exercise its powers, including the powers, conferred by this resolution) to create, offer and grant from time to time such number of options, to the permanent employees including Directors (other than Promoters of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding Equity Shares of the Company), whether whole-time or otherwise, whether working in India or out of India, as may be decided solely by the Board under the Plan, exercisable into not more than 2,50,000 (Two Lacs Fifty Thousands) Options, each Option giving the right but not the obligation to the holder to subscribe for cash to one fully paid-up Equity Share in the Company, of face value of ₹ 2/- each, directly by the Company and at such price or prices, in one or more tranches and on such terms and conditions, as may be determined by the Board in accordance with the provisions of the ESOP 2018 and in due compliance with the applicable laws and regulations in force."

"RESOLVED FURTHER THAT the new Equity Shares to be issued and allotted by the Company under ESOP 2018 shall rank pari-passu inter-se in all respects with the then existing Equity Shares of the Company for all purposes."

"RESOLVED FURTHER THAT the number of options that may be granted to any employee including any Director of the Company (other than Promoters of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding Equity Shares of the Company), in any financial year and in aggregate under the ESOP 2018 shall be lesser than 1% of the issued Equity Share Capital (excluding outstanding warrants and conversions, if any) of the Company."

"RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, change in capital structure, merger and sale of division/undertaking or other re-organisation, change in capital and others, if any additional Equity Shares are required to be issued by the Company to the Shareholders, the ceiling as aforesaid 2,50,000 (Two Lacs Fifty Thousands) of Equity Shares shall be deemed to be increased in proportion of such additional Equity Shares issued to facilitate making a fair and reasonable adjustment."

"RESOLVED FURTHER THAT in case the Equity Shares of the Company are either sub-divided or consolidated, then the number of shares to be allotted and the price of acquisition payable by the options grantees under the schemes shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of ₹ 2/- per Equity Share bears to the revised face value of the Equity Shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the said allottees."

"RESOLVED FURTHER THAT the Board be and is hereby authorized at any time to modify, change, vary, alter, amend, suspend or terminate the ESOP 2018 subject to the compliance with the applicable laws and regulations and to do all such acts, deeds, matters and things as may at its absolute discretion deems fit, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the members and further to execute all such documents, writings and to give such directions and or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the ESOP 2018 and do all other things incidental and ancillary thereof."

"RESOLVED FURTHER THAT the Company shall conform to the applicable Accounting Policies, Guidelines



or Accounting Standards as may be applicable from time to time, including the disclosure requirements prescribed therein.”

“RESOLVED FURTHER THAT any of the Directors of the Company or Company Secretary of the Company be and is hereby authorized to take necessary steps for listing of the securities allotted under the ESOP 2018 on the Stock Exchanges, where the securities of the Company are listed as per the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable Guidelines, Rules and Regulations.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, and things, as it may, in its absolute discretion deem necessary for the effective implementation and administration of the ESOP 2018 and to make applications to the appropriate Authorities, for their requisite approvals and take all necessary actions and to settle all such questions, difficulties or doubts whatsoever that may arise while implementing this resolution.”

NOTES

1. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Annual General Meeting is annexed hereto.
2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company.

The instrument appointing the proxy, duly completed, stamped and signed, should be deposited at the registered office of the Company not less than forty eight hours before the time of the Annual General Meeting.

Members are requested to note that a person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than ten percent of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other member.

3. Attendance slip, proxy form and the route map of the venue of the Meeting are annexed hereto.
4. Corporate members intending to send their authorised representative(s) to attend the Meeting are requested to send to the Company a certified true copy of the relevant Board Resolution together with the specimen signature(s) of the representative(s) authorised under the said Board Resolution to attend and vote on their behalf at the Meeting.
5. In case of joint holders attending the meeting, only such joint holder who is higher in order of names will be entitled to vote.
6. Members who are holding shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification at the meeting.
7. Members/Proxies are requested to bring their copies of the Annual Report to the meeting.
8. Electronic copy of the Annual Report for the year 2017-18 is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s), unless any member has requested for a physical copy of the same. For members other than above, a physical copy of the Annual Report is being sent in the permitted mode. Members are requested to support Green initiative by registering/updating their e-mail addresses with the Depository participant (in case of shares in dematerialized form) or with RTA (in case of shares held in physical form).
9. Brief resume of all Directors proposed to be appointed/re-appointed, nature of their expertise in specific functional areas, names of the Companies in which they hold Directorships, Memberships/Chairmanships for Board/Committees, shareholding and relationship between Directors inter-se as stipulated in Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other requisite information as per Clause 1.2.5 of Secretarial Standards-2 on General Meetings are annexed as Annexure A hereto.



10. All documents referred to in the notice are open for inspection at the Registered Office of the Company during office hours on all working days (except Sunday and public holidays) between 11.00 A.M. and 1.00 P.M. up to the date of the Annual General Meeting and also at the meeting.
11. The cut-off date for the purpose of determining the members eligible for participation in remote e-voting (e-voting from a place other than venue of the Annual General Meeting) and voting at the Annual General Meeting is 6th August, 2018. Please note that members can opt for only one mode of voting i.e., either by voting at the meeting or remote e-voting. If members opt for remote e-voting, then they should not vote at the Meeting and vice versa. However, once an e-vote on a resolution is cast by a member, such member is not permitted to change it subsequently or cast the vote again. Members who have cast their vote by remote e-voting prior to the date of the Meeting can attend the Meeting and participate in the Meeting, but shall not be entitled to cast their vote again.
12. The requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is done away with vide notification dated May 7, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment of Auditors, who were appointed in the Annual General Meeting, held on 8th September, 2017.
13. SEBI has decided that securities of listed companies can be transferred only in dematerialised form from a cut-off date, to be notified. In view of the above and to avail various benefits of dematerialisation, members are advised to dematerialise shares held by them in physical form.
14. The Company has transferred the unpaid or unclaimed dividends declared up to financial years 2009-10, from time to time, to the Investor Education and Protection Fund (IEPF) established by the Central Government. The Company has uploaded the details of unpaid and unclaimed dividends lying with the Company as on 8th September, 2017 (date of the previous Annual General Meeting) on the website of the Company viz. www.hirect.com. The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link: www.iepf.gov.in.
15. (a) Adhering to the various requirements set out in the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has, during financial year 2017-18, transferred to the IEPF Authority all shares in respect of which dividend had remained unpaid or unclaimed for seven consecutive years or more as on the due date of transfer, i.e. October 31, 2017. Details of shares transferred to the IEPF Authority are available on the website of the Company viz. www.hirect.com. The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link: www.iepf.gov.in.
(b) Members may note that shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back from them. Concerned members/investors are advised to visit the website iepf.gov.in for lodging claim for refund of shares from the IEPF Authority.
16. Due dates for transfer of unclaimed/unpaid dividends for the financial year 2010-11 and thereafter to the Investor Education and Protection Fund (IEPF):

