



---

**HIND RECTIFIERS LIMITED**

**TRANSCRIPT OF THE 66<sup>TH</sup> ANNUAL GENERAL MEETING OF THE COMPANY HELD ON THURSDAY, AUGUST 1, 2024 AT 12:30 PM (IST) THROUGH VIDEO CONFERENCING (VC)/OTHER AUDIO-VISUAL MEANS (OAVM)**

**Pradeep Goyal, Chairman**

Dear Shareholders, Good Afternoon!

I Welcome to the 66<sup>th</sup> Annual General Meeting of Hind Rectifiers Limited. On behalf of the Board of Directors, I appreciate your support for the Company and thank you for taking the time to join us today.

I hope all of you are safe and in good health!

At this point I would like to introduce you to the members of the Board and Senior Management present with us today. Mr. Vandan Shah, Chairman of the Audit Committee and the Nomination and Remuneration Committee, Mr. Parimal Merchant, Chairman of the Stakeholders Relationship Committee, they are both present. We also have Mr. Suramya Nevatia, Managing Director & CEO, Mr. V. K. Bhartia, Mrs. Akshada Nevatia and Mr. Vishal Pacheriwala, Directors, present at the meeting.

(Mrs. Ashlesha Bodas, Independent Director, joined the meeting a little later.)

Mr. A.K. Nemani, CFO, Mr. Anil Mehta, Joint CFO, Ms. Meenakshi Anchlia, Company Secretary, as well as our Statutory Auditors and Secretarial Auditors, are present in the meeting.

Meenakshi, I hope the quorum is available for the meeting?

**Meenakshi Anchlia, Company Secretary**

Yes, Sir. We have over 49 members present for the AGM and can commence the proceedings of the meeting.

**Pradeep Goyal, Chairman**

Thank you. The Company Secretary has informed me that we have enough quorum of members participating through video conferencing. Accordingly, the meeting is properly constituted, and I call this meeting to order. I request Meenakshi, the Company Secretary, to read the arrangements made for the members at the 66<sup>th</sup> Annual General Meeting. Over to you Meenakshi.



## Hind Rectifiers Limited

**Meenakshi Anchlia, Company Secretary**

Good afternoon, ladies and gentlemen!

Welcome to the 66<sup>th</sup> Annual General Meeting of Hind Rectifiers Limited. This meeting is being held through video conferencing in accordance with the circulars issued by the MCA, SEBI and the applicable provisions of the Companies Act, 2013. The Company has enabled the members to participate in the 66<sup>th</sup> Annual General Meeting through the video conferencing facility.

In accordance with the provisions of the Companies Act and the SEBI Listing Regulations, members have been provided with the facility to exercise their right to vote by electronic means, both through remote e-voting and e-voting at the Annual General Meeting.

Members who have not cast their votes electronically and who are participating in the meeting will have an opportunity to cast their votes during the meeting through the e-voting system provided by NSDL.

Members who have cast their vote by remote e-voting prior to the meeting shall not cast their vote again.

The Board of Directors has appointed Mr. Mahesh Soni, partner at GMJ & Associates as the scrutinizer for this meeting. Based on the scrutinizer's report, the combined results of remote e-voting and the e-voting conducted during the meeting today will be announced and displayed on the Company's website and will also be submitted to the stock exchanges, as required under the SEBI Listing Regulations.

The registers required under the Companies Act, and other relevant documents mentioned in the Notice were available for inspection. As the AGM is being held through video conferencing, the facility for appointing proxies is not applicable, and therefore, the proxy register for inspection is not available.

The Company has received requests from a few members to register them as speakers for this meeting. Accordingly, the floor will be open for these members to ask questions and express their views. We will facilitate this session once the Chairman opens the floor for questions and answers.

Thank you very much.

With this, I hand over to the Chairman.

**Pradeep Goyal, Chairman**

Thank You Meenakshi.



## Hind Rectifiers Limited

Dear Shareholders,

Once again, I Welcome you to the AGM of Hind Rectifiers Limited.

Thanks for joining us.

I would like to give the brief about the performance of the Company for the last year and the current year. After which you may pose your questions which will be suitably addressed by the Managing Director & CEO.

