



## HERCULES HOISTS LIMITED

Ref: KSM/CM-6

August 10, 2018

Listing Department  
The Bombay Stock Exchange Limited,  
Phiroze jeejeebhoy Towers  
Dalal Street, Mumbai- 400023  
[Scrip Code- 505720]

Listing Department,  
National Stock Exchange of India Limited  
Exchange Plaza, Bandra-Kurla Complex,  
Bandra (East), Mumbai-400051  
[Scrip Code HERCULES EQ]

Dear Sirs,

**Re: Submission Copy of Annual report 2017-18**

As per regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, we are enclosing herewith the 56<sup>th</sup> Annual Report FY 2017-18 containing Notice of Annual General Meeting, Balance Sheet, Profit & Loss Accounts and its Schedules, Auditor Report, Director Report, Management Discussion and Analysis and Corporate Governance Report.

Please note that the 56<sup>th</sup> Annual Report containing the Audited Balance Sheet of the Company as on March 31, 2018 and the statement of Profit & Loss A/c for the year ended as on that date together with the reports of the Board of Directors and Auditors' thereon be and are hereby approved and adopted in the Annual General Meeting held on August 10, 2018.

Thanking you,

**FOR HERCULES HOISTS LIMITED**  
  
**KIRAN MUKADAM**  
COMPANY SECRETARY

**Corporate Office**  
501 to 504, Shelton Cubix  
Sector 15, Plot No. 87  
CBD Belapur, New Mumbai 400614  
Maharashtra INDIA

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**Registered Office**  
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226, Jamnalal Bajaj Marg  
Mumbai 400 021, INDIA  
CIN: L45400MH1962PLC012385



# HERCULES HOISTS LIMITED

56<sup>th</sup> ANNUAL REPORT  
2017-18



*Material Handling. Delivered.*

**bajaj group**

## FINANCIAL HIGHLIGHTS

(₹ in Lakhs)

Description	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
<b>PROFIT &amp; LOSS ACCOUNT</b>							
Gross Sales	7421.63	7810.45	9803.79	10,378.15	11147.80	13,372.91	12,971.39
<b>Net Sales</b>	<b>7261.02</b>	<b>6987.36</b>	<b>8888.07</b>	<b>9,482.49</b>	<b>10093.00</b>	<b>12,034.89</b>	<b>11,789.69</b>
Sale of Power Units Generated	286.09	318.30	225.48	265.68	312.11	308.47	275.76
Other Income	980.69	1174.56	1216.47	973.12	1072.90	1,164.78	955.20
<b>Gross Revenue</b>	<b>8527.80</b>	<b>8480.22</b>	<b>10,330.02</b>	<b>10,721.29</b>	<b>11,478.00</b>	<b>13,508.14</b>	<b>13,020.65</b>
Cost of Material	4308.75	4535.78	5192.36	5,693.14	5944.02	6,518.55	6,108.04
Operating & Other Expenses	2853.49	2667.90	3223.83	3,008.93	2521.42	2,680.81	2,277.15
Interest & Finance Expenses	3.80	22.51	24.57	-	-	10.11	5.51
Depreciation/Amortisation	292.23	259.05	220.17	259.30	199.91	201.79	203.32
<b>Profit Before tax and exceptional items</b>	<b>1069.53</b>	<b>994.98</b>	<b>1,669.09</b>	<b>1,759.93</b>	<b>2,812.65</b>	<b>4,096.88</b>	<b>4,426.64</b>
Less-Exceptional Items	-	-	-	-	-	-	-
<b>Profit Before tax</b>	<b>1069.53</b>	<b>994.98</b>	<b>1,669.09</b>	<b>1,759.93</b>	<b>2,812.65</b>	<b>4,096.88</b>	<b>4,426.64</b>
Current Tax (IncomeTax)	232.26	158.53	433.13	535.40	804.97	1201.99	1,274.00
Deferred Tax	(141.12)	40.83	(86.53)	(31.48)	22.34	52.14	41.56
Adjustment for earlier years/ MAT Credit	0.00	0.00	(6.43)	(8.45)	8.95	(10.35)	19.42
<b>Profit After Tax &amp; Adjustment for earlier Years</b>	<b>978.39</b>	<b>795.62</b>	<b>1,328.92</b>	<b>1,264.46</b>	<b>1,976.39</b>	<b>2,853.10</b>	<b>3,091.66</b>
<b>Dividend / Proposed Dividend</b>	<b>400.00</b>	<b>320.00</b>	<b>480.00</b>	<b>480.00</b>	<b>480.00</b>	<b>560.00</b>	<b>560.00</b>
<b>BALANCE SHEET</b>							
Net Worth	38005.28	33929.26	18773.01	18,021.80	17400.31	15,985.50	13,787.57
Other Liabilities	47.00	41.50	36.00	39.00	37.02	31.02	23.52
Deferred Tax Liability (Net)	243.39	297.20	331.04	417.56	482.65	460.31	408.17
Current Liabilities	1405.48	1145.89	5138.74	3,052.64	3069.24	2,411.41	2,084.30
<b>Total Equity and Liabilities</b>	<b>39701.15</b>	<b>35413.85</b>	<b>24278.79</b>	<b>21531.01</b>	<b>20989.23</b>	<b>18888.25</b>	<b>16303.57</b>
Fixed Assets -Gross (including Capital WIP)	4073.79	3829.37	4967.69	4,907.01	4630.83	4,531.62	4,468.70
Fixed Assets- Net	3523.63	3570.72	2621.47	2,684.11	2746.47	2,846.47	2,976.84
Investments	26044.08	20472.47	5139.49	4,362.40	3977.95	2,427.95	2,259.27
Other Assets	455.20	1011.95	1369.68	1,553.52	1016.68	915.91	489.93
Current Assets	9678.24	10358.71	15148.15	12,930.97	13248.13	12,697.92	10,577.53
<b>Total Assets</b>	<b>39,701.15</b>	<b>35,413.85</b>	<b>24,278.79</b>	<b>21,531.00</b>	<b>20,989.23</b>	<b>18,888.25</b>	<b>16,303.57</b>
<b>RATIOS and STATISTICS</b>							
Proprietary Ratio	0.96:1	0.93: 1	0.77: 1	0.83:1	0.83: 1	0.85: 1	0.85: 1
Debt Equity Ratio	0:1	0: 1	0: 1	0: 1	0: 1	0: 1	0: 1
Current Ratio	6.88:1	9.04:1	2.95: 1	4.24:1	4.32 : 1	5.27 : 1	5.07 : 1
Return on Proprietor's Fund	2.57%	2.34%	7.08%	7.02%	11.36%	17.85%	22.42%
Return on Capital Employed	2.80%	2.97%	8.85%	9.52%	15.70%	24.93%	31.17%
Operating Ratio	43.38%	42.21%	39.03%	34.47%	26.96%	24.04%	21.09%
Net Profit Ratio	13.47%	11.39%	14.95%	13.33%	19.58%	23.71%	26.22%
Dividend Per Share (Rs.)	1.25	1.00	1.50	1.50	1.50	1.75	3.50
Earning per Equity Share (Rs.)	3.06	2.49	4.15	3.95	6.18	8.92	19.32
Price Earning Ratio	34.20	61.29	34.89	43.95	18.62	11.75	13.13
Book Value per Equity Share (Rs.)	118.77	106.03	58.67	56.32	54.38	49.95	86.17
No.of Equity Shareholders	10845	9,754	8,213	8,207	9,648	9,816	9,146
No.of Employees	136	132	122	119	121	116	113

**Note:** 1) Proprietary Ratio = (Equity Capital + Reserves & Surplus - Miscellaneous Expenses) / Total Assets  
2) Debt Equity Ratio = Debt / Equity  
3) Current Ratio = Current Assets / Current Liabilities  
4) Return on Proprietor's Funds = Profit After Tax / (Equity Capital + Reserves & Surplus - Miscellaneous Expenses)  
5) Return on Capital Employed = Profit Before Interest & Tax / (Equity Capital + Reserves & Surplus+ Non Current Liabilities - Miscellaneous Expenses)  
6) Operating Ratio = (Operating & Other Expenses+Depreciation/Amortisation+Interest & Finance Expenses) / Net Sales  
7) Net Profit Ratio = Profit After Tax / Net Sales  
8) Price Earning Ratio=Market Price Per Share/ Earning Per Share

**Note:** Ratios of FY 2017-18 and FY 2016-17 have been calculated based on financials prepared under IND AS and ratios of FY 2011-12 to FY 2015-16 have been calculated based on financials prepared under IGAAP.



# HERCULES HOISTS LIMITED

56<sup>th</sup> ANNUAL REPORT 2017-2018

## BOARD OF DIRECTORS

Shekhar Bajaj - *Chairman*  
Vinaya L Mehrotra  
H A Nevatia (*Whole-time Director*)  
Klaus Carl Uebel  
Naresh Chandra  
Kishorilal F Jhunjunwala  
Mukul M Upadhyaya  
Gaurav V Nevatia  
Shruti Jatia  
Vandan Shah  
Darius J Kakalia (*Alternate Director to Shri K C Uebel*)

## MANAGEMENT TEAM

Prakash Subramaniam (*President & CEO*)  
Vivek Mahendru (*Vice President-Operations*)  
Vijay Singh (*Chief Financial Officer*)  
Vilas Kakade (*General Manager-Sales & Marketing*)  
Kailas Menon (*General Manager- Supply Chain Management*)

## COMPANY SECRETARY

Kiran Mukadam

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## BANKERS

HDFC Bank, Axis Bank,  
Bank of Maharashtra, Yes Bank

## AUDITORS

Kanu Doshi Associates LLP - *Chartered Accountants*

## COST AUDITORS

R Nanabhoy and Co. - *Cost Accountants*

## SECRETARIAL AUDITORS

S N Ananthasubramaniam & Co. - *Company Secretaries*

**CIN:** L454 00MH1962PLC012385

**Website:** www.indef.com

## ANNUAL GENERAL MEETING

On Friday, August 10, 2018 at Kamalnayan Bajaj Hall,  
Ground floor, Bajaj Bhavan, 226, Jamnalal Bajaj Marg,  
Nariman Point, Mumbai 400021

**Note:** Members are requested to kindly bring their  
copies of the Annual Report to the Meeting along with the  
attendance slip on page no. 75

## REGISTERED OFFICE

Bajaj Bhawan, 2nd Floor, 226, Jamnalal Bajaj Marg,  
Nariman Point, Mumbai, 400021 (MH)

## CORPORATE OFFICE

501 - 504, Shelton Cubix, Plot No. 87, Sector 15  
CBD Belapur, Navi Mumbai, 400614 (MH)  
Tel.: 022-45417300/01/05



## NOTICE

**NOTICE** is hereby given that the 56<sup>th</sup> **Annual General Meeting of the Members of Hercules Hoists Limited** will be held at Kamalnayan Bajaj Hall, Ground Floor, Bajaj Bhavan, 226, Jamnalal Bajaj Marg, Nariman Point, Mumbai 400021 on **Friday, August 10, 2018 at 11.30 a.m.** to transact the following businesses :-

1. To receive, consider and adopt the audited statement of Profit and Loss Account for the year ended March 31, 2018 and the Balance Sheet as at that date and Report of Directors and Auditors thereon.
2. To declare dividend for the financial year ended March 31, 2018.
3. To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an Special Resolution:  
“**RESOLVED THAT** Shri Naresh Chandra [DIN No. 00027696], who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby appointed as Director”
4. To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an Special Resolution:  
“**RESOLVED THAT** Shri K F Jhunjhunwala [DIN No. 00055822], who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby appointed as Director”

### **Special Business**

5. To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:  
“**RESOLVED THAT** pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, the remuneration payable of Rs. 45000/- plus service tax, reimbursement of out of pocket expenses to Cost Auditor, M/s R Nanabhoy & Co, Cost Accountants appointed by the Board of Directors of the Company, for the financial year 2018-19, be and are hereby ratified and confirmed.