Dividend for the year	Date of Declaration of Dividend	Due Date of transfer to the Investor Education and Protection Fund
2010 – 2011	05.08.2011	04.08.2018
2011 – 2012	07.08.2012	06.08.2019
2012 – 2013	12.08.2013	11.08.2020
2013 – 2014	14.08.2014	13.08.2021

17. Members holding shares in physical form are requested to notify immediately any change in their address and bank mandates to the Registrar and Transfer Agent (RTA) of the Company at the address given below and in case their shares are held in demat, this information should be passed on directly to their respective Depository Participants.



ADROIT CORPORATE SERVICES PVT. LTD.

[Unit: Hind Rectifiers Limited]

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Tel: +91 22 42270400 Fax: +91 22 28503748

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18. Members holding shares in physical mode:
- (a) are required to submit their Permanent Account Number (PAN) and bank account details to the Company/RTA, if not registered with the Company as mandated by SEBI.
 - (b) are advised to register the nomination (Form SH-13) in respect of their shareholding in the Company.
 - (c) are requested to register/update their e-mail address with the Company/RTA for receiving all communications from the Company electronically.
19. Members holding shares in electronic mode:
- (a) are requested to submit their PAN and bank account details to their respective DPs with whom they are maintaining their demat accounts.
 - (b) are advised to contact their respective DPs for registering the nomination.
 - (c) are requested to register / update their e-mail address with their respective DPs for receiving all communications from the Company electronically.
20. Voting through electronic means Instructions for shareholders voting electronically are as under:-
- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 60th Annual General Meeting by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the Annual General Meeting ("remote e-voting") will be provided by Central Depository Services (India) Limited (CDSL).
 - II. The facility for voting through ballot paper shall be made available at the Annual General Meeting and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
 - III. The members who have cast their vote by remote e-voting prior to the Annual General Meeting may also attend the Annual General Meeting but shall not be entitled to cast their vote again.

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

- (i) The voting period begins on Friday, 10th August, 2018 at 9:00 am and ends on Sunday 12th August, 2018 at 5:00 pm. During this period member's of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Monday, 6th August, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders.
- (v) 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.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
- (viii) 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). <ul style="list-style-type: none">• Members who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number which is sent with this notice.
Dividend Bank Details OR Date of Birth (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 the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) 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.
- (xi) For members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN of Hind Rectifiers Limited.
- (xiii) 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.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) 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 and enter the details as prompted by the system.
- (xix) 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.



- (xx) Note for Non-Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI, etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or call 1800225533.
- All grievances connected with the facility for voting by electronic means may be addressed to Shri Rakesh Dalvi, Manager, 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 or call 1800225533.
- (xxii) Shri Mahesh Soni, Partner, M/s. GMJ & Associates, Company Secretaries, Mumbai (Certificate of Practice No. 2324) has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- (xxiii) At the Annual General Meeting, the Chairman shall, at the end of the discussion on the resolutions on which voting is to be held, may allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the Annual General Meeting but have not cast their votes by availing the remote e-voting facility.
- (xxiv) The Scrutinizer shall after the conclusion of voting at the Annual General Meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two days of the conclusion of the Annual General Meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- (xxv) The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company viz. www.hirect.com and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to BSE Limited and National Stock Exchange of India Limited.

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

Place: Mumbai
Date: 30th May, 2018

Meenakshi Anchlia
Company Secretary



EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

Item No. 3

Company's Branch Auditors of Dehradun plants, M/s. Ronak Gada & Associates, Chartered Accountants (ICAI Firm Registration No. 133987W) were appointed at the last Annual General Meeting to hold office until the conclusion of the 64th Annual General Meeting. However, vide their letter dated 25th January, 2018 informed the dissolution of the said firm. The Board thus appointed M/s. Gada Chheda & Co. LLP, Chartered Accountants (ICAI Firm Registration No. W100059) as Branch Auditors of Dehradun plants of Company in the casual vacancy, caused by dissolution of the firm till the conclusion of the forthcoming Annual General Meeting. The Board has recommended appointment of M/s. Gada Chheda & Co. LLP, Chartered Accountants as Branch Auditors of the Dehradun Plants of Company and to hold office for a period of up to 5 consecutive years from the conclusion of the 60th Annual General Meeting till the conclusion of the 65th Annual General Meeting. Company has obtained consent of M/s. Gada Chheda & Co. LLP and a certificate in accordance with Section 139, 141 and other applicable provisions of the Companies Act, 2013 to the effect that their appointment, if made, shall be in accordance with the conditions prescribed and that they are eligible to hold office as Branch Auditors of Dehradun plants of the Company.

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

The Board accordingly commends the Ordinary Resolution set out at Item No. 3 of the Notice for the approval by the members of the Company.

Item No. 4

The Company is required to have its cost records audited by a Cost Accountant in practice. Accordingly, the Board of Directors, at its meeting held on 30th May 2018, on recommendation of the Audit Committee, approved the appointment and remuneration of M/s. N. Ritesh & Associates, Cost Accountants (Firm Registration No. 100675), to conduct the audit of the cost records of the Company for Financial Year 2018-19 at a remuneration of ₹ 50,000/- (Rupees Fifty Thousands only) plus applicable tax.

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

Accordingly, ratification by the members is sought to the remuneration payable to the Cost Auditors for the financial year ending March 31, 2019.

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

The Board accordingly commends the Ordinary Resolution set out at Item No. 4 of the Notice for the approval by the members of the Company.

Item No. 5

As per the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, no listed entity shall appoint a person or continue the directorship of any person as Non-Executive Director who has attained the age of seventy five years unless a special resolution is passed to that effect.