Firstly, the Last year 23-24 - the turnover of the Company increased from Rs 359.1 Crores to Rs 517.55 crores which is an increase of 44.13%.

EBITDA has increased from Rs 15.35 Crores to Rs 44.85 crores in fiscal 2023-24 which is 192.18%.

Profit before tax and exceptional items increased from Rs 2.08 crores to Rs. 24.68 crores in fiscal 23-24 which is an increase of 1086.54%.

Net Profit after tax for the year increased from a loss of Rs. 6.36 crores to a profit of Rs 12.51 crores which is an increase of 296.7%.

The Company's financial performance has improved substantially during the year and the Company is continuously investing time, resources and efforts to further improve the performance.

The Company is working to improve the turnover and the material cost ratio & expects an improved performance during the year 24-25.

The Company's major business continues to be with Indian Railways with a strong legacy and brand image.

Also, I am pleased to inform you all, that new plant at MIDC Sinnar which started commercial production w.e.f. March 2023 has also contributed significantly to the growth of the Company.

As we continue to build momentum, we are exploring the possibilities to further strengthen our global presence by setting up our entire international subsidiaries in UAE and EU.

For the current year 24-25 - the Company has already declared the results of the quarter ended Jun 30, 2024. Profit before tax for the quarter is Rs. 9.72 crores as against last year's Profit of Q1 of Rs. 2.63 crores & immediately preceding quarter Profit of Rs. 7.74 crores.

Now before I handover the proceedings back to the Company Secretary, I would like to take this opportunity, on behalf of Mr. Bhartia and myself, to thank the shareholders for your continued trust and belief in Hind Rectifiers Limited We are happy to have been on the board



## Hind Rectifiers Limited

of this Company and are now delighted, that the Company is doing very well and is in very safe hands.

**Meenakshi Anchlia, Company Secretary**

Thank you, Sir.

The statutory auditor and the secretarial auditor have expressed an unmodified opinion in their respective audit reports for the financial year 2023-24. There were no qualifications, observations, or adverse comments on the financial statement or matters that have a material impact on the functioning of the Company. The statutory auditor's report on the financial statement is available on page 57 of the Annual Report. The secretarial auditor's report is enclosed as Annexure A to the Board's report on page 15 of the Annual Report.

Thank you.

With this, I hand it over to the Chairman.

**Pradeep Goyal, Chairman**

Thank You.

The Notice of the 66<sup>th</sup> Annual General Meeting and the Annual Report, containing the audited financial statement for the year ended March 31, 2024, as well as the Board's and Auditors' Reports, have been sent by electronic mode to those members whose email addresses are registered with the Company or Depositories. These documents have also been made available on the Company's website. Considering this, the Notice is taken as read, along with the Auditors' Report and the entire Annual Report.

We will now take up the resolutions as set forth in the Notice. Accordingly, I will read out the resolutions.

The following ordinary resolutions are to be considered at this meeting:

Item No. 1 of the Notice: Adoption of the Audited Financial Statement of the Company, the Directors' Report, and the Auditors' Report for the financial year ended March 31, 2024.

Item No. 2 of the Notice: Declaration of a Dividend on Equity Shares for the financial year ended March 31, 2024.

Item No. 3 of the Notice: Appointment of Mrs. Akshada Nevatia as a Director liable to retire by rotation.

Item No. 4 of the Notice: Ratification of Remuneration to Cost Auditors.

And one special resolution: Item No. 5 of the Notice: Appointment of Mr. Vishal Pachariwala as an Independent Director of the Company.



## Hind Rectifiers Limited

The text of the resolutions, along with the explanatory statement, is provided in the Notice circulated to the members.

The e-voting facility will be activated for members who are participating in this meeting and have not already voted through remote e-voting. This facility will remain live for 15 minutes after the meeting.

I request Meenakshi, Company Secretary, to start the question-answer session. Meenakshi, over to you.

**Meenakshi Anchlia, Company Secretary**

Thank You Sir!