### **NOTES:**

1. A member entitled to attend and vote is allowed to appoint a proxy to attend and vote instead of himself and a proxy need not be a member. In order to be effective, the proxy form duly completed and stamped must reach the registered office of the company not later than 48 hours before the time of holding of the meeting. 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. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from August 4, 2018 to August 10, 2018 both days inclusive.
3. Payment of Dividend, if sanctioned, will be made after August 10, 2018
4. Members holding shares physically are requested to notify immediately any change in address to the Company.
5. Members desirous of asking any questions at the Annual General Meeting are requested to send in their questions as to reach the Company at least 10 days before the Annual General Meeting, so that the same can be suitably replied.
6. As per section 101 and 136 of the Companies Act, 2013 read together with the Rules made thereunder, electronic copies of the Annual Report 2017-18 and the Notice of the 56th AGM are sent to all members whose email addresses are registered with the Company / Depository Participant(s). For members who have not registered their email addresses, physical copies of the Annual Report 2017-18 and the Notice of the 56th AGM are sent in the physical mode.
7. All documents referred to in the accompanying Notice and Explanatory statement shall be open for inspection at the Registered Office of the Company during the office hours on all working days up to the date of the Annual General Meeting of the Company.
8. The Company is providing e-voting facility to all members to enable them to cast their votes electronically on all resolutions set forth in the Notice. This is pursuant to section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014.
9. The Companies can send various notices/documents to its shareholder through electronic mode to the registered email addresses of shareholders. Accordingly, members are requested to intimate their email address to the Company's Registrar and Share Transfer Agent. Please note that as a member of the Company, you are entitled to receive on request a physical copy of the said documents in accordance with the provisions of the Companies Act, 2013.

**Explanatory Statements under the Companies Act, 2013 and SEBI (LODR) Regulations 2015:****Item No. 3**

As per section 152 (6) of the Companies Act, 2013, Shri Naresh Chandra [DIN No. 00027696] is liable to retire by rotation and being eligible, he has offered himself for reappointment . As per regulation no. 17 (1A) of the SEBI (LODR) Amendment Regulations 2018, approval of the shareholders vide special resolution is required in case a Director seeking appointment, has attained the age of 75. Accordingly, your approval is sought for the re-appointment of Shri Naresh Chandra as a Director of the Company, as his age is 83 years. He is Director of the Company since 1972. He has vast experience in overall management and engineering industry. He attends Board & Committee Meetings and actively participates in discussions. The Board of Directors of your Company feel that his continued contribution on various matters will be in the interest of the Company. The Board recommends passing of the Special Resolution as set out in item No. 3 of the Notice.

None of the Directors, Key Managerial Personnel and relatives thereof other than Shri Naresh Chandra are concerned or interested in the said Resolution.

**Item No. 4**

As per section 152 (6) of the Companies Act, 2013, Shri K F Jhunjunwala [DIN No. 00055822] is liable to retire by rotation and being eligible, he has offered himself for reappointment . As per regulation no. 17 (1A) of the SEBI (LODR) Amendment Regulations 2018, approval of the shareholders vide special resolution is required in case a Director seeking appointment has attained the age of 75. Accordingly, your approval is sought for the re-appointment of Shri K F Jhunjunwala as a Director of the Company, as his age is 81 years. He attends Board & Committee Meetings and actively participates in discussions. He is an industrialist having vast experience in business and manufacturing activities. The Board of Directors of your Company feel that his continued contribution on various matters will be in the interest of the Company. The Board recommends passing of the Special Resolution as set out in item No. 4 of the Notice.

None of the Directors, Key Managerial Personnel and relatives thereof other than Shri K F Jhunjunwala are concerned or interested in the said Resolution.

**Item No. 5**

The Board of Directors of the Company on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s R Nanabhoy & Co., Cost Accountants, to conduct the audit of the cost records of the Company for the financial year 2018-19. In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is to be ratified by the Members of the Company. Accordingly, the Members are requested to ratify the remuneration payable to the Cost Auditors as set out in the Resolution for the aforesaid services to be rendered by them. The Board recommends passing of the Ordinary Resolution as set out in item No. 5 of the Notice.

None of the Directors, Key Managerial Personnel of the Company and their relatives, are in any way concerned or interested in the said Resolution.

**On behalf of the Board of Directors**

Dated : 22/05/2018  
Place : Mumbai

**Shekhar Bajaj**  
Chairman  
(DIN No. 00089358)

**DIRECTORS' REPORT**

Dear Members,

We present our **56<sup>th</sup> Annual Report** together with the Audited Financial Accounts for the year ended **March 31, 2018**:

**1. Financial Results**

(Rs. In Lakhs)

<b>Financial Results</b>	<b>As on March 31, 2018</b>	<b>As on March 31, 2017</b>
Revenue from Operations and other Incomes	<b>8,702.70</b>	9,330.57
Profit before Finance Cost & Depreciation	<b>1,365.57</b>	1,276.54
Less- Finance Cost	<b>3.80</b>	22.51
Less-Depreciation	<b>292.23</b>	259.05
Profit Before Taxes	<b>1,069.55</b>	994.98
Provision for Taxation for the year (including deferred tax and earlier year's income-tax adjustment )	<b>91.15</b>	199.37
Profit After Taxes	<b>978.40</b>	795.61

**2. Dividend**

The Directors recommend for consideration of the shareholders at the Annual General Meeting payment of dividend of Rs. 1.25 per Equity Share of Re.1.00 for the year ended March 31, 2018 as against Rs.1.00 per Equity Shares of Re.1.00 in the previous year.

**3. Operations**

The revenue from operations of Rs. 7,707.73 Lakhs is 5.18% lower than last year's revenue from operations of Rs. 8,128.75 Lakhs. The net profit of Rs. 978.40 Lakhs is 22.97% more, as compared to last year's net profit of Rs. 795.61 lakhs

Investment in capital goods and heavy industries is still to pick up. The Company is hopeful that with various steps taken by the government, the situation should improve during the course of the year. The implementation of Theory of Constraints (ToC) based demand and supply management system model adopted by the Company last year is progressing satisfactorily and it is slowly showing result in customer and supplier management as also debtor and inventory areas. The Companies is actively pursuing to add new / enhanced product lines in Companies portfolio. This should help the Company in offering wider range of the product.

The Company's 4 Windmills produced 54.04 Lakhs units of energy in the current year, as against 58.75 Lakhs units of energy produced in the previous year.

**4. Directors and Key Managerial Personnel-Changes**

As per section 152 (6) of the Companies Act, 2013, Shri Naresh Chandra and Shri K F Jhunjunwala are liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment . As per regulation no. 17 (1A) of the SEBI (LODR) Amendment Regulations 2018, approval of the shareholders vide special resolution is required in case a Director seeking appointment, if he has attained the age of 75. Accordingly, resolutions seeking Members' approval vide special resolution for approval of appointments are given in the notice with explanatory statement.

The members at the Annual General Meeting dated August 9, 2017 had approved re-appointment of Shri H A Nevatia as a Director in Whole-time employment of the Company with effect from November 22, 2017 for a period of three years.

**5. Declaration by Independent Directors**

The Independent Directors have submitted the Declaration of Independence, as required pursuant to section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as provided in sub-section (6).

**6. Auditors****A) Statutory Auditors**

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules made thereunder, the auditors of the Company, M/s. Kanu Doshi Associates LLP, Chartered Accountants, Mumbai were appointed in the previous Annual General Meeting of the Company by the shareholders for five years terms at the 55th Annual General Meeting to hold office until the conclusion of the 60th Annual General Meeting.

As per Companies (Audit and Auditors) Amendment Rules, 2014 dated 07/05/2018, the provision regarding ratification of auditor at every Annual General Meeting is omitted. Further, the appointment of statutory auditor is not being ratified at the Annual General Meeting of the Company, as it is no longer required. Accordingly, M/s Kanu Doshi Associates, LLP Auditor of the Company will hold office till the conclusion of the 60th Annual General Meeting of the Company

**B) Cost Auditors**

Pursuant to Section 148 of the Companies Act, 2013 and rules made thereunder, the Board of Directors had, on the recommendation of the Audit Committee, appointed M/s R Nanabhoy & Co. Cost Accountants, to audit the cost accounts of the Company for the financial year 2018-19 at a remuneration of Rs. 45,000/-plus service tax, reimbursement of out-of pocket expenses, subject to ratification by the shareholders at ensuing Annual General Meeting. Accordingly, a resolution seeking Members' ratification for the remuneration payable to Cost Auditors is given in the notice.

**C) Secretarial Auditors**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the rule made thereunder, the Company has appointed M/s S N Ananthasubramaniam & Co, Company Secretaries, to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report is annexed herewith as "Annexure C".

**7. Significant and Material orders passed by the Regulators or Court**

During the year in review, there were no significant and material orders passed by the Regulators or Courts or tribunals, which may impact the going concern status of the Company and its operations in future.

**8. Internal Control over system and financial reporting**

The Company has adequate internal control systems to monitor its operations and also the Company has policies and procedure in place for reliable financial reporting.

**9. Material Changes & Commitments**

There have been no material changes and commitments, affecting the financial position of the company, which have occurred between the end of the financial year of the company and the date of this report.

**10. Presentation of Financial Results**

The financial results of the Company for the year ended March 31, 2018 have been disclosed as per Schedule III of the Companies Act, 2013.

The financial statements up to year ended March 31, 2017 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules 2006 as amended and other relevant provisions of the act.

The annexed financial statements comply in all material aspects with Indian Accounting Standards (IND AS) notified as per Companies (Indian Account Standard) Rules 2015 under section 133 of the Companies Act 2013 and other relevant provisions of the act.

These financial statements are the first financial statements of the Company under IND AS. Detailed information on the impact the transition from previous GAAP to IND AS is provided in the annexed to financial statement.

**11. Risk Management Policy**

Information on the development and implementation of a risk management policy for the company including identification therein of elements of risk which in the opinion of the board may threaten the existence of the Company is given in the annexed Management Discussion and Analysis.

**12. Corporate Social Responsibility (CSR)**

Detailed information on CSR Policy developed and implemented by the Company on CSR initiatives taken during the year pursuant to section 134 & 135 of the Companies Act 2013 is given in the "Annexure A".

**13. Directors' Responsibility Statement**

As required under section 134(3)(c) of the Companies Act, 2013 Directors, to the best of their knowledge and belief, state that-

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the Directors had prepared the annual accounts on a going concern basis;
- e) the Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.


**14. Vigil Mechanism**

The details of the Vigil Mechanism Policy covered under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 are explained in the Corporate Governance Report and also posted on the website of the Company.

**15. Directors' Remuneration Policy and Criteria for matters under section 178**

Information regarding Directors' Remuneration Policy & criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of Section 178 are provided in the annexed Corporate Governance Report.

**16. Corporate Governance**

Detailed reports on matters relating to Corporate Governance and Management Discussion and Analysis Report under SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, are annexed as part of this Annual report together with the report of Practicing Company Secretary on its compliance thereon.