Shri Vijay Kumar Bhartia (DIN: 00019810), 76 years, was appointed, by way of passing ordinary resolution, as Non-Executive Independent Director of the Company for a period of 5 years (first term) with effect from August 14, 2014, in the 56th Annual General Meeting of the Company held on August 14, 2014.

Shri Vijay Kumar Bhartia has rich and varied experience in the industry. He is the Chairman of Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee of Hind Rectifiers Limited and very actively participates in Board of Directors meeting. The Board believes that his experience and vision will contribute to the growth of the Company and also in steering the Company with best Corporate Governance practices. The Board based on the performance evaluation, considers that, given his background and experience and contributions made by him during his



tenure, the continued association of Shri Vijay Kumar Bhartia would be beneficial to the Company and it is desirable to continue to avail his services as an Independent Director.

Shri Vijay Kumar Bhartia may be deemed to be interested in the said resolutions.

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

The Board accordingly commends the special resolution for his present term, set out at Item No. 5 of the Notice for the approval by the members of the Company.

Item No. 6, 7, 8 and 9

Shri Parimal Rameshchandra Merchant (DIN: 00201962), Shri Pradeep Vedprakash Goyal (DIN:00008370), Shri Vijay Kumar Bhartia (DIN: 00019810) and Shri Binod Kumar Patodia (DIN: 00003516) were appointed as Independent Directors on the Board of the Company pursuant to the provisions of Section 149 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the erstwhile Clause 49 of the Listing Agreement with the Stock Exchanges. Shri Parimal Rameshchandra Merchant holds office as Independent Director of the Company up to 11th August, 2018 (first term) and Shri Pradeep Vedprakash Goyal, Shri Vijay Kumar Bhartia and Shri Binod Kumar Patodia hold office as Independent Directors of the Company up to 13th August, 2019 (first term) in line with the explanation to Sections 149(10) and 149(11) of the Companies Act, 2013.

Based on the Performance Evaluation of the Independent Directors, conducted by the entire Board (excluding Director being evaluated) on various parameters such as performance, leadership, ethics and integrity, Board engagement and time commitment, ability to take balanced decisions regarding stakeholders, background and experience and contributions made by them during their tenure, etc., the Nomination and Remuneration Committee has recommended re-appointment of Shri Parimal Rameshchandra Merchant, Shri Pradeep Vedprakash Goyal, Shri Vijay Kumar Bhartia and Shri Binod Kumar Patodia as Independent Directors for a second term of 5 (five) consecutive years on the Board of the Company.

It is desirable to continue avail their services as Independent Directors and continue association of Shri Parimal Rameshchandra Merchant, Shri Pradeep Vedprakash Goyal, Shri Vijay Kumar Bhartia and Shri Binod Kumar Patodia would be beneficial to the Company. Accordingly, Board has proposed to re-appoint Shri Parimal Rameshchandra Merchant, Shri Pradeep Vedprakash Goyal, Shri Vijay Kumar Bhartia and Shri Binod Kumar Patodia as Independent Directors of the Company, not liable to retire by rotation for a second term of 5 (five) consecutive years on the Board of the Company.

Section 149 of the Companies Act, 2013 and provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 inter alia prescribe that an Independent Director of a Company shall meet the criteria of independence.

Section 149(10) of the Companies Act, 2013 provides that an Independent Director shall hold office for a term of up to five consecutive years on the Board and shall be eligible for re-appointment on passing a special resolution by the Company and disclosure of such appointment in its Board's report. Further, Section 149(11) of the Companies Act, 2013 provides that an Independent Director may hold office for up to two consecutive terms.

Shri Parimal Rameshchandra Merchant, Shri Pradeep Vedprakash Goyal, Shri Vijay Kumar Bhartia and Shri Binod Kumar Patodia are not disqualified from being appointed as Directors in terms of Section 164 of the Companies Act, 2013 and have given their consent to act as Directors.

The Company has received notices in writing from a member under Section 160 of the Companies Act, 2013 proposing the candidature of Shri Parimal Rameshchandra Merchant, Shri Pradeep Vedprakash Goyal, Shri Vijay Kumar Bhartia and Shri Binod Kumar Patodia for the office of Independent Directors of the Company.

The Company has also received declarations from Shri Parimal Rameshchandra Merchant, Shri Pradeep Vedprakash Goyal, Shri Vijay Kumar Bhartia and Shri Binod Kumar Patodia that they meet with the criteria of independence as prescribed both under Section 149(6) of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In the opinion of the Board, Shri Parimal Rameshchandra Merchant, Shri Pradeep Vedprakash Goyal, Shri Vijay Kumar Bhartia and Shri Binod Kumar Patodia fulfil the conditions for appointment as Independent Directors as specified



in the Companies Act, 2013 and the Listing Regulations. Shri Parimal Rameshchandra Merchant, Shri Pradeep Vedprakash Goyal, Shri Vijay Kumar Bhartia and Shri Binod Kumar Patodia are independent of the management.

Details of Directors whose re-appointment as Independent Directors are proposed at Item Nos. 6, 7, 8 and 9 are provided in the Annexure A to the Notice pursuant to the provisions of (i) the Listing Regulations and (ii) Secretarial Standard on General Meetings, issued by the Institute of Company Secretaries of India.

Copy of draft letters of appointment of Shri Parimal Rameshchandra Merchant, Shri Pradeep Vedprakash Goyal, Shri Vijay Kumar Bhartia and Shri Binod Kumar Patodia setting out the terms and conditions of appointment are available for inspection by the members at the registered office of the Company during office hours on all working days (except Sunday and public holidays) between 11.00 a.m. and 1.00 p.m. up to the date of the Annual General Meeting and also at the Meeting.

This statement may also be regarded as an appropriate disclosure under the Companies Act, 2013 and the Listing Regulations.

Shri Parimal Rameshchandra Merchant, Shri Pradeep Vedprakash Goyal, Shri Vijay Kumar Bhartia and Shri Binod Kumar Patodia and their relatives may be deemed to be interested in the said resolutions.

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

The Board accordingly commends the Special Resolutions set out at Item Nos. 6, 7, 8 and 9 of the Notice for the approval by the Members of the Company.

Item No. 10

The present term of Shri Sushil Kumar Rameshwarprasad Nevatia as Chairman and Managing Director will expire on 31st March, 2019. The Board of Directors of the Company at its meeting held on 30th May, 2018 has, subject to the approval of members, re-appointed Shri Sushil Kumar Rameshwarprasad Nevatia as Chairman and Managing Director of the Company for a period of 3 (three) years from the expiry of his present term, i.e. with effect from 1st April, 2019, on the terms and conditions including remuneration as recommended by Nomination and Remuneration Committee of the Board and approved by the Board.