Some shareholders have registered for the Question & Answer session or to express their views. I will call the pre-registered shareholders one by one. Members are requested to unmute their microphones before speaking and to enable their webcams if they wish to appear on video. Please mention your name, folio number, and the location from where you are joining. To avoid repetition, the Board will respond to all questions at the end. Once you have asked your question, you can switch to watching the proceedings.

With that I will request shareholders.

The First Shareholder Mr. Bimal Kumar Agarwal.

**NSDL Tech Support**

The speaker shareholder is not Connected we can move to the next speaker.

**Meenakshi Anchlia, Company Secretary**

OK. The next one is Ms. Lekha Satish Shah

**Lekha Satish Shah**

Hello Am I audible sir.

**Meenakshi Anchlia, Company Secretary; NSDL Tech Support**

Yes Madam

**Lekha Satish Shah**

Thank You Sir!

Respected Chairman Sir, Board of Directors Good afternoon to all of you!



## Hind Rectifiers Limited

Myself Lekha Shah from Mumbai. First of all, I am very much thankful to our Company Secretary for sending the AGM notice well in time. Chairman Sir, please continue the video conference meeting in future. Sir, I would like to ask you few questions. My first question is What is the future of our company? My second question is How many women employees are working in our company of total employees?

Sir I strongly support all the resolutions.

Thank You Sir!

**Meenakshi Anchlia, Company Secretary**

Thank You, Madam!

The next speaker is Mahesh Kumar Bubna.

**NSDL Tech Support**

The speaker shareholder is not connected. We can move to the next speaker.

**Meenakshi Anchlia, Company Secretary**

Ok. The next one is Parekh Chetna Anil.

**NSDL Tech Support**

The speaker shareholder is not connected. We can move to the next speaker.

**Meenakshi Anchlia, Company Secretary**

Ok. The next one is Mr. Satish Jayantilal Shah.

**NSDL Tech Support**

The speaker shareholder is not connected. We can move to the next speaker.

**Meenakshi Anchlia, Company Secretary**

Ok. The next one is Mr. Rajendra Jamnadas Sheth.

**NSDL Tech Support**

The speaker shareholder is not connected. We can move to the next speaker.

**Meenakshi Anchlia, Company Secretary**

Ok. The next one is Rohit Vinod Ohri.



## Hind Rectifiers Limited

**NSDL Tech Support**

Sir you can speak. Rohit Sir, you are unmuted now. Rohit Sir, can you hear us.

**Pradeep Goyal, Chairman**

Move on.

**NSDL Tech Support**

Rohit Sir, can you hear us. We can move to the next speaker.

**Meenakshi Anchlia, Company Secretary**

Ok. Next one is Mr. Manjit Singh.

**NSDL Tech Support**

The speaker shareholder is not connected. We can move to the next speaker.

**Meenakshi Anchlia, Company Secretary**

The next one is Rajendra Jamnadas Sheth

The next one is Sanjiv Dhiresh Bhai Shah

**NSDL Tech Support**

Sanjiv Sir, please unmute the mike.

**Sanjiv Dhiresh Bhai Shah**

Hello

**NSDL Tech Support**

Yes Sir, we are able to hear you.

**Sanjiv Dhiresh Bhai Shah**

Hello Ya

Hi everyone I my question is to Suramya. In last AGM we had talk about starting the investor relationship every quarter so we are still waiting for that anyway congratulation for excellent performance year over year under your leadership. I have three questions. First of all, we have read on Hirect Linkedin Account about that Green hydrogen storage. We are pursuing with New Zealand Company. I need to have a more understanding about that on the future part of it.

## Hind Rectifiers Limited

Second in the last AGM you talk about R&D under which we have under various approval stage twenty-eight products so like to know how much products we have approve in railway and third the industrial and railway differentiate in turnover in last year and in current year or the ratio wise if you can provide that and we have also released the press note about the getting a big order of a transformer. So, this transformer is for the railway. We are also producing industrial or power transformer also. That's all.

**Meenakshi Anchlia, Company Secretary**

So, we can move to the next shareholder Mr. Dhaval Kumar Sheth.

Mr. Dhaval Pankaj Kumar Sheth

**Dhaval Pankaj Kumar Sheth**

Hello, Yes Sir.