**17. Particulars of Employees**

The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting.

**18. Particulars of Loans, Guarantees or Investments**

Details of Loans, Guarantees and Investments, if any covered under the provisions of Section 186 of the Companies Act, 2013 are given in note No. 8 and 17 to the Financial Statements.

**19. Number of Meetings of the Board and Audit Committee**

During the year, four Board Meetings and four Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report.

**20. Formal Annual Evaluation of the performance of Board, its Committees and Directors**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, the Board has carried out an annual performance evaluation of its own performance, Board as a whole and committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

**21. Related Party Transactions**

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions made by the Company with Promoters, Directors and Key Managerial Personnel which may have a potential conflict with the interest of the Company. The policy on Related Party Transactions as approved by the Board is placed on the Company's website.

**22. Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace**

The Company has in place an Anti-Sexual Harassment Policy and Internal Complaints Committee (ICC) to redress complaints received regarding sexual harassment in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. All employees are covered under this policy. There were no Complaints received during the year.

**23. Energy Conservation, Technology Absorption and Foreign Exchange Earning and Outgo**

The information on conservation of energy, technology absorption, foreign exchange earning and outgo etc. to the extent applicable stipulated under section 134 (3) (m) of the Companies Act, 2013 read with Rule no. 8 of the Companies (Accounts) Rules, 2014 is set out in "Annexure A" annexed hereto.

**24. Extract of Annual Return**

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as "Annexure B"

**25. Industrial Relations**

The relationship with the employees continued to remain cordial during the year.

Your Directors take this opportunity to thank the Banks, Government authorities, Regulatory authorities, Stock exchanges, Employees and all Stakeholders for their continued co-operation and support to the Company.

**On behalf of the Board of Directors**

Dated : 22/05/2018  
Place : Mumbai

**Shekhar Bajaj**  
Chairman  
(DIN No. 00089358)

## ANNEXURE A

Information as required under section 134 of the Companies Act, 2013 read with the Rule No. 8 of the Companies (Accounts) Rules, 2014 and Rule no. 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014.

**I) Particulars of contracts or arrangements with related parties referred to section 188 (1) of the Companies Act, 2013 prescribed in form AOC-2 (Pursuant to section 134 (3) (h) of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)-**

- 1) Details of contracts or arrangements or transactions not at arm's length basis: NIL
- 2) Details of material contracts or arrangement or transactions at arm's length basis: NIL

**II) Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgoings:**

**A. Conservation of Energy**

The Company's manufacturing process is not energy intensive. The details of energy consumption and costs are as follows:-

**i. Power and Fuel Consumption**

Particulars		2017-18	2016-17
(a) Electricity Purchased	Units	2,90,667	3,38,651
	Total Amount (Rs.)	32,15,030	36,09,200
	Rate/Unit (Rs.)	11.06	10.66
(b) Own Generation Electricity	Units	4,482	3,111
	Units per litre of Diesel Oil	2.62	2.61
	Diesel Cost (Rs.)	2,70,000	1,80,000
	Rate/Unit (Rs.)	23.00	22.36
2,3 & 4.Coal,Furnace Oil, Others/Internal Generation		NIL	NIL

**ii. Consumption per Unit of Production**

From the records and other books maintained by the Company in accordance with the provisions of the Companies Act, 2013, the Company is not in a position to give the required information for the current year as well as the previous year.

**B. Technology Absorption**

The efforts of the Company's design and development team have been instrumental in improving the designs and quality of the Company's products. Products upgraded during the year include the Light Weight and competitive Chain Hoists series and Wire Rope Hoist with standardized parts and capacities which will reduce the variety of number of products. Steps have also been taken to enhance the levels of standardization in various products to capitalize the inherent benefits.

**C. Foreign Exchange Earnings & Outgoings**

(Rs. in Lakhs)

Particulars	2017-18	2016-17	Particulars	2017-18	2016-17
Foreign Exchange Earnings	NIL	5.02	Foreign Exchange Outgo	5.52	772.74

**III) Annual report under the Companies (Corporate Social Responsibility Policy) Rules, 2014**

a.	A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes:	The Corporate Social responsibility (CSR) activities of Bajaj Group are guided by the vision and philosophy of its Founding Father, late Shri Jamnalalji Bajaj, who embodied the concept of Trusteeship in business and common good, and laid the foundation for ethical, value-based and transparent functioning. The objective of CSR policy is to undertake CSR activities to do overall good to the community, with special emphasis on activities for the benefit of the poor and needy sections of the society. The CSR Policy is placed on <a href="http://www.indef.com">www.indef.com</a>
b.	Composition of the CSR Committee:	<ol style="list-style-type: none"> <li>1) Shri Shekhar Bajaj- Chairman</li> <li>2) Shri H A Nevatia- Member</li> <li>3) Shri Mukul Updhyaya- Member (Independent Director)</li> <li>4) Smt. Shruti Jatia- Member (Independent Director)</li> </ol>



c.	Average net profit of the Company for last three financial years:	Rs. 11,70,49,039/-
d.	Prescribed CSR Expenditure for FY 2017-18 (2% of the amount as in item 'c' above):	Rs. 23,40,981/-
e.	CSR Project Details	<ul style="list-style-type: none"> <li>A Krida Vikas project is an effort taken to inculcate the sports culture in Karjat and villages around Karjat. The lack of facilities for sports from government aided schools have been unsuccessful in generating interest in sports within the upcoming generations.</li> <li>The Krida Vikas project caters to 15 schools in the periphery, 1 school amongst the beneficiary schools has been chosen as sports academy. The project has been benefitting 200 students for the sports training conducted at the Krida Prabodhini (Central Academy). The identification of trainers, resource persons and requirement of equipment was made with help of experts in particular sports and personnel through Hercules Hoists. Resource persons &amp; coaches have made the training more interesting with help of advanced training methods.</li> <li>As most of the students are from rural community, they have inherited swiftness and endurance required in sports. The right amount of training and technique has been gaining good results.</li> <li>It is being implemented through Hercules Hoists Charitable Trust (HHCT) with the help of Seva Sahyog Foundation.</li> <li>The activities of the projects included to participate in sports events such as Kabbadi, mallakhamb, Kho-Kho, Running, Shortput, Discuss Throw, Chess, Archery, Boxing, marathons, volleyball, table tennis, badminton court, to arrange health check up, to arrange sessions for students and Sport teachers.</li> <li>The students have developed liking for the sports facilities provided in the schools. The students have also started development in technique and skills in their sports. As the project has unfolded, students have won in various sports competitions conducted on school &amp; district level.</li> <li>The support for project is required to be extended for the next year with improvisation in facilities, training and sustenance of the project.</li> </ul>
f.	Details of CSR spend for the financial year 2017-18:	The project cost was Rs. 63 Lakhs. The amount spent on the project during the year is Rs.50,08,600/- till March 31, 2018.
g.	Reason for not spending the prescribed expenditure in "d" above.	<ol style="list-style-type: none"> <li>There were delays in implementation of CSR project by the partner organization.</li> <li>Each project is implemented plan wise and funds are released post monitoring the completion of each phase.</li> <li>The unspent amount on CSR projects of Rs. 1,34,59,203/- since has been committed [From FY 2014-15 to FY 2017-18] is being carried forward to next financial year with the approval of Board of Directors.</li> </ol>
h.	Responsibility statement, of the CSR Committee, that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company duly signed by Director and Chairperson of the CSR Committee.	The CSR Committee has ensured that the implementation and monitoring of CSR policy is in compliance with CSR objectives and Policy of the Company.

**Shekhar Bajaj**  
Chairman  
(DIN No. 00089358)

**H A Nevatia**  
Whole-time Director  
(DIN No. 00066955)

**ANNEXURE B****EXTRACT OF ANNUAL RETURN [Form No. MGT-9] AS ON FINANCIAL YEAR ENDED MARCH 31, 2018**

[U/s 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Mgt. and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS**

i)	CIN:-	L45400MH1962PLC012385
ii)	Registration Date	15-06-1962
iii)	Name of the Company	Hercules Hoists Limited
iv)	Category / Sub-Category of the Company	Public Company/Limited by Shares
v)	Address of the Registered office and contact details	Bajaj Bhavan, 2nd Floor, Jamnalal Bajaj Marg, Nariman Point, Mumbai -400021 Tel-022-22022109
vi)	Whether listed company Yes / No	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Universal Capital Securities Pvt. Ltd. 21, Shakil Niwas, Opp. Satya Saibababa Temple, Mahakali Caves Road, Andheri (East), Mumbai 400 093. Tel. (022) 28207203-04-05; 28257641; Fax : (022) 28207207 E-Mail : Info@unisec.in; Website : http://www.unisec.in

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY** (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

SN	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Lifting and Handling Equipments	2816	96.35%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-** Not Applicable**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)****i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April -2017]				No. of Shares held at the end of the year [As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter s</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	83,24,720	-	83,24,720	26.01	70,44,720	-	70,44,720	22.01	(4.00)
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	1,39,06,000		1,39,06,000	43.46	1,52,31,000		1,52,31,000	47.60	4.14
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
<b>Sub Total (A) (1)</b>	<b>2,22,30,720</b>	<b>-</b>	<b>2,22,30,720</b>	<b>69.47</b>	<b>2,22,75,720</b>	<b>-</b>	<b>2,22,75,720</b>	<b>69.61</b>	<b>0.14</b>
<b>(2) Foreign</b>									
a) NRIs – Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp..	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
<b>Sub Total (A) (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total shareholding of Promoter (A)=(A) (1)+ (A)(2)</b>	<b>2,22,30,720</b>	<b>-</b>	<b>2,22,30,720</b>	<b>69.47</b>	<b>2,22,75,720</b>	<b>-</b>	<b>2,22,75,720</b>	<b>69.61</b>	<b>0.14</b>



<b>(2) Foreign</b>									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp..	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
<b>Sub Total (A) (1)</b>	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Promoter (A)=(A) (1)+ (A)(2)</b>	2,22,30,720	-	2,22,30,720	69.47	2,22,75,720	-	2,22,75,720	69.61	0.14
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	20,017	-	20,017	0.06	28,966	-	28,966	0.09	0.03
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FPIs	-	-	-	-	5,214	-	5,214	0.02	0.02
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	<b>20,017</b>	<b>-</b>	<b>20,017</b>	<b>0.06</b>	<b>34,180</b>	<b>-</b>	<b>34,180</b>	<b>0.11</b>	<b>0.05</b>
<b>2. Non-Institutions</b>									
<b>a) Bodies Corp.</b>									
i) Indian	4,76,639	-	4,76,639	1.49	4,46,921	-	4,46,921	1.40	(0.09)
ii) Overseas	-	16,00,000	16,00,000	5.00	-	16,00,000	16,00,000	5.00	-
<b>b) Individuals</b>									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	38,54,776	1,87,584	40,42,360	12.63	40,96,647	1,69,384	42,66,031	13.33	0.70
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	17,43,542	7,76,480	25,20,022	7.88	17,90,913	-	17,90,913	5.60	(2.28)

c) Others (specify)									
NRI	43,175	-	43,175	0.13	1,82,016	-	1,82,016	0.57	0.44
Clearing Members	1,54,623	-	1,54,623	0.48	1,71,177	-	1,71,177	0.53	0.05
Trusts	25,314	-	25,314	0.08	20,314	-	20,314	0.06	(0.02)
Director & Relatives	8,87,400	-	8,87,400	2.77	8,87,400	-	8,87,400	2.77	-
Foreign National	-	-	-	-	306	-	306	0.00	0.00
HUF	-	-	-	-	3,13,615	-	3,13,615	0.98	0.98
IEPF	-	-	-	-	11,407	-	11,407	0.04	0.04
<b>Sub-total (B)(2):-</b>	<b>71,85,199</b>	<b>25,64,064</b>	<b>97,50,063</b>	<b>30.47</b>	<b>79,20,716</b>	<b>17,69,384</b>	<b>96,90,100</b>	<b>30.28</b>	<b>(0.19)</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>72,05,216</b>	<b>25,64,064</b>	<b>97,69,280</b>	<b>30.53</b>	<b>79,54,896</b>	<b>17,69,384</b>	<b>97,24,280</b>	<b>30.39</b>	<b>(0.14)</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total (A+B+C)</b>	<b>2,94,35,936</b>	<b>25,64,064</b>	<b>3,20,00,000</b>	<b>100.00</b>	<b>3,02,30,616</b>	<b>17,69,384</b>	<b>3,20,00,000</b>	<b>100.00</b>	<b>-</b>