It is proposed to seek member's approval for the re-appointment of and remuneration payable to Shri Sushil Kumar Rameshwarprasad Nevatia as Chairman and Managing Director of the Company, in terms of the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any statutory modification(s) or re-enactment(s) thereof for the time being in force.

Broad particulars of the terms of re-appointment of, and remuneration payable to, Shri Sushil Kumar Rameshwarprasad Nevatia are as under:

- 1) Salary: ₹ 200,000/- p.m. (Rupees two lacs only)
- 2) Benefits, Perquisites, Allowances:
 - a) Rent Free Accommodation/House Rent Allowance ₹ 200,000/- p.m. along with furniture.
 - b) Special Allowance ₹ 7,50,000/- p.m.
 - c) Company's contribution to Provident Fund.
 - d) Medclaim policy and/or reimbursement of medical expenses including hospitalization, nursing home and surgical charges for self and family whether incurred in India or abroad.
 - e) Reimbursement of actual travelling expenses for proceeding on leave from Mumbai to any place subject to ceiling of one month's basic.
 - f) Gratuity payable at a rate of half month's salary for each completed year of service.
 - g) Chauffeur driven Company's Car.
- 3) Commission: Such remuneration by way of commission, in addition to the above salary and perquisites, calculated with reference to the net profits of the Company in a particular financial year, subject to the overall ceiling stipulated in Section 198 read with Schedule V of Companies Act, 2013.



As the profits of the Company were inadequate, the remuneration of the Chairman and Managing Director was made as per the provisions of Section II Part II of Schedule V of the Companies Act, 2013.

1. The above revision and change in terms have been approved by a resolution passed by the Nomination and Remuneration Committee.
2. The Company has not defaulted on any debts or debentures or interest payable thereon.
3. The resolution proposed above is a Special Resolution and payment of proposed remuneration is for a period of three years.

The information pursuant to Section II of Part II of Schedule V of Companies Act, 2013 is annexed as Annexure B and forms an integral part of this explanatory statement.

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

Shri Sushil Kumar Rameshwarprasad Nevatia satisfies all the conditions set out in Schedule V of Companies Act, 2013. He is not disqualified from being appointed as Director in terms of Section 164 of Companies Act, 2013.

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

Further, in accordance with the provisions of Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, annual remuneration payable to Executive Directors, who are promoter or member of promoter group, exceeds five percent of net profit calculated as per Section 198 of Companies Act, 2013, if special resolution is passed by members in general meeting.

Shri Sushil Kumar Nevatia and his relatives are interested in the resolution. Smt. Akshada Suramya Nevatia, Executive Director, Shri Pawan Kumar Golyan, Director and Shri Suramya Nevatia, Chief Executive Officer (appointed as Key Managerial Personnel w.e.f. 1st June, 2018) and their relatives may be deemed to be interested in the said resolution.

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

The Board accordingly commends the Special Resolution set out at Item No. 10 of the Notice for the approval by the members of the Company.

Item No. 11

The Securities and Exchange Board of India notified SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 on May 9, 2018. In accordance with the provisions of Regulation 17(6)(e), special resolution is required to pass for the fees or compensation payable to Executive Directors who are promoters or members of promoter group in case of 5 (five) percent excess of the net profits of the Company. The said provision will be applicable with effect from 1st April, 2019.

Smt. Akshada Suramya Nevatia has appointed as an Executive Director for three years w.e.f. 15th January, 2017, by way of passing ordinary resolution in the 59th Annual General Meeting of the Company held on September 8, 2017 and holds office as an Executive Director of the Company up to 14th, January, 2020. She is the member of Promoter Group.

The Board of Directors of the Company recommended remuneration w.e.f. 1st April, 2018, subject to necessary approval of shareholders, by way of special resolution, as mentioned in the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, on the terms of remuneration mentioned herein below, with powers to the Board to make such variation or increase therein as may be thought fit from time to time, but within the ceiling/s laid down in the Section 197 read with Schedule V of the Companies Act, 2013 or any statutory amendment or relaxation thereof:-

- 1) Salary: ₹ 1,00,000/- p.m. (Rupees One Lac only)
- 2) Benefits, Perquisites, Allowances:



- a) House Rent Allowance ₹ 50,000/- p.m.
- b) Special Allowance ₹ 65,000/- p.m.
- c) Company's contribution to Provident Fund.
- d) Medclaim Policy and/or reimbursement of medical expenses including hospitalization, nursing home and surgical charges for self and family whether incurred in India or abroad as per Company's policy
- e) Reimbursement of actual travelling expenses for proceeding on leave from Mumbai to any place subject to ceiling of one month's basic.
- f) Gratuity payable at a rate of half month's salary for each completed year of service.

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

As the profits of the Company were inadequate the appointment of the Executive Director was made as per the provisions of Section II Part II of Schedule V of the Companies Act, 2013.

1. The above revision and change in terms have been approved by a resolution passed by the Nomination and Remuneration Committee.
2. The Company has not defaulted on any debts or debentures or interest payable thereon.
3. The resolution proposed above is a Special Resolution and payment of proposed remuneration is for the existing term.

The information pursuant to Section II of Part II of Schedule V of Companies Act, 2013 is annexed as Annexure B and forms an integral part of this explanatory statement.

Smt. Akshada Suramya Nevatia is interested in the resolution. Shri Sushil Kumar Rameshwarprasad Nevatia, Chairman and Managing Director and Shri Suramya Nevatia, Chief Executive Officer (appointed as Key Managerial Personnel w.e.f. 1st June, 2018) and their relatives may be deemed to be interested in the said resolution.

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

The Board accordingly commends the special resolution set out at Item No. 11 of the Notice for the approval by the members of the Company.

Item No. 12

The provisions of Section 188 of the Companies Act, 2013 that govern the Related Party Transactions require a Company to obtain prior approval of the Board of Directors and in certain cases approval of the members is also required.

Shri Saurabh Nevatia is working in the Company since 1988 and his present designation is Chief Executive Officer (Nashik). He looks after all the activities of Nashik Plant. Under his guidance, expansion of the Nashik Plant for manufacture of Railways as well as Non-Railways products has been completed during the year. The Company is targeting a major growth in the turnover and profit of Nashik Plant.