Sir my question is what is the update of Bhandup Land. And my second question is what is the status of Kavach anti-collision safety system. Can you please give more highlights. And the last one is what is the total order book as of now and if you can give difference in between the railway and the other industries side.

Thank you.

**Meenakshi Anchlia, Company Secretary**

Sir the next shareholder is Yajat Fenil Shah.

**Yajat Fenil Shah**

Ya. Most of my questions were answered so I will refrain from asking. Congratulations on a great set of members.

**Meenakshi Anchlia, Company Secretary**

Ok Sir. Thank you.

The next shareholder is Sharad Kumar Jivraj Shah.

**NSDL Tech Support**

The speaker shareholder is not connected. We can move to the next speaker.

**Meenakshi Anchlia, Company Secretary**

The next one is Surekha Sharad Shah.





## Hind Rectifiers Limited

### **NSDL Tech Support**

The speaker shareholder is not connected. We can move to the next speaker.

### **Meenakshi Anchlia, Company Secretary**

The next one is Hitesh K.

### **Hitesh K**

Am I audible?

### **NSDL Tech Support**

Yes, Yes Sir.

### **Hitesh K**

Thanks for the opportunity. Actually, sent all my questions on e-mail. I will take them through. First could you please share some details on the new products that were developed both for the railways and the industrial applications in the last two years?

### **Mr. Suramya Nevatia, Managing Director & CEO**

Mr. Hitesh, we have received your questions and they will be answered.

### **Hitesh K**

Ok. Just a request this is the only time we get to interact with the management so please if you can answer each and every question that would be helpful in getting us insight.

### **Meenakshi Anchlia, Company Secretary**

Sir, the next one is Yashvee Kothari.

### **Yashvee Kothari**

Hello

### **Meenakshi Anchlia, Company Secretary**

Yes Sir.

### **Yashvee Kothari**

I had a couple of questions. I will start. So how is the competition intensity in the business we operate. Like is the market very fragmented or is it concentrated with few large suppliers? Second question is our EBITA margin has been very volatile over the quarters and also on the yearly basis.

## Hind Rectifiers Limited

So, if you could highlight our major raw materials and why these margins are very volatile and maybe guide us what would be the sustainable range going forward. And as highlighted by the past participant if you could also give us the execution timeline of the order book as requested. And what is the average scope of work for our products that we give to railways in a complete transit if you could you know give just approximate number and also the tender that we bid for are those single vendors or multiple vendor tenders.

The next question is do these players we have like we doing any price escalation clause with tenders issued by railways or is it very fixed contracts?

The next question is you have highlighted about the aerospace and defense opportunities but you can speak more about it and also highlight the opportunities in the railways segment that we currently cater to. And my last question would be that we have highlighted that railways is introducing DPRS stock like Vande Bharat in their fleet and we have been you know guiding that we will be providing product for those. If you could highlight the opportunities that are available in that segment. That would be and thank you very much.

**Meenakshi Anchlia, Company Secretary**

Thank you, Sir.

The next shareholder is Yusuf Yunus Rangwala.

**NSDL Tech Support**

The speaker shareholder is not connected. We can move to the next speaker.

**Meenakshi Anchlia, Company Secretary**

Thank you for all the questions.

With that, I'll hand it back to the MD Sir and Chairperson.

**Mr. Suramya Nevatia, Managing Director & CEO**

So, thank you shareholders for all your questions!

I will address them as much as I can and as much detail as possible without getting away too much of our IP information. So, we will start with.

We will start backwards questions I have received so there was question regarding train sets and other rolling stocks applications. Yes, we are supplying different products to these applications battery chargers, HPAC systems, motor, transformers and whole other bunch of products and for aerospace and defense yes, we are working with them we have got approvals to be able to supply products to them. I cannot mention the products names because it is confidential but we have just started our journey with these different applications and we hope to increase that going forward.

## Hind Rectifiers Limited

For price escalation, yes there is price creation clause which we have in the tenders. Tenders are not individual they are open tenders all approved sources can participate.