## ii) Shareholding of Promoter

SN	Shareholder's Name	Shareholding at 01-04-2017			Share holding at 31-03-2018			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encum. to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Anant Bajaj	16,64,000	5.20	-	16,64,000	5.20	-	-
2	Kiran Bajaj	5,80,000	1.81	-	5,80,000	1.81	-	-
3	Kumud Bajaj	9,14,000	2.86	-	9,14,000	2.86	-	-
4	Madhur Bajaj	6,06,400	1.90	-	6,06,400	1.90	-	-
5	Niraj Bajaj	10,94,400	3.42	-	10,94,400	3.42	-	-
6	Niraj Bajaj - Trust	5,52,000	1.73	-	5,52,000	1.73	-	-
7	Rahulkumar Bajaj	14,640	0.05	-	14,640	0.05	-	-
8	Sanjivnayan Bajaj	2,400	0.01	-	2,400	0.01	-	-
9	Shekhar Bajaj	9,06,400	2.83	-	9,06,400	2.83	-	-
10	Sunaina Kejriwal	19,90,480	6.22	-	7,10,480	2.22	-	(4.00)
11	Bachhraj Factories Private Limited	12,35,280	3.86	-	12,35,280	3.86	-	-
12	Bajaj Holdings & Investment Limited	62,51,040	19.53	-	62,51,040	19.53	-	-
13	Bajaj Sevashram Private Limited	18,68,000	5.84	-	18,68,000	5.84	-	-
14	Jamnalal Sons Private Limited	41,51,680	12.97	-	54,76,680	17.11	-	4.14
15	Shekhar Holdings Private Limited	4,00,000	1.25	-	4,00,000	1.25	-	-
		<b>2,22,30,720</b>	<b>69.47</b>	<b>-</b>	<b>2,22,75,720</b>	<b>69.61</b>	<b>-</b>	<b>0.14</b>

iii) **Change in Promoters' Shareholding:** Smt. Sunaina Kejriwal transferred internally 12,80,000 equity share to Jamnalal Sons Private Limited on 25/08/2017 and also Jamnalal Sons Private Limited purchased 45,000 equity shares on 22/09/2017 from Market.


**iv) Shareholding Pattern of top ten Shareholders: (other than Directors and Promoters)**

SN	For Each of the Top 10 Shareholders	Shareholding at 01-04-2017		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Heinrich De Fries Gmbh				
	At the beginning /end of the year	16,00,000	5.00	16,00,000	5.00
2	Nirmal P Jhunjunwala				
	At the beginning/end of the year	11,94,000	3.73	11,94,000	3.73
3	Bishwanath Prasad Agrawal				
	At the beginning/end of the year	3,33,000	1.04	3,33,000	1.04
4	Suvarna Commercial Private Limited				
	At the beginning of the year	1,53,000	0.48	1,53,000	0.48
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	8,000	0.03 (19-05-2017)	1,45,000	0.45
	At the end of the year	1,45,000	0.45	1,45,000	0.45
5	Pradeep Kumar Nevatia				
	At the beginning/end of the year	1,29,413	0.40	1,29,413	0.40
6	Prabhat Nevatia				
	At the beginning of the year	7,76,480	2.43	7,76,480	2.43
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	(2,58,826)	(0.81) (26/5/2017)	5,17,654	1.62
		(2,588,26)	(0.81) (02/06/2017)	2,58,828	0.81
		(513)	(0.00) (16/06/2017)	2,58,315	0.81
		(1,500)	(0.00) (30/06/2017)	2,56,815	0.80
		(1,29,413)	(0.40) (28/07/2017)	1,27,402	0.40
		(902)	(0.00) (01/12/2017)	1,26,500	0.40
	At the end of the year	1,26,500	0.40	1,26,500	0.40
7	Pankaj Kumar Nevatia				
	At the beginning of the year	98,649	0.31	98,649	0.31
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease	30,764	0.10 (02/06/2017)	1,29,413	0.40
		(1,000)	0.00 (09/06/2017)	1,28,413	0.40
		(2,000)	(0.01) (16/06/2017)	1,26,413	0.40
		(5,500)	(0.02) (23/06/2017)	1,20,913	0.38
		(356)	0.00 (28/07/2017)	1,20,557	0.38
		(4,000)	(0.01) (25/08/2017)	1,16,557	0.36
		(2,000)	(0.01) (08/09/2017)	1,14,557	0.36
		(2,500)	(0.01) (22/09/2017)	1,12,057	0.35

		(8,000)	(0.03) (01/12/2017)	1,04,057	0.33
		(2,408)	(0.01) (08/12/2017)	1,01,649	0.32
		(1,000)	0.00 (30/12/2017)	1,00,649	0.31
		(2,000)	(0.01) (05/01/2018)	98,649	0.31
	At the end of the year	98,649	0.31	98,649	0.31
<b>8</b>	Suvarna Kumari Agrawal				
	At the beginning /end of the year	92,000	0.29	92,000	0.29
<b>9</b>	Sunil Gunvantlal Gandhi				
	At the beginning of the year	77,230	0.24	77,230	0.24
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	50	0.00 (18/08/2017)	77,280	0.24
	At the end of the year	77,280	0.24	77,280	0.24
<b>10</b>	Fair Intermediate Investment Pvt Ltd				
	At the beginning of the year	22,700	0.07	22,700	0.07
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	47,000	0.15 (07/04/2017)	69,700	0.22
		(5,000)	(0.02) (21/04/2017)	6,4700	0.20
		(12,000)	(0.04) (05/05/2017)	52,700	0.16
		7,000	0.02 (26/05/2017)	59,700	0.19
		(47,000)	(0.15) (04/08/2017)	12,700	0.04
		40,100	0.13 (30/09/2017)	52,800	0.17
		15,800	0.05 (03/11/2017)	68,600	0.21
		(22,000)	(0.07) (10/11/2017)	46,600	0.15
		(100)	0.00 (15/12/2017)	46,500	0.15
		(26,500)	(0.08) (05/01/2018)	20,000	0.06
		(10,000)	0.03 (09/02/2018)	30,000	0.09
		(20,000)	(0.06) (16/02/2018)	10,000	0.03
		49,000	0.15 (09/03/2018)	59,000	0.18
		16,640	0.05 (16/03/2018)	75,640	0.24
	At the end of the year	75,640	0.24	75,640	0.24

Note: All increase and decrease in individual shareholders as mentioned above are due to market trading.


**v) Shareholding of Directors and Key Managerial Personnel**

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at 01-04-2017		Shareholding at 31-03-2018	
		No. of Shares	% of total share capital of the Company	No. of Shares	% of total share capital of the Company
1	Shri Shekhar Bajaj	9,06,400	2.83	9,06,400	2.83
2	Shri K C Uebel	-	-	-	-
3	Shri Mukul M Upadhyaya	-	-	-	-
4	Shri Naresh Chandra	-	-	-	-
5	Shri K F Jhunjhunwala	8,80,000	2.75	8,80,000	2.75
6	Shri Vinaya L Mehrotra	-	-	-	-
7	Shri Gaurav V Nevatia	-	-	-	-
8	Shri H A Nevatia	1,600	0.01	1,600	0.01
9	Smt Shruti Jatia	-	-	-	-
10	Shri Vandan Shah	-	-	-	-
11	Shri Darius J Kakalia	-	-	-	-
12	Shri Prakash Subramaniam	-	-	-	-
13	Shri Vijay Singh	-	-	-	-
14	Shri Kiran Mukadam	1	0.00	1	0.00

**V) INDEBTEDNESS** - Indebtedness of the Company including interest outstanding/accrued but not due or payment = NIL

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL.**

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:			C. Remuneration to Key Managerial Personnel Other Than MD/Manager/ WTD :			
SN	Particulars of Remuneration	H A Nevatia (WTD) Rs. in Lakhs	Key Managerial Personnel Rs. in Lakhs			
			CEO	CS	CFO	Total
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3.00	89.59	6.12	19.08	117.79
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.32	0.53	-	0.23	1.08
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission as % of profit	-	-	-	-	-
5	Others, please specify	-	-	-	-	-
	<b>Total</b>	<b>3.32</b>	<b>90.12</b>	<b>6.12</b>	<b>19.31</b>	<b>118.87</b>

**B. Remuneration to other directors:** The details of remuneration for other Directors is given under the heading "Remuneration of Directors" of Corporate Governance Report.

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES FOR COMPANY/DIRECTORS/OTHER OFFICER IN DEFAULT: NIL**

**ANNEXURE C****Form No. MR-3****SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
**The Members,**  
**Hercules Hoists Limited**  
**CIN L45400MH1962PLC012385**  
 Bajaj Bhawan, 2nd floor, 226,  
 Jamnalal Bajaj Marg, Nariman Point Mumbai – 400021

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Hercules Hoists Limited** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

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

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

- i. The Companies Act, 2013 (the Act) the rules made thereunder ;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings – **Not Applicable**;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 - **Not Applicable as the Company has not issued any securities during the period under review**;
  - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **Not Applicable as the Company has not made any offer of its stock or shares to its employees during the period under review**;
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008- **Not Applicable as the Company has not issued and listed any debt securities during the financial year under review**;
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client – **Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review**;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - **Not applicable as the Company has not delisted its equity shares from any Stock Exchange during the financial year under review**; and
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 – **Not applicable as the Company has not bought back any of its securities during the financial year under review**.
- vi. The Company has informed that there are no laws which are specifically applicable to the Company.

We have also examined compliance with the applicable provisions of the following:-

- (i) Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India;
- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above

**We further report that: -**

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and a Woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all Directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent atleast seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All decisions of the Board and Committee thereof were carried with requisite majority.

**We further report that** based on review of compliance mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by the Company Secretary and taken on record by the Board of Directors at their meeting(s), we are of the opinion that there are adequate systems and processes in place in the Company which is commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines: -

- As informed, the Company has responded appropriately to notices received from various statutory / regulatory authorities including initiating actions for corrective measures, wherever found necessary.

**We further report that** during the audit period there were no specific events / actions having a major bearing on Company's affairs in pursuance of the above-referred laws, rules, regulations, guidelines, standards, etc., referred to above.