The Board of Directors of the Company, on the recommendation of the Nomination and Remuneration Committee, at their meeting held on 30th May 2018 has consented for increase in remuneration payable to Shri Saurabh Nevatia, Chief Executive Officer, Nasik Plant w.e.f 1st April, 2018.

Since the above proposed remuneration exceeds the limit prescribed under Section 188 of the Companies Act, 2013, the appointment will require prior approval of the member's vide an Ordinary Resolution.

Shri Saurabh Nevatia is son of Shri Sushil Kumar Rameshwarprasad Nevatia, Chairman and Managing Director, father in law of Smt. Akshada Suramya Nevatia, Executive Director and father of Shri Suramya Nevatia, Chief Executive Officer (appointed as Key Managerial Personnel w.e.f. 1st June, 2018).

The details of the remuneration are given below.



1. Salary: ₹ 2,00,000/- p.m. (Rupees Two Lacs only)
2. Benefits, Perquisites and Allowances :
 - a) House Rent Allowance ₹ 100,000/- p.m.
 - b) Special Allowance ₹ 125,000/- p.m.
 - c) Company's contribution to Provident Fund
 - d) Medclaim policy and/or reimbursement of medical expenses including hospitalization, nursing home and surgical charges for self and family whether incurred in India or abroad as per Company's policy
 - e) Reimbursement of actual travelling expenses for proceeding on leave from Mumbai to any place subject to ceiling of one month's basic.
 - f) Gratuity payable at a rate of 15 days salary for each completed year of service
 - g) Bonus, Superannuation, etc.

Shri Sushil Kumar Rameshwarprasad Nevatia, Chairman and Managing Director, Smt. Akshada Suramya Nevatia, Executive Director and Shri Suramya Nevatia, Chief Executive Officer (appointed as Key Managerial Personnel w.e.f. 1st June, 2018) and their relatives may be deemed to be interested in the said resolution.

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

The Board accordingly commends the Ordinary Resolution set out at Item No. 12 of the Notice for the approval by the members of the Company.

Item No. 13

Equity based compensation is considered to be an integral part of employee compensation across sectors which enables alignment of personal goals of the employees with organizational objectives by participating in the ownership of the Company through share based compensation scheme/plan. Company believes in rewarding its employees including Directors of the Company for their continuous hard work, dedication and support, which has led the Company on the growth path. The Company intends to implement the HIRECT Employees Stock Option Plan-2018 (ESOP 2018), with a view to attract and retain key talents working with the Company by way of rewarding their performance and motivate them to contribute to the overall corporate growth and profitability. Pursuant to provisions of the SEBI (Share Based Employee Benefits) Regulations, ("SEBI (SBEB) Regulations"), the Company seeks members, approval in respect of ESOP 2018 and grant of options to the eligible employees/ Directors of the Company as decided by the Nomination and Remuneration Committee from time to time in due compliance of the SEBI (SBEB) Regulations.

The main features of the ESOP 2018 are as under:

1. Brief Description of the Scheme(s):

The Scheme shall be called as the HIRECT Employee Stock Option Plan – 2018 (ESOP 2018) and shall extend its benefits to the present and/or future permanent employees of the Company in accordance with the applicable laws.

The scheme will be implemented via Direct Route wherein the Company will allot fresh Equity Shares of the Company to the Employees upon successful exercise of their vested options.

2. Total number of options to be granted:

Such number of options would be available for grant to the eligible employees of the Company under ESOP 2018, in one or more tranches exercisable into not exceeding more than 2,50,000 (Two Lacs Fifty Thousands) Equity Shares in the Company of face value of ₹ 2/- each fully paid-up. Vested options lapsed due to non-exercise and/or unvested options that get cancelled due to resignation/termination of the employees or otherwise, would be available for being re-granted at a future date. The Board is authorized to re-grant such lapsed/cancelled options as per the provisions of ESOP 2018, within overall ceiling.



The SEBI (SBEB) Regulations require that in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division, and others, a fair and reasonable adjustment needs to be made to the options granted. Accordingly, if any additional Equity Shares are required to be issued pursuant to any corporate action, the above ceiling of Equity Shares shall be deemed to increase in proportion of such additional Equity Shares issued subject to compliance of the SEBI (SBEB) Regulations.

3. Identification of classes of employees entitled to participate and be beneficiaries in Scheme:

- i. a permanent employee of the company who has been working in India or outside India, if any; or
- ii. a director of the company, whether a whole time director or not but excluding an independent director; or

but does not include:

- i. an employee who is a promoter or a person belonging to the promoter group; or
- ii. a director who either himself or through his relative or through any body corporate, directly or indirectly, holds more than ten per cent of the outstanding equity shares of the company or to subscribe to such number of equity shares and / or equity linked instruments which would give rise to issue of equity shares

4. Requirements of vesting and period of vesting:

The options granted shall vest based upon the performance of the Employee, as may be determined by the Nomination and Remuneration Committee from time to time but shall not be less than 1 (one) year and not more than 4 (four) years from the date of grant of options. Vesting may happen in one or more tranches.

The specific Vesting schedule and Vesting conditions subject to which Vesting would take place would be outlined in the document given to the Option Grantee at the time of Grant of Options.

5. Maximum period within which the options shall be vested:

Options granted under ESOP 2018 would vest subject to maximum period of 4 (four) years from the date of grant of such options.

6. Exercise price or pricing formula:

The Exercise Price shall be based on the Market Price of the Company which shall mean the latest closing price on a recognised stock exchange on which the shares of the Company are listed on the date immediately prior to the date of meeting of committee on which grant is to be made.

If the Company is listed on more than one Stock Exchange, then the price of the Stock Exchange where there is highest trading volume during the aforesaid period shall be considered.

The Nomination and Remuneration Committee has a power to provide suitable discount or charge premium on such price as arrived above. However, in any case the Exercise Price shall not go below the par face value of Equity Share of the Company

7. Exercise period and the process of Exercise:

The Employee Stock Options granted may be exercised by the Option Grantee within a maximum period of one year from the date of last vesting of the Options.

The mode and manner of the Exercise of the Options shall be communicated to the employees individually. On exercise of the Options, the employee shall forthwith pay to the Company the price which includes the grant price and applicable taxes. The options shall lapse if not exercised within the specified exercise period.