Our scope of work for railways is complete electrics of locomotive or often LHB passenger coach. So, everything that is to do is anything that is power electronics, electrical engineering, control electronics, software. All of that is in our scope. As far as margins are concerned, I would not say that they are very volatile they have been poor in the past but going forward with the improvement of the product mix, increase of products in our product portfolio, value engineering and lot of efforts for cost reduction. I think the margins would now be stable and going forward they will only improve.

Regarding the competitors, it depends on which product you talk about. In most products which are HI tech. There are very few competitors but they are all multinationals and if you talk about low tech products then there are other competitors who are not that big. To look into the order book as on date is Rs. 526 cores. Kavach also known as train collusion avoiding system. It is a signaling product, signaling and safety product. And we are already working on it since before the announcement came in the news. Bhandup land, we still have R&D going on but we have started to explore options on what we can do with it. For transformers, we primarily make it for the traction application. We have a separate segment for industrial which is converter transformers and transformer rectifiers, primarily used for air pollution control and custom jobs for industries but we don't make power plants or some other distribution plant transformer. The split between railways and industrial is about 90:10 may be 88:12 but its 90:10 is what it usually is.

For R&D products, we had twenty-eight products ongoing. Last year most of them have been completed. There were two really big ones, one of which has been cleared, I think four or five months ago. And the last big one will be cleared in the next one week. For green hydrogen yes, we have tied up with the company in Switzerland who has hydrogen storage. We have the power supplies. We are looking for a third partner and with that we plan to enter in this segment as well. It is very early and it is very initial but we are at the exploratory stage and we are quite ambitious about this opportunity. Total women in the Company is about twenty two percent. which should be somewhere around eighty or around hundred women in the Company. So, these are the questions I got today and we have received some on the e-mail and answered those as well. So new products being developed in the last two years. I will not name the products by themselves but I will say the categories. We have got some sort of tank and mechanicals fabrication products, multiple variants of motors, converters and rectifiers of all different ratings. Product percentage is ninety-ten as I already conveyed. There is sizable increase in R&D in the last three years and that investment in R&D will continue to be there. It's because of that investment you see the growth that we had this year and if we want to maintain the same momentum going forward so we will keep investing more and more in R&D to develop new technologies and new innovations.



## Hind Rectifiers Limited

The percentage of business from tender based from the industrial side. These are primarily power industries, process industries and PSUs from the industrial side. I can't really put on percentage today.

What is the cost associated with the closure of Bhandup plant besides the VRS. So VRS is primarily the major cost that is being associated with the closure of Bhandup plant. There is not much else. And as I mentioned earlier, we are exploring all options to see what we can do with that land when the time is right because right now our R&D is still running on that. The revenue contributions from the Sinnar Plant in FY 2024 has been Rs. 147.5 cores.

And I am sorry you asked the question about sales strategies. I cannot disclose that especially for the international market.

And the reason to close down the Dehradun is that is simple that is no incentives. There is a manpower a big issue. And it is too expensive for us to run a factory all the way across. It doesn't make any sense and so that's why we had to shut it down.

And I believe that all the questions have been answered.

So Meenakshi I hand over back to you.

**Meenakshi Anchlia, Company Secretary**

Thank you, Sir. Now, we can move on.

**Pradeep Goyal, Chairman**

Okay.

The Board of Directors has appointed Mr. Mahesh Soni, Practicing Company Secretary, as the scrutinizer to supervise the e-voting process. Further, I hereby authorize Meenakshi, the Company Secretary, to declare the results of the voting and to place the results on the Company's website at the earliest. The resolutions as set forth in the Notice shall be deemed to be passed today, subject to the receipt of the requisite number of votes.

I now declare the proceedings of the Annual General Meeting as completed. As mentioned earlier, the e-voting facility will continue to be available for fifteen minutes after this meeting. On behalf of the Board of Directors and the management of Hind Rectifiers, I convey our sincere thanks to all the members for attending and participating in this meeting.

Stay healthy and stay safe!

Take care and be well!

Thank you once again for attending the meeting!!!

(The meeting was concluded at 1:16 PM including the time allowed for e-voting at the AGM.)