**For S. N. ANANTHASUBRAMANIAN & CO.**

**Company Secretaries**

**Firm Registration No. P1991MH040400**

**Malati Kumar**

**Partner**

**ACS : 15508**

**COP No. : 10980**

**Date : 30th April, 2018**

**Place : Thane**

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To,  
The Members,  
**Hercules Hoists Limited**  
**CIN L45400MH1962PLC012385**  
Bajaj Bhawan, 2nd Floor,  
226, Jamnalal Bajaj Marg, Nariman Point, Mumbai - 400021

**Our Secretarial Audit Report for the Financial Year ended 31st March, 2018, of even date, is to be read along with this letter.**

**Management's Responsibility**

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

**Auditor's Responsibility**

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

**Disclaimer**

5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
6. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

**For S. N. ANANTHASUBRAMANIAN & CO.**

**Company Secretaries**

**Malati Kumar**

**Partner**

**ACS : 15508**

**COP No. : 10980**

**Date : 30th April, 2018**

**Place : Thane**

### VOTING THROUGH ELECTRONIC MEANS

- A)** In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation no. 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 ensuing Annual General Meeting (AGM) 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 AGM will be provided by National Securities Depository Limited (NSDL).
- B)** The facility for voting through poll paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by e-voting shall be able to exercise their right at the meeting through poll paper
- C)** The members who have cast their vote by e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- D)** The e-voting period commences on August 7, 2018 (9:00 am) and ends on August 9, 2018 (5:00 pm). During this period, members' of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of August 3, 2018, may cast their vote by e-voting. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- E)** The process and manner for remote e-voting are as under:
- i. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/ Depository Participants(s)], Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password.
  - ii. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy], the EVEN (Remote e-voting Event Number) USER ID PASSWORD/PIN is provided in separate enclosed letter.
  - iii. Steps:
    1. Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
    2. Click on Shareholder – Login
    3. Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
    4. Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
    5. Home page of e-voting opens. Click on e-voting: Active Voting Cycles.
    6. Select "EVEN" of "Hercules Hoists Limited".
    7. Now you are ready for e-voting as Cast Vote page opens.
    8. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
    9. Upon confirmation, the message "Vote cast successfully" will be displayed.
    10. Once you have voted on the resolution, you will not be allowed to modify your vote.
    11. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [Shareholders\\_grievance@indef.com](mailto:Shareholders_grievance@indef.com) and [scrutinizer@snaco.net](mailto:scrutinizer@snaco.net) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
    12. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990
    13. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of August 3, 2018
    14. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. August 3, 2018, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [karlekar@unisec.in](mailto:karlekar@unisec.in).
    15. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
    16. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of e-voting /voting at the AGM through poll paper.
    17. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Poll Paper" for all those members who are present at the AGM but have not cast their votes by availing the e-voting facility.
    18. The Scrutinizer (M/s S N Ananthasubramaniam & Co., Practising Company Secretary, Thane) 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 e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
    19. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company and on the website of NSDL 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 the BSE /NSE. The resolution shall be deemed to be passed at the Annual General Meeting of the Company scheduled to be held on August 10, 2018.

**MANAGEMENT DISCUSSION AND ANALYSIS****Industry Structure and Development :**

The equipment and solutions offered by your Company are capital equipment used for unitized material handling. They are used across varied industrial verticals like automotive and auto-ancillary, energy & power sector, metal and metal processing sector, infrastructure sector, food processing sector, logistics, textile industry and petro-chemical refineries amongst others. The usage is across the industry spectrum: private or public sector, large to micro and even contractors.

Your Company's product range covers Mechanical Hoists (Chain Pulley Blocks, Ratchet Lever Hoists, Pulling & Lifting Machines), Electric Chain Hoists, Wire Rope Hoists, Cranes (HOT, EOT, Light Profile, JIB Crane, Crane kits), Storage and Retrieval Solutions (including Floor Operated Stackers and Roll Out Racks), Manipulators / Special Solutions (Ergonomic Handling Solutions), Manipulators, Trolleys and Conductors.

Your Company now has two facilities: one at Khalapur and the other at Hinjewadi, Pune. The Company's quality systems are certified to ISO: 9001-2008 standards by TUV Nord. Furthermore, the Chain Pulley Blocks are also certified to ISI and CE standards. The operations of the Company are supported by a bank of suppliers / vendors for various components and your Company is making continuous efforts to improve the quality and capabilities of its supply chain partners.

Your Company's products are brought to customers by a strong nationwide network of channel partners and regional sales offices. The Company has also set up its Regional Offices in Pune, Delhi, Kolkata and Chennai to extend market support to the channel partners and develop business for cranes and solutions business.

Your Company has installed 4 wind turbines of 1.25 MW generation capacity each in Dhule District, Maharashtra between 2005 and 2006.

**Opportunities and Threats:**

Your Company places a very high emphasis on product and technology development and engineering. During the year, your Company continued to develop and upgrade the technology in its in-house developed line of Cranes, Electric Chain Hoists series and Wire Rope Hoists. The focus on design and development has enabled the Company to strongly and effectively meet the competition emanating from various local and international players in the market. Furthermore, the focus on application support has paid off with the Company being able to place its high-end products and solutions in hitherto untapped sectors.

**Financial Review / Segment wise Performance:**

The revenue from operations of Rs. 7,707.73 Lakhs is 5.18% lower than last year's revenue from operations of Rs. 8,128.75 Lakhs. The net profit of Rs. 978.40 Lakhs is 22.97% more, as compared to last year's net profit of Rs. 795.61 lakhs

**Segment Performance:**

(Rs. in lakhs)

Name of the segment	Segment Revenue for the year 2017-18	Segment Revenue for the year 2016-17
Materials Handling Equipment's	7,421.64	7,810.44
Windmill Segment	286.09	318.30

**Internal Control Systems and their adequacy:**

The Company has adequate internal control systems commensurate with its size and nature of business. The Company has engaged the services of a reputed Internal Audit firm. The report of the Internal Auditor is reviewed regularly by the Audit Committee of the Board of Directors and corrective actions are taken by the Management.

**Risks and Concerns:**

Every business has inherent element of uncertainties owing to uncertain factors and managing risk is very critical for success of the enterprise. The Company has a Risk Assessment and Management Policy, wherein the Company has identified key risks, such as, Market Information (increasing market share), Competition Risk (strengthening marketing set-up), New Products Development (strengthening R & D activities), Employee Risk (reducing attrition rates and retaining employees) and Credit Risk (recovery of outstanding dues) etc. Risk minimization / mitigation steps are regularly undertaken and reports are placed before the Audit Committee Meetings and Board Meetings.

**Business Out-look:**

The Company's business is directly linked to investments in new projects, expansion of existing capacities and positive sentiments in industrial production activities. While no significant projects or new investments have been announced in the customer sectors, the market feedback seems to reflect an air of cautious optimism and we look forward to the industrial pace picking up in the coming months.

**Development in Human Resources / Industrial Relations front:**

Your Company recognizes the employees as critical asset of the organization and lays due emphasis on all round development of its human resources. A number of programmes and initiatives were carried out during the year. Industrial relations during the year has been cordial and contributed to mutual development.

**Cautionary Statement:**

Statements in the Management Discussion and Analysis, describing the Company's growth prospects, are forward-looking statements. The actual results may vary, depending upon economic conditions, raw-material prices, government policies, regulations, tax laws and other incidental factors.

**On behalf of the Board of Directors**

Dated : May 22, 2018  
Place : Mumbai

**Shekhar Bajaj**  
Chairman  
(DIN No. 00089358)

**CORPORATE GOVERNANCE REPORT****COMPANY'S PHILOSOPHY**

The Company's philosophy on Corporate Governance aims at ethical corporate behaviour and always strives to achieve optimum performance at all levels by adhering to good corporate governance practices. The Company has put in place the systems to comply with all the rules, regulations and requirements mentioned in SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

**BOARD OF DIRECTORS****Composition of the Board**

A non-executive (Promoter) Chairman heads the Board and one-half of the Directors are 'Independent'. The Independent Directors do not have any pecuniary relationship or transactions with the Company, promoters or management, which may affect their judgment in any manner. There is no relationship between Directors inter-se. The policy formulation, evaluation of performance and the control functions vest with the Board.

The Composition of the Board, attendance at Board Meetings (BM) held during the financial year under review and the last Annual General Meeting (AGM) and number of directorships and memberships/chairmanships in other companies are given below.

Name of the Director	Category	No. of Shares held in the Company	Financial Year ended March 31, 2018		Other directorships	No. of Committee Position held in other Companies.	
			BM	AGM		Chairman	Member
Shri Shekhar Bajaj - Chairman	NED (Promoter)	9,06,400	04	Yes	11	-	1
Shri Naresh Chandra	NED (Promoter)	-	02	Yes	04	-	-
Shri H A Nevatia	ED	1,600	03	Yes	01	-	-
Shri K F Jhunjhunwala	NED	8,80,000	03	Yes	03	-	-
Shri Vinaya L Mehrotra	NED (ID)	-	04	Yes	01	2	-
Shri Mukul M Upadhyaya	NED (ID)	-	04	Yes	-	-	-
Shri Gaurav V Nevatia	NED (ID)	-	03	Yes	-	-	-
Smt Shruti Jatia	NED (ID)	-	03	Yes	06	-	-
Shri K C Uebel	NED	-	01	NA	-	-	-
Shri Darius J Kakalia, Alternate Director (representing Shri K C Uebel Director of the Company)	NED	-	03	Yes	05	1	5
Shri Vandan Shah	NED (ID)	-	04	Yes	04	-	-

[NED – Non Executive Director; ED - Executive Director; BM- Board Meetings, ID: Independent Director]

During the financial year under review, four Board Meetings were held on May 30, 2017, August 9, 2017, November 10, 2017 and February 14, 2018 and the Annual General Meeting of the Company was held on August 9, 2017.

**Board Procedure**

A detailed agenda folder is sent to each Director in advance of Board and Committee Meetings. To enable the Board to discharge its responsibilities effectively, the Chairman, Whole-time Director and the President & CEO review the overall Company's performance. In addition to the legal matters compulsorily required to be dealt, the Board also reviews:

- Strategy and business plans
- Approval of quarterly results/annual results.
- Listing requirements, attending to shareholders' grievances, etc.
- Annual operating and capital expenditure budgets and any updates
- Investment of Company's funds.
- Compliance with statutory/regulatory requirements and review of major legal issues.
- Any other matter which is serious in nature or requires the attention of the Board.

**AUDIT COMMITTEE**

The terms of reference of this committee cover the matters specified for Audit Committee under SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 as well as in section 177 of the Companies Act, 2013. The Audit Committee comprised of Shri Vinaya L Mehrotra, Chairman, Shri H A Nevatia, Shri Gaurav V Nevatia and Shri Mukul M Upadhyaya, all of whom are Independent Directors, except Shri H A Nevatia.

During the year under review, the Audit Committee met four times, viz on May 30, 2017, August 9, 2017, November 10, 2017 and February 14, 2018. Shri Vinaya Mehrotra and Shri Mukul M Upadhyaya attended all four Meetings. Shri Gaurav Nevatia and Shri H A Nevatia attended three meetings. Shri Vinaya Mehrotra was present at the Annual General Meeting of the Company held on August 9, 2017, to answer the shareholders' queries, as a Chairman of the Audit Committee.

#### **STAKEHOLDER RELATIONSHIP COMMITTEE**

The Committee consists of two Non Executive Directors, viz. Shri Naresh Chandra, Chairman and Shri K F Jhunjunwala, Member. The Committee looks into the redressal of shareholders complaints and grievances and all other matters incidental or related to shares, debentures and other securities of the Company, if any.