8. Appraisal process for determining the eligibility of employees under ESOP 2018:

The process for determining the eligibility of the employees will be specified by the Nomination and Remuneration Committee and will be based on designation, period of service, performance linked parameters such as work performance and such other criteria as may be determined by the Committee at its sole discretion, from time to time.



In case of performance linked stock options, the number of vested stock options may vary from the original number of stock options granted.

9. Maximum number of options to be issued per employee and in aggregate:

The number of options that may be granted to any specific employee of the Company under ESOP 2018, in any financial year and in aggregate under the ESOP 2018 shall be less than 1% of the issued Equity Share Capital (excluding outstanding warrants and conversions) of the Company.

10. Maximum Quantum of benefits to be provided per employee under the ESOP 2018:

The maximum quantum of benefit that will be provided to every eligible Employee under ESOP 2018 will be the difference between the Market value of Company's Share on the Stock Exchange as on the date of exercise of options and the Exercise Price paid by the employee to the Company.

11. Route of Scheme implementation:

The Scheme shall be implemented and administered directly by the Company.

12. Source of Shares:

The Scheme contemplates new Issue of Shares by the Company ("Primary Shares").

13. The amount of loan provided for implementation of the Scheme by the Company to the Trust, its tenure, utilisation, repayment terms etc.:

Company is not providing any loan for ESOP 2018 purpose, as Company is directly implementing the plan.

14. Maximum percentage of Secondary Acquisition (subject to limits specified under the Regulations) that can be made by the Trust for the purchase under the scheme:

This is not relevant under the present scheme.

15. Accounting and Disclosure Policies:

The Company shall comply with the disclosures requirements and the accounting policies prescribed under Regulation 15 of the SEBI (SBEB) Regulations or as may be prescribed by regulatory authorities from time to time.

16. Method of Valuation:

To calculate the employee compensation cost, the Company shall use the Fair Value method for valuation of the options granted.

Consent of the members is being sought by way of Special Resolution pursuant to Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 and as per Regulation 6 of the SEBI (SBEB) Regulations.

A draft copy of the ESOP 2018 is available for inspection at the Registered Office of the Company during office hours on all working days (except Sunday and public holidays) between 11:00 A.M. and 1:00 P.M. up to the date of the Annual General Meeting and also at the meeting.

The Directors and Key Managerial Personnel of the Company may be deemed to be concerned or interested in this resolution only to the extent of any Stock Options that may be granted to them and the resultant equity shares issued, as applicable.

The Board accordingly commends the Special Resolution set out at Item No. 13 of the Notice for the approval by the members of the Company.

Annexure A

INFORMATION REQUIRED TO BE FURNISHED UNDER THE LISTING REGULATIONS

As required under the Listing Regulations, the particulars of Directors who are proposed to be appointed / re-appointed are given below:



<p>Name :</p> <p>Date of first appointment on the Board :</p> <p>Age, Qualifications, Experience and Expertise / Brief Resume :</p> <p>List of Directorship / Membership / Chairmanship of Committees of other Board</p>	<p>: Vandan Sitaram Shah*</p> <p>15th January, 2017</p> <p>Vandan Sitaram Shah, aged 55 years is a Bachelor of Industrial Engineering (B.E.) from R. V. College of Engineering, Bangalore in 1984. He has over 30 years of work experience in companies such as LML Piaggio, Sipra Engineers Pvt. Ltd.(Sipra) etc. He is presently the Managing Director in Sipra. He is a member of Western Regional Council of Confederation of Indian Industries (CII), since last ten years and was the Chairman: Nasik Zonal Council of CII. He is also member of 'Make in India' Committee of CII Western Regional Council.</p> <p>Directorship :</p> <ol style="list-style-type: none"> 1. Hercules Hoists Limited 2. Sipra Engineers Private Limited 3. Sipra Services and Investments Private Limited 4. Kansai Sipra Diecasting Private Limited <p>Membership of Committees of other Board: Nil</p> <p>Chairmanship of Committees of other Board : Nil</p>	<p>Sushil Kumar Rameshwarprasad Nevatia*</p> <p>1st April, 1973</p> <p>Sushil Kumar Rameshwarprasad Nevatia, aged 86 years, is qualified as Inter Commerce from Podar College, Mumbai and has an experience of over 65 years. He started his career with Mukand Limited and was associated with them for 5 years. Later in 1958, he promoted Hind Rectifiers Ltd. He set up manufacturing units in Nashik in 1983-84 and in Dehradun in 2006-07. He continues to be overall in charge of all the 3 units. His entire 65 years of work experience is in the line of Semi Conductor Devices, Power Electronic Products and Loco Transformers.</p> <p>Directorship : Nil</p> <p>Membership of Committees of other Board : Nil</p> <p>Chairmanship of Committees of other Board : Nil</p>
<p>Name :</p> <p>Date of first appointment on the Board :</p> <p>Age, Qualifications, Experience and Expertise / Brief Resume :</p>	<p>: Parimal Rameshchandra Merchant*</p> <p>7th February, 2013</p> <p>Parimal Rameshchandra Merchant, aged 57 years graduated from Mumbai with Bachelors in Commerce and Law and has completed ICWA. His professional career includes over 35 years of work experience in Capital Markets, Consultancy and Teaching. He has been associated with Management program for Family Businesses for last 20 years. At present, he is the Director of the Global Family Managed Business program at S. P. Jain School of Global Management.</p>	<p>Pradeep Vedprakash Goyal*</p> <p>28th March, 2008</p> <p>Pradeep Vedprakash Goyal, aged 62 years is a qualified engineer having completed his B. Tech (Metallurgy) from Indian Institute of Technology, Kanpur (1978) and obtained his S.M. (Materials Science and Engineering) from Massachusetts Institute of Technology, Cambridge, MA, USA, (1980). He was trained at Mukand Limited, India and Degussa International, Hanau, West Germany. He also worked at Air Products and Chemicals Inc., Allentown, PA, USA for 3 years at various positions. He is the Chairman and Managing Director of Pradeep Metals Limited and on the Board of various companies. He has been a Trustee of ASM International, USA (2005-2008), a Fellow of the ASM International. He is also a Member of Indo-German Chamber of Commerce, Indian Merchants Chamber and Thane Belapur Industries Association. He is also the Chairman of Ekal Vidyalaya Foundation of India, an NGO which operates over 50000 tribal schools in India.</p>