During the year under review, one complaint was received by the Company from a shareholder. The Committee met on March 20, 2018 and both members attended the committee meeting. As on date of this report, there are no unresolved shareholders complaints. The Secretarial Department endeavours to resolve the shareholders complaints within prescribed time.

#### **CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE**

The Committee consists of four members, viz, Shri Shekhar Bajaj, Chairman, Shri H A Nevatia, Shri Mukul M Upadhyaya (Independent Director) and Smt Shruti Jatia (Independent Director). The Committee provides guidance and monitor various CSR activities to be undertaken by the Company, as per CSR Policy. During the year under review, the Committee met on November 10, 2017. All members attended the meeting.

#### **NOMINATION AND REMUNERATION COMMITTEE (NRC)**

The Committee consists of three members, viz Shri Vinaya L Mehrotra, Chairman, Shri Gaurav V Nevatia, who are Independent Directors and Shri K F Jhunjunwala, who is Non-Executive Director of the Company.

The terms of reference of this committee cover the matters specified for Nomination & Remuneration Committee under SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 as well as in section 178 of the Companies Act, 2013. During the year under review, the Committee met on May 30, 2017 and February 14, 2018. Shri Vinaya Mehrotra attended both meetings. Shri Gaurav Nevatia and Shri K F Jhunjunwala attended one meeting

#### **COMPLIANCE OFFICER**

Shri Kiran Mukadam, Company Secretary of the Company is Compliance Officer of the Company.

#### **BOARD TRAINING AND INDUCTION**

As a part of familiarisation programme, the Company arranged a factory visit and also explained in detail about the new Products, competition in the industry, Present and future outlook of engineering industry, order position, process of Theory of Constraints, assembly process etc. The details of such familiarization programmes are placed on website of the Company [www.indef.com](http://www.indef.com)

#### **PERFORMANCE EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Board has carried out the annual performance evaluation of its own performance and that of its Committees and Individual Directors. A structured questionnaire covering various criteria's of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and corporate governance was circulated to all the Directors. The said criteria are placed on the Company's website.

Based on the said criteria, rating sheets were filled by each Director with regard to evaluation of performance of the Board, its Committees and Directors (except for the Director being evaluated). A consolidated summary of the ratings given by each of the Director was then prepared. On the basis of summarized evaluation statements, the performance was reviewed by the Board, Nomination & Remuneration Committee and Independent Directors in their meetings held on February 14, 2018. The Directors expressed their satisfaction with the evaluation process.

#### **VIGIL MECHANISM / WHISTLE BLOWER POLICY**

The Whistle Blower policy / Vigil Mechanism provides a mechanism for the Director/employee to report violations without fear of victimization any unethical behavior, suspected or actual fraud, violation of the Code of Conduct etc. which are detrimental to the organization's interest. The mechanism protects a Whistle Blower from any kind of discrimination, harassment, victimization or any other unfair employment practice. The Directors in all cases & employees in appropriate or exceptional cases have direct access to the Chairman of the Audit Committee. The said Policy is placed on the website of the Company.

#### **POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION**

The Nomination and Remuneration (N&R) Committee adopted a policy which deals with the manner of determining qualifications, positive attributes and independence of a director and remuneration for the Directors, Key Managerial Personnel, and other employees. The said policy is placed on the website of the Company. The summarized features of the policy are as follows-

1. An Independent Director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, operations or other disciplines related and beneficial to the company's business.



2. An Independent Director shall be a person of integrity, who possesses relevant expertise & experience and who shall uphold ethical standards of integrity and probity; act objectively and constructively; exercise his responsibilities in a bona-fide manner in the interest of the company; devote sufficient time and attention to his professional obligations for informed and balanced decision making; and assist the company in implementing the best corporate governance practices.
3. An Independent Director should meet the requirements of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 concerning independence of directors.
4. Remuneration
  - a) Remuneration to Non-Executive Directors (NED's):  
NED's shall be paid a sitting fee for every meeting of the board and committee thereof attended by them as member. NED's shall not be entitled to any commission on net profit of the Company.
  - b) Remuneration to Key Managerial Personnel & other employees:  
Remuneration to Executive Director/ Key Managerial Personnel and Senior Management will be such as to ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks and may involve a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals. While deciding the remuneration package, current employment scenario and remuneration package of the industries operating in the similar comparable businesses in the geographical area of its operations should be considered. The company has no stock options, plans and hence, such instruments do not form part of their remuneration package.

#### REMUNERATION OF DIRECTORS

All the Directors, other than the Whole-time Director, are paid remuneration by way of a sitting fee at Rs.30,000/- for each of the Board / Audit Committee Meeting and Rs.20,000/- for other meetings attended by them. Shri H A Nevatia, Whole-time Director was paid a remuneration which is within the limits specified under the Companies Act, 2013. The details of remuneration paid to the Directors during the year 2017-18 are as follows:-

SN	Name of the Directors	Particulars of Remuneration (Rs. in Lakhs)			
		Fee for attending Board Committee & Other Meetings	Commission	Remuneration	Total
<b>1</b>	<b>Independent Directors</b>				
	Shri Vinaya L Mehrotra	3.00	-	-	3.00
	Shri Mukul Upadhyaya	2.80	-	-	2.80
	Shri Gaurav V Nevatia	2.20	-	-	2.20
	Smt Shruti Jatia	1.10	-	-	1.10
	Shri Vandan Shah	1.40	-	-	1.40
	<b>Total (1)</b>				<b>10.50</b>
<b>2</b>	<b>Other Non-Executive Directors</b>				
	Shri Shekhar Bajaj	1.40	-	-	1.40
	Shri K F Jhunjhunwala	1.30	-	-	1.30
	Shri Naresh Chandra	0.80	-	-	0.80
	Shri K C Uebel	0.30			0.30
	Shri Darius J Kakalia (Alternate Director to Shri K C Uebel)	0.90	-	-	0.90
	<b>Total (2)</b>				<b>4.70</b>
<b>3</b>	<b>Shri H A Nevatia</b>	-	-	3.32 plus other benefits	<b>3.32</b>
	<b>Total Managerial Remuneration (1) to (3)</b>				<b>18.52</b>

#### DISCLOSURES REGARDING RE-APPOINTMENT / APPOINTMENT OF DIRECTORS

Brief resumes of Directors seeking re-appointment/appointment are given below as per regulation no. 36 (3) of the SEBI (LODR) Regulation 2015:

##### 1) Shri Naresh Chandra

Shri Naresh Chandra, aged 83 years, is M.A. and Diploma in Business Administration (U.K.). He is an industrialist and he has been a Director of your Company since 20th September, 1972. He was the Managing Director of M/s. Kaycee Industries Limited from 1968 to 2002. He has vast experience in overall management. He is the Chairman of Endurance Technologies Limited, Varroc Engineering Limited, Varroc Polymers Private Limited, Durovalves India Private Limited.

**2) Shri K F Jhunjunwala**

Shri K F Jhunjunwal, aged 81 years, is a diploma holder in textile manufacturing with distinction from VJIT, Mumbai. He is an industrialist having vast experience in business viz cotton, export-import, real estate development, stock broking etc. He is a member of National Stock Exchange of India Limited and sub-broker of BSE Ltd. He has been a director of your Company since 16th March 1995. He became a director of East India Cotton Association in 1985 and was elected President on 23rd November 2002. He was the member of the Executive Committee of Indian Merchants Chambers, Mumbai and a Committee member of western region of FICCI. He is also connected with various trusts and social organisation. He is past president and life member of Lions Club of Malad, Borivali. He is also Director of the Bearbull Securities Private Limited, Shree Shakti Housing & Dev Pvt Ltd., JCO Component Pvt Ltd.

**DISCLOSURES**

- i) During the year 2017-18, the Company did not pass any resolution through Postal Ballot. No Special Resolution is proposed to be conducted through Postal Ballot in the immediate future.
- ii) All transactions entered into with Related Parties as defined under the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 during the financial year were in the ordinary course of business and on an arms length pricing basis. The particulars/details of transactions between the Company and its related parties as per the Accounting Standards are set out in the Notes forming parts of the Accounts. These transactions are not likely to have any conflict with the Company's interest. The Board approved a policy for related party transactions which is placed on the website of the Company. The web link for the said policy is [www.indef.com](http://www.indef.com).
- iii) All details relating to financial and commercial transactions, where Directors may have a potential interest, are provided to the Board, and interested Directors neither participate in the discussion, nor do they vote on such matters.
- iv) The Company has laid down the procedures to inform Board Members about the risk assessment and mitigation procedures. The Board is periodically informed about different risks and its minimization procedures.
- v) The Board Diversity Policy is placed on the website of the Company.
- vi) During the year, the Board periodically reviewed compliance reports with respect to the various laws applicable to the Company, as prepared and placed before it by the Management.
- vii) There are no instances of non-compliances by the company necessitating imposition of penalties, strictures on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years except
  - a) payment of penalty of Rs.45000/- each paid to BSE and NSE for non-submission of un-audited financial results for the quarter ended June 30, 2015 under Clause 41 of the Listing Agreement
  - b) payment of penalty of Rs.75000/- each paid to BSE and NSE for non-submission of fourth quarter/audited financial results for financial year ended March 31, 2016 under SEBI(Listing Obligations and Disclosure Requirements) Regulations 2015.
- viii) In preparation of financial statement, the Company has followed the applicable Accounting Standard referred to in Section 133 of the Companies Act, 2013.
- ix) The Company has complied with all mandatory requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015.
- x) The Company has not complied with non-mandatory requirements.

**GENERAL MEETINGS OF THE COMPANY**

Financial Year	Type of Meeting and Date	Venue	Time	No. of Special Resolutions	Details of Special Resolution
2016-17	Annual General Meeting on 09-08-2017	Kamalnayan Bajaj Hall, Bajaj Bhavan, Ground Floor, 226, Nariman Point, Mumbai 400 021	11.30 A.M..	01	Re-appointment of Shri H A Nevatia as a Whole-time Director for the period 22 <sup>nd</sup> November 2017 to 21 <sup>st</sup> November 2020
2015-16	Annual General Meeting on 12-08-2016	Cultural Hall, 4th Floor, Yeshwantrao Chavan Centre, Genreal J. B. Marg, Nariman Point, Mumbai 400 021	4.30 P.M.	NIL	-
2014-15	Annual General Meeting on 10-08-2015	Kamalnayan Bajaj Hall, Bajaj Bhavan, Ground Floor, 226, Nariman Point, Mumbai 400 021	11.30 A.M.	1	Re-appointment of Shri H A Nevatia as a Whole-time Director for the period 22 <sup>nd</sup> November 2014 to 21 <sup>st</sup> November 2017


**MEANS OF COMMUNICATION TO THE SHAREHOLDERS**

- (i) The Company has its own web-site and all vital information relating to the Company and its performance, including quarterly results, annual report and any other information prescribed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 are placed on the web-site -site -[www.indef.com](http://www.indef.com).
- (ii) The Company has set-up a designated e-mail ID (**Shareholders\_grievance@indef.com**) exclusively for the shareholders/ investors to lodge their complaints/grievances and information about the said e-mail ID has been posted on the Company's website.
- (iii) The Investor Complaints are processed in a centralized web based Complaints redress system through SEBI SCORES.
- (iv) The Company promptly reports BSE Limited (BSE) and National Stock Exchange of India Limited (NSE), wherein its equity shares are listed, all the material information including declaration of quarterly/half yearly and annual financial results in the prescribed formats.
- (v) The Financial Results are communicated by way of an advertisement in 'Free Press Journal' in English and in 'Navshakti' newspaper in Marathi having wide circulation, immediately after the results are approved at the Board Meeting.

**GENERAL SHAREHOLDER INFORMATION:**

(a)	Registered Office	Bajaj Bhawan, 2 <sup>nd</sup> floor, 226, Jamnalal Bajaj Marg, Nariman Point, Mumbai 400 021.																													
(b)	Plant Location	Factory Location: 1) 43/2B, Savroli Kharpada Road, Dhamani, Khalapur 410202 (MH) 2) 255/2, Hinjawadi, Pune 411057 (MH) (To be shifted to Chakan) 3) 446/3 Nighoje (Chakan), Khed, Pune 410501 Four Windfarms [1.25 M.W. capacity each]- situated at Khori-Titane, Amkhel, Phophade [All from Dhule District, Maharashtra]																													
(c)	Correspondence Address	501-504, Shelton Cubix, Sector 15, Plot 87, CBD Belapur, Navi Mumbai 400614 (MH) Tel. (022) 45417300/301/305 Email: indef@indef.com & Shareholders_grievance@indef.com																													
(d)	Date, Time and Venue of Annual General Meeting	<b>Date and Time: August 10, 2018 at 11.30 A.M.</b> <b>Venue:</b> Kamalnayan Bajaj Hall, Bajaj Bhavan, Ground floor, 226, Jamnalal Bajaj Marg Nariman Point, Mumbai 400 021																													
(e)	Financial Year	1 <sup>st</sup> April ,2017 to 31 <sup>st</sup> March, 2018																													
(f)	Financial Calendar	a) First Quarterly Result - August 9, 2017 b) Second Quarterly Result- November 10, 2017 c) Third Quarterly Result- February 14, 2018 d) Fourth Quarterly Result- May 22, 2018																													
(g)	Tentative Financial Calendar for FY 2018-19	a) First Quarterly Result – Before 14th August, 2018 b) Second Quarterly Result- before 14th November, 2018 c) Third Quarterly Result- before 14th February, 2019 d) Fourth Quarterly Result- before 30th May, 2019																													
(h)	Dates of Book Closure	August 4, 2018 to August 10, 2018																													
(i)	Dividend and payment date	Dividend of Rs.1.25/- per share has been recommended by the Board of Directors and subject to the approval of the members at the ensuing Annual General Meeting will be paid within 30 days from date of Annual General Meeting.																													
(j)	Bonus Issue to the shareholders since incorporation	<table><tr><th>Sl. No.</th><th>FY</th><th>Ratio of Bonus shares</th></tr><tr><td>1.</td><td>1975</td><td>1 : 1</td></tr><tr><td>2.</td><td>1979</td><td>1 : 1</td></tr><tr><td>3.</td><td>1985</td><td>1 : 3</td></tr></table>			Sl. No.	FY	Ratio of Bonus shares	1.	1975	1 : 1	2.	1979	1 : 1	3.	1985	1 : 3	<table><tr><th>Sl. No.</th><th>FY</th><th>Ratio of Bonus shares</th></tr><tr><td>4.</td><td>1997</td><td>1 : 1</td></tr><tr><td>5.</td><td>2006</td><td>1 : 1</td></tr><tr><td>6.</td><td>2012</td><td>1 : 1</td></tr></table>			Sl. No.	FY	Ratio of Bonus shares	4.	1997	1 : 1	5.	2006	1 : 1	6.	2012	1 : 1
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Sl. No.	FY	Ratio of Bonus shares																													
4.	1997	1 : 1																													
5.	2006	1 : 1																													
6.	2012	1 : 1																													
(k)	CIN & Listing Details	CIN: L45400MH1962PLC012385; ISIN: INE688E01024																													
		Listing Details																													
		The BSE Limited, Phiroze jeejeebhoy Towers Dalal Street, Mumbai- 400023 [Scrip Code- 505720]			National Stock Exchange of India Limited Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai-400051 [Scrip Code HERCULES EQ]																										
		For the FY 2017-18, the Company have paid listing fee in full before due date.																													

(l)	Registrar and Share Transfer Agent	Universal Capital Securities Pvt. Ltd. 21, Shakil Niwas, Opp. Satya Saibababa Temple, Mahakali Caves Road, Andheri (East), Mumbai 400 093. Tel. (022) 28207203-04-05; 28257641; Fax : (022) 28207207 E-Mail : info@unisec.in; Website : http://www.unisec.in																																																																																																	
(m)	Share Transfer	The Company has a Share Transfer Committee consisting of Shri Shekhar Bajaj, Shri Naresh Chandra and Shri H A Nevatia. The applications for transfer of shares are approved and the Certificates are dispatched /kept ready for delivery within prescribed time, if the documents are complete in all respects.																																																																																																	
(n)	Investor Grievances Redressal System	The shareholder complaints are handled by the Company's Registrar and Share Transfer Agent M/s Universal Capital Securities Private Limited in consultation with the Secretarial Department of the Company																																																																																																	
(o)	Dematerialization of shares	<p>The shares of the Company are in compulsory demat segment and available for trading in the depository systems of both National Securities Depository Limited [NSDL] and Central Depository Services (India) Limited [CDSL]. 30,230,616 equity shares of the Company representing 94.47% of the Company's shares are held in electronic form as on March 31, 2018.</p> <p>The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments and as such, there is no impact on equity.</p>																																																																																																	
(p)	Stock Exchange Data	<table><tr><th rowspan="2">Month</th><th colspan="3">BSE</th><th colspan="3">NSE</th></tr><tr><th>High</th><th>Low</th><th>Volume</th><th>High</th><th>Low</th><th>Volume</th></tr><tr><td>April 2017</td><td>183.70</td><td>154.10</td><td>6,05,651</td><td>183.80</td><td>153.25</td><td>17,52,536</td></tr><tr><td>May 2017</td><td>175.80</td><td>150.10</td><td>3,42,022</td><td>175.60</td><td>148.10</td><td>9,11,898</td></tr><tr><td>June 2017</td><td>163.70</td><td>149.10</td><td>1,95,414</td><td>163.50</td><td>148.50</td><td>8,17,229</td></tr><tr><td>July 2017</td><td>156.15</td><td>146.00</td><td>1,12,098</td><td>156.00</td><td>145.10</td><td>4,06,763</td></tr><tr><td>Aug. 2017</td><td>155.00</td><td>125.00</td><td>17,21,815</td><td>155.00</td><td>127.00</td><td>12,48,917</td></tr><tr><td>Sept. 2017</td><td>156.40</td><td>137.70</td><td>4,39,652</td><td>156.15</td><td>138.00</td><td>11,53,663</td></tr><tr><td>Oct. 2017</td><td>153.00</td><td>138.60</td><td>1,56,911</td><td>152.90</td><td>138.70</td><td>7,52,643</td></tr><tr><td>Nov. 2017</td><td>164.45</td><td>133.35</td><td>5,13,783</td><td>164.50</td><td>132.90</td><td>20,18,738</td></tr><tr><td>Dec. 2017</td><td>158.00</td><td>140.00</td><td>2,29,059</td><td>158.60</td><td>152.00</td><td>8,18,429</td></tr><tr><td>Jan. 2018</td><td>161.40</td><td>140.25</td><td>2,98,150</td><td>162.00</td><td>140.00</td><td>11,06,314</td></tr><tr><td>Feb. 2018</td><td>145.30</td><td>126.00</td><td>77,043</td><td>146.00</td><td>124.20</td><td>3,50,562</td></tr><tr><td>Mar. 2018</td><td>128.75</td><td>102.10</td><td>1,78,660</td><td>127.95</td><td>102.10</td><td>3,03,588</td></tr></table> <p><b>Note:</b> High and Low are in rupees per traded share. Volume is the total monthly no. of shares traded (in numbers in the Company's shares on the respective stock Exchange).</p>	Month	BSE			NSE			High	Low	Volume	High	Low	Volume	April 2017	183.70	154.10	6,05,651	183.80	153.25	17,52,536	May 2017	175.80	150.10	3,42,022	175.60	148.10	9,11,898	June 2017	163.70	149.10	1,95,414	163.50	148.50	8,17,229	July 2017	156.15	146.00	1,12,098	156.00	145.10	4,06,763	Aug. 2017	155.00	125.00	17,21,815	155.00	127.00	12,48,917	Sept. 2017	156.40	137.70	4,39,652	156.15	138.00	11,53,663	Oct. 2017	153.00	138.60	1,56,911	152.90	138.70	7,52,643	Nov. 2017	164.45	133.35	5,13,783	164.50	132.90	20,18,738	Dec. 2017	158.00	140.00	2,29,059	158.60	152.00	8,18,429	Jan. 2018	161.40	140.25	2,98,150	162.00	140.00	11,06,314	Feb. 2018	145.30	126.00	77,043	146.00	124.20	3,50,562	Mar. 2018	128.75	102.10	1,78,660	127.95	102.10	3,03,588
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(q)	Shareholding Pattern as on March 31, 2018																																																																																																		
	<p>Directors and their relatives 2.77%</p> <p>General Public 22.62%</p> <p>OCB 5.00%</p> <p>Promoter 69.61%</p>	<table><tr><th>Particulars</th><th>No. of Equity Shares held</th><th>%</th></tr><tr><td>Promoters</td><td>2,22,75,720</td><td>69.61</td></tr><tr><td>Overseas Corporate Bodies</td><td>16,00,000</td><td>5.00</td></tr><tr><td>General Public</td><td>72,36,880</td><td>22.62</td></tr><tr><td>Directors and their relatives, not part of the Promoter Group.</td><td>8,87,400</td><td>2.77</td></tr><tr><td>Total</td><td>3,20,00,000</td><td>100.00</td></tr></table>	Particulars	No. of Equity Shares held	%	Promoters	2,22,75,720	69.61	Overseas Corporate Bodies	16,00,000	5.00	General Public	72,36,880	22.62	Directors and their relatives, not part of the Promoter Group.	8,87,400	2.77	Total	3,20,00,000	100.00																																																																															
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(r)	<b>Distribution of shareholding as on March 31, 2018</b>																																																		
	<table><tr><th>No. of Equity Shares held</th><th>No. of share-holders</th><th>% of share-holders</th><th>No. of shares held</th><th>% of share-holding</th></tr><tr><td>Upto 500</td><td>9,499</td><td>87.59</td><td>11,55,352</td><td>03.61</td></tr><tr><td>501 – 1000</td><td>664</td><td>06.12</td><td>5,45,133</td><td>01.70</td></tr><tr><td>1001 – 2000</td><td>328</td><td>03.02</td><td>5,01,873</td><td>01.57</td></tr><tr><td>2001 – 3000</td><td>94</td><td>00.87</td><td>2,39,818</td><td>00.75</td></tr><tr><td>3001 – 4000</td><td>62</td><td>00.57</td><td>2,27,838</td><td>00.71</td></tr><tr><td>4001 –5000</td><td>32</td><td>00.30</td><td>1,49,970</td><td>00.47</td></tr><tr><td>5001 – 10000</td><td>68</td><td>00.63</td><td>4,72,737</td><td>01.48</td></tr><tr><td>10001 &amp; above</td><td>98</td><td>00.90</td><td>2,87,07,279</td><td>89.71</td></tr><tr><td><b>Total</b></td><td><b>10,845</b></td><td><b>100.00</b></td><td><b>3,20,00,000</b></td><td><b>100.00</b></td></tr></table>	No. of Equity Shares held	No. of share-holders	% of share-holders	No. of shares held	% of share-holding	Upto 500	9,499	87.59	11,55,352	03.61	501 – 1000	664	06.12	5,45,133	01.70	1001 – 2000	328	03.02	5,01,873	01.57	2001 – 3000	94	00.87	2,39,818	00.75	3001 – 4000	62	00.57	2,27,838	00.71	4001 –5000	32	00.30	1,49,970	00.47	5001 – 10000	68	00.63	4,72,737	01.48	10001 & above	98	00.90	2,87,07,279	89.71	<b>Total</b>	<b>10,845</b>	<b>100.00</b>	<b>3,20,00,000</b>	<b>100.00</b>
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(s)	<b>CEO and CFO Certification</b>  The President & CEO and Chief Financial Officer of the Company have given annual certification dated May 9, 2018 on financial reporting and internal controls to the Board in terms of Regulation No. 17 (8) read with Part B of Schedule II of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015.																																																		
(t)	<b>Certificate of Compliance with the Code of Conduct for Board of Directors and Senior Management Personnel:</b>  <b>To The Members of Hercules Hoists Limited</b>  I, Prakash Subramaniam, President & CEO of the Company, hereby affirm that all the Board Members and Senior Management Personnel of the Company have affirmed their compliance with the Code of Business Conduct & Ethics in accordance with Regulation No. 17 (5) of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, for the year ended March 31, 2017  <b>Sd/-</b>  <b>Prakash Subramaniam</b> President & CEO <div>Khalapur, Dated May 9, 2018</div>																																																		
(u)	<b>Company's Recommendation to the Shareholders/Investors</b>  1) Shareholders/Investors are requested to convert their physical holding to demat/electronic form through any of the Depository participants to avoid the risk involved in the physical shares. Shareholders/Investors should provide ECS mandate to the Company in case of shares held in physical form and to depository participant for change in demat account details and register the bank account number for Electronic Clearing Services (ECS) in case of shares held in demat mode. This would facilitate in receiving direct credits of dividends to their account.  2) Please update your address in case of change, which is registered with the Company  3) The unclaimed dividend amounting to Rs. 59,700/- for the financial year 2009-10, has been transferred to the Investor Education and Protection Fund within the time stipulated by law in accordance with the act. The Company has placed the details of unpaid and unclaimed amount lying with the Company as on 09/08/2017 (at Annual General Meeting) on the <a href="http://www.iepf.gov.in">www.iepf.gov.in</a> and also on the Website of the Company.  4) As per rule no. 6 of Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund ) Rules 2016, the shares for FY 2008-09 and FY 2009-10 in respect of which dividend has not been paid or claimed for seven consecutive years or more has been transferred to Demat account specified by the authority. The details of such transfer of shares are placed on website of the Company.																																																		
(v)	<b>Compliance Certificate :</b>  As required by SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, Certificate of Compliance with the Corporate Governance Requirements by the Company issued by a Practising Company Secretary is attached.																																																		