List of Directorship /
Membership / Chairmanship of
Committees of other Board

Directorship:

1. Shrikant Consultants Private Limited
2. Sunjewels Private Limited
3. Dalal and Broacha Stock Broking Private Limited
4. Sahyam Foundation

Membership of Committees of other Board: Nil

Chairmanship of Committees of other Board: Nil

Directorship:

1. UPL Limited
2. Uniphos Enterprises Limited
3. Pradeep Metals Limited
4. Munak Engineers Private Limited
5. S. V. Shah Construction Services Private Limited
6. IITB Research Park Foundation

Membership of Committees of other Board:

1. UPL Limited
 - (i) Audit Committee
 - (ii) Stakeholder Relationship Committee
 - (iii) Nomination and Remuneration Committee
2. Uniphos Enterprises Limited
 - (i) Audit Committee
 - (ii) Stakeholder Relationship Committee
 - (iii) Nomination and Remuneration Committee

Chairmanship of Committees of other Board:

1. Uniphos Enterprises Limited
 - (i) Audit Committee
 - (ii) Stakeholder Relationship Committee
 - (iii) Nomination and Remuneration Committee

Name : **Vijay Kumar Bhartia***

Date of first appointment on the Board : 18th April, 2007

Age, Qualifications, Experience and Expertise / Brief Resume : Vijay Kumar Bhartia, aged 76 years is a Commerce graduate from Bombay University. He has diversified experience in Engineering, Metallurgical, and Textile industries over a period of 47 years in various capacities. The experience gained over initial years in varied functions in large corporate bodies particularly in Accounts - Finance, Purchase, setting up of new manufacturing units & Marketing enabled him to independently administer complete operations as CEO of Raymond Ltd. To his credit, few sick units were also turned around as healthy companies under his direct supervision.

Binod Kumar Patodia*

18th April, 2007

Binod Kumar Patodia, aged 73 years is a Bachelor of Engineering from Birla Institute of Science and Technology, Pilani. He is at the helm of GTN Group of Companies. He is an ex Chairman of the Joint Cotton Committee of International Textile Manufacturers Federation (ITMF), Zurich. He is a member of the Advisory Board on the Committee of Management of ITMF. He is also a member of the Spinners Committee of ITMF. He is currently the Co-Chairman of Advisory Committee for Strategic Planning of SIMA Cotton Development and Research Association. He continues to serve on various Committees including Cotton Advisory Board and Cotton Yarn Advisory Board constituted by the Ministry of Textiles, Government of India.



List of Directorship /
Membership / Chairmanship of
Committees of other Board

: **Directorship:**

1. Uniconnect Sim Private Limited
2. Rainbow Weavers and Processors Limited
3. Roam-Connect Technologies Private Limited

Membership of Committees of other Board: Nil

Chairmanship of Committees of other Board: Nil

Directorship:

1. GTN Textiles Limited
2. Patspin India Limited
3. GTN Enterprises Limited
4. The India Thermit Corporation Limited
5. Patspin Apparels Private Limited
6. Patodia Exports & Investments Private Limited
7. Umang Finance Private Limited
8. Beekaypee Credit Private Limited

Membership of Committees of other Board:

1. GTN Textiles Limited
 - (i) Audit Committee
 - (ii) Stakeholder Relationship Committee
2. GTN Enterprises Limited
 - (i) Audit Committee
3. The India Thermit Corporation Limited
 - (i) Audit Committee
 - (ii) Nomination and Remuneration Committee
 - (iii) Corporate Social Responsibility Committee

Chairmanship of Committees of other Board: Nil

Name : **Akshada Suramya Nevatia***

Date of first appointment on the Board : 15th January, 2017

Age, Qualifications, Experience and Expertise / Brief Resume : Akshada Suramya Nevatia, aged 30 years, has done Graduation in Psychology from S.P. College, Pune and Masters in Clinical Psychology from Fergusson College, Pune. She has also done her Diploma in Family Managed Business from S. P. Jain Institute, Mumbai. She is having more than five years of experience in Darode Jog Properties in Real Estate Industry. She is associated with our Company for the last two years as Management (Corporate).

List of Directorship / Membership / Chairmanship of Committees of other Board : **Directorship:** Nil

Membership of Committees of other Board: Nil

Chairmanship of Committees of other Board: Nil

*The following information has been given in Corporate Governance Report part of the Annual Report:-

- Number of Meetings of the Board attended during the year
- No. of shares held in the Company as on 31st March, 2018
- Relationship with other Directors, Manager and other Key Managerial Personnel of the Company
- Terms and Conditions of appointment/re-appointment along with details of remuneration sought to be paid and remuneration last drawn by such person
- Directorship held in other Public Companies as on March 31, 2018



Annexure B

Disclosure as required under Section II of Part II of Schedule V to the Companies Act, 2013 is given hereunder

1. General Information:

- i. **Nature of Industry:** The Company is engaged in manufacturing and marketing of Semi Conductor Devices, Power Electronic Products and Loco Transformers.
- ii. **Date or expected date of Commercial Production:** N.A., since the Company has already commenced its business activities.
- iii. **In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:** N.A.
- iv. **Financial Performance:**

(₹ in lacs)

Particular	For the financial year		
	2015-16	2016-17*	2017-18*
Net Operational Income	9393.59	11148.49	12569.20
Depreciation	157.53	199.75	230.73
Total Expenses	9611.96	11347.04	12367.44
Net Profit / (Loss) before Exceptional Items and Tax	(218.37)	(198.55)	201.76
Exceptional Items	-	779.33	-
Net Profit/(Loss) for the year	150.58	(712.20)	131.45
Paid up Capital	301.16	301.16	331.27
Reserves and Surplus	5882.63	5019.52	6297.58
Earnings Per Share	(1.00)	(4.63)	(0.84)

*As per Ind-AS

Export Performance:

(₹ in lacs)

2015-16	2016-17	2017-18
651.75	186.32	166.68

- v. **Foreign Investments or collaborations, if any:** Company does not have any investment outside India. Company has Technical Collaboration for manufacturing of Inverters, Converters, stacks etc.

2. Information about the Appointees:

Shri Sushil Kumar Rameshwarprasad Nevatia is qualified as Inter Commerce from Podar College, Mumbai and has an experience of over 65 years. He started his career with Mukand Limited and was associated with them for 5 years. Later in 1958, he promoted Hind Rectifiers Limited. He set up manufacturing units in Nashik in 1983-84 and in Dehradun in 2006-07. He continues to be overall in charge of all the 3 units. His entire 65 years of work experience is in the line of Semi Conductor Devices, Power Electronic Products and Loco Transformers.	Smt. Akshada Suramya Nevatia has done graduation in Psychology from S.P. College, Pune and Masters in Clinical Psychology from Fergusson College, Pune. She has also done her Diploma in Family Managed Business from S. P. Jain Institute, Mumbai. She is having approximately five year experience in Darode Jog Properties in Real Estate Industry and two years in Hind Rectifiers Limited as Management (corporate).
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Past Remuneration :

Shri Sushil Kumar Rameshwarprasad Nevatia is Chairman and Managing Director of the Company and his past remuneration for the last three years are as under:-

(₹ in lacs)

Particular	2015-16	2016-17	2017-18
Remuneration	43.42	43.36	69.94

Smt. Akshada Suramya Nevatia* past remuneration for the last three years are as under:-

(₹ in lacs)

Particular	2015-16	2016-17	2017-18
Remuneration	3.55	4.53	15.49

*Smt. Akshada Suramya Nevatia appointed as Director w.e.f. 15th January, 2017.

Proposed Remuneration is mentioned in the Explanatory Statement. Apart from receiving Managerial Remuneration, Shri Sushil Kumar Rameshwarprasad Nevatia and Smt. Akshada Suramya Nevatia do not have any other pecuniary relationship with the Company except their relationship with the Directors as described in Corporate Governance Report and holding 2151138 and 5850 equity shares of the Company respectively.

Comparative remuneration profile with respect to industry, size of Company, profile of the position and person: Comparative Remuneration with respect to industry, size of the Company, etc. is not possible to be compiled as it is difficult to call and compile information from such industries. In this regard, the Board is of the opinion that the proposed remuneration is not detrimental to the interest of either the Company or its other stakeholders.

3. Other information:

Company is focusing on development of new products for railways and also for other applications. In view of various steps taken by the Company profit (PBITDA) for the year 2017-18 is ₹ 10.27 cr compared to the ₹ 5.17 cr in the year 2016-17.

Profit before tax for the year 2017-18 was ₹ 2.02 crore as compared to loss of ₹ 9.77 crore in the year 2016-17.

Nashik plant expansion for manufacture of Railway as well non Railway products has been completed during the financial year 2018-19; this will help for further improving the performance. Company has healthy order bookings for the year 2018-19.

Disclosure:

Necessary disclosures shall be made in the Directors' Report annually and shareholders will be provided all the necessary information. The required information about the remuneration package, service contract, etc. is given in Corporate Governance Report part of the Annual Report.



HIND RECTIFIERS LIMITED

Registered Office: Lake Road, Bhandup (W), Mumbai 400078
CIN: L28900MH1958PLC011077

ATTENDANCE SLIP

D.P. ID*	Client ID*
L. F. No.	No. of Shares held

I/We hereby record my/our presence at the **SIXTIETH ANNUAL GENERAL MEETING** held on **Monday, 13th August, 2018** at **12:00 noon** at **Odyssey, Mayfair Banquet, 254-C, Dr. Annie Besant Road, Worli, Mumbai 400 030 Maharashtra.**

Signature of Shareholder(s) 1. _____ 2. _____ 3. _____

Name of the Proxy holder _____

Signature of the Proxy holder _____

* Applicable for investors holding shares in electronic form.

Note: Shareholders attending the meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting venue.

HIND RECTIFIERS LIMITED

Registered Office: Lake Road, Bhandup (W), Mumbai - 400078
CIN: L28900MH1958PLC011077

PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Member's Name	
Folio No. / Client ID	
DP ID	
Registered Address	
E-Mail ID	

I / We, being member(s) of Hind Rectifiers Limited having shares, hereby appoint:

- a) Name Address
E-Mail ID Signature or failing him;
- b) Name Address
E-Mail ID Signature or failing him;
- c) Name Address
E-Mail ID Signature

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **SIXTIETH ANNUAL GENERAL MEETING** of the Company to be held on **Monday, 13th August, 2018** at **12:00 noon** at **Odyssey, Mayfair Banquet, 254-C, Dr. Annie Besant Road, Worli, Mumbai 400 030 Maharashtra** and at any adjournment thereof in respect of such resolutions as are mentioned below:-



Route Map for

60th Annual General Meeting of Hind Rectifiers Limited

Odyssey Mayfair Banquet, 254-C, Dr. Annie Besant Road, Worli, Mumbai 400030. Landmark: Near Old Passport Office/Opp. Sasmira College.



Sr. No.	Resolutions	Optional*	
		For	Against
1	Consider and adopt the Audited Financial Statement, Report of the Board of Directors and Auditors		
2	Re-appointment of Shri Vandan Sitaram Shah, who retires by rotation		
3	Appointment of Branch Auditor for Dehradun Plants to fill Casual Vacancy		
4	Ratification of remuneration to Cost Auditors		
5	Approval to continuation of office by Shri Vijay Kumar Bhartia as an Independent Director of the Company		
6	Re-appointment of Shri Parimal Rameshchandra Merchant as an Independent Director		
7	Re-appointment of Shri Pradeep Vedprakash Goyal as an Independent Director		
8	Re-appointment of Shri Vijay Kumar Bhartia as an Independent Director		
9	Re-appointment of Shri Binod Kumar Patodia as an Independent Director		
10	Re-appointment of Shri Sushil Kumar Rameshwarprasad Nevatia as Chairman and Managing Director and approval of remuneration		
11	Approval to payable remuneration to Smt. Akshada Suramyia Nevatia, Executive Director		
12	Approval of Related Party Transaction		
13	Approval of HIRECT Employees Stock Option Plan-2018		

Signed this day of 2018

Signature of the shareholder(s)

Signature of Proxy holder(s)

Affix
Revenue
Stamp

- Note:** 1) This form must be deposited at the registered office of the Company not later than 48 hours before the time of the meeting.
- * 2) It is optional to put a 'X' in the appropriate column against the Resolution indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he / she thinks appropriate.
- 3) A proxy need not be a member.
- 4) Please fill all details including details of members in above box before submission.