The above Report was adopted by the Board of Directors at their Meeting held on May 22, 2018

**On behalf of the Board of Directors**

Dated : May 22, 2018  
Place : Mumbai

**Shekhar Bajaj**  
Chairman  
(DIN No. 00089358)

## CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To,  
The Members,  
**Hercules Hoists Limited**  
CIN: L45400MH1962PLC012385  
Bajaj Bhavan, 2nd Floor,  
226, Jamnalal Bajaj Marg,  
Nariman Point, Mumbai- 400021

We have examined all relevant records of **Hercules Hoists Limited** ('the Company') for the purpose of certifying compliance of the conditions of Corporate Governance for the financial year ended **31st March, 2018** as stipulated in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Chapter IV and Para C, D, and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR') as referred to in Regulation 15(2) of the LODR .

We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of certification.

The compliance of the conditions of Corporate Governance is the responsibility of the Management and our examination was limited to the procedure and implementation thereof.

In our opinion and to the best of our information and according to the explanation given to us and on the basis of our examination of the records produced, explanations and information furnished, we certify that the Company has complied with all the conditions of Corporate Governance as specified in the LODR.

This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

**FOR S. N. ANANTHASUBRAMANIAN & CO.,**  
**Company Secretaries**

**Malati Kumar**  
**Partner**  
**ACS/CP No.: 15508/10980**

Dated : May 22, 2018  
Place : Thane



## INDEPENDENT AUDITOR'S REPORT

To,

The Members of **HERCULES HOISTS LIMITED**

### Report on the Ind AS Financial Statements

We have audited accompanying Ind AS financial statements of HERCULES HOISTS LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2018 and the Statement of Profit and Loss (including other comprehensive income) and Cash Flow Statement and the statement for changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS financial statements").

### Management's Responsibility for the Ind AS Financial Statements

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

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

### Auditors' Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

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

### Opinion

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

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c. The Balance Sheet, Statement of Profit and Loss (including Other Comprehensive Income), Cash Flow Statement and the statement of changes in equity dealt with by this report are in agreement with the books of account.
  - d. In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014.

- e) On the basis of the written representations received from the directors, as on March 31, 2018 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B" and
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note-30 to the Ind AS financial statements;
    - ii. The Company did not have any material foreseeable losses on long-Term contracts including derivatives contracts.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.
2. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government in terms of Section 143(11) of the Act, we give in 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order.

**For Kanu Doshi Associates LLP**  
**Chartered Accountants**  
**Firm's Registration No. : 104746W/W100096**

**Jayesh Parmar**  
**Partner**  
**Membership No.45375**

Place : Mumbai  
Dated : 22<sup>nd</sup> May, 2018

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#### **ANNEXURE A - TO THE AUDITOR'S REPORT**

Referred to in paragraph 2 of '**Report on other Legal and Regulatory Requirements**' in our Report of even date on the accounts of **HERCULES HOISTS LIMITED** for the year ended March 31, 2018

- i (a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets of the company are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years, which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the management during the year and discrepancies noticed between the book records and the physical inventories were not material and have been properly dealt with in the accounts.
- (c) According to information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii During the year, the inventories have been physically verified by the management. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on physical verification of inventories as compared to the book records have been properly dealt with in the books of accounts.
- iii. As informed to us, the Company has not granted loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Hence sub clauses (a) to (c) of clause 3(iii) are not applicable to the Company.
- iv. The company has complied with provisions of section 186 of the Companies Act, 2013 in respect of investments made and section 185 of the Companies Act, 2013 is not applicable as there were no such loans, securities or guarantees provided during the year.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under to the extent notified and therefore clause 3(v) is not applicable.
- vi. The Central Government has prescribed maintenance of cost records for the company under sub section (1) of section 148 of the Companies Act, 2013 and such accounts and records have been made and maintained by the Company. However, no detailed examinations of such records have been carried out by us.
- vii (a) According to the records of the Company, the Company is regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Excise Duty, Customs Duty, Value Added Tax, Cess and other statutory dues applicable to it with the appropriate authorities.



- (b) According to the records of the Company, there are no dues of Wealth Tax, Value Added Tax, Sales Tax and Customs Duty which have not been deposited on account of any dispute.

The disputed amounts that have not been deposited in respect of Income Tax, Service Tax and Excise Duty are as under:

Sr. No.	Name of the Statute	Nature of the Dues	Forum where the dues is pending	Rs. in Lakhs
1	Central Excise Act, 1944	Demand of Service Tax on Royalty	Deputy Commissioner of Central Excise & Service Tax	1.79
		Demand of Excise Duty on Sales under notification and duty on conference expenses	Central Excise Appellate Tribunal	79.43
		Duty on Sale of Power units & disallowance of Common Input Service Tax Credit	Commissioner of Central Excise	245.36
		Disallowance of Common Input Service Tax Credit	Commissioner of Central Excise (Appeal)	2.36
		Disallowance of Input Credit	Additional Commissioner of Central Excise	27.71
2	Income tax Act, 1961	Income tax	Commissioner of Income tax (Appeals).	4.42

- viii. According to the records of the Company examined by us and information and explanation given to us, the Company has not defaulted in repayment of dues to banks during the year. The company has not taken any loan or borrowing from government, financial institution, and has not issued debentures during the year.
- ix. The Company has not raised any money by way of public issue/ further offer (including debt instruments) and through term loans during the year. Accordingly, clause 3(ix) of the order is not applicable to the Company.
- x. Based upon the audit procedures performed and information and explanation given by the management, we report that no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with schedule V to the Companies Act, 2013.
- xii. In our opinion and according to the information and explanations given to us, the nature of the activities of the company does not attract any special statute applicable to Nidhi Company. Accordingly, clause 3(xii) of the order is not applicable to the company.
- xiii. According to the information and explanation given to us, and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sec 177 and 188 of Companies Act, 2013 where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. In our opinion and according to the information and explanations given to us, and based on our examination of the records of the Company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3 (xiv) of the Order is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, and based on our examination of the records of the Company, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, clause 3 (xv) of the Order is not applicable to the Company.
- xvi. The company is not required to be registered under Sec 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3 (xvi) of the Order is not applicable to the Company.

**For Kanu Doshi Associates LLP**  
**Chartered Accountants**  
**Firm's Registration No. : 104746W/W100096**

**Jayesh Parmar**  
**Partner**  
**Membership No.45375**

Place : Mumbai  
Dated : 22<sup>nd</sup> May, 2018

**ANNEXURE B - TO THE AUDITORS' REPORT****Report on the Internal Financial Controls under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of HERCULES HOISTS Limited ("the Company") as of 31 March 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Kanu Doshi Associates LLP**

**Chartered Accountants**

**Firm's Registration No. : 104746W/W100096**

**Jayesh Parmar**

**Partner**

**Membership No.45375**

Place : Mumbai

Dated : 22<sup>nd</sup> May, 2018


**BALANCE SHEET AS AT 31ST MARCH, 2018**

				(Rs. in Lakhs)
Particulars	Note No.	As at March 31, 2018 ₹	As at March 31, 2017 ₹	As at 1st April 2016 ₹
<b>ASSETS</b>				
<b>1 Non-current assets</b>				
(a) Property, Plant and Equipment	3	3,288.99	3,306.01	2,356.02
(b) Capital Work - in - Progress	4	14.76	5.61	11.29
(c) Investment Property	5	90.19	92.33	94.48
(d) Other Intangible Assets	6	122.40	163.24	156.15
(e) Intangible assets under development	7	7.29	3.54	3.54
(f) Financial assets				
(i) Non Current Investments	8	26,044.08	20,472.47	14,402.80
(ii) Other Non Current Financial Assets	9	65.03	43.97	198.78
(g) Other Tax Assets (Net)	10	91.86	358.32	463.84
(h) Other Non Current Assets	11	298.31	609.66	685.20
<b>Total Non - Current Assets</b>		<b>30,022.91</b>	<b>25,055.14</b>	<b>18,372.10</b>
<b>2 Current assets</b>				
(a) Inventories	12	3,300.47	3,262.74	4,709.27
(b) Financial Assets				
(i) Current Investments	13	122.07	-	-
(ii) Trade Receivables	14	1,899.36	2,255.79	3,204.26
(iii) Cash and Cash Equivalents	15	115.62	128.58	134.73
(iv) Bank Balances other than (iii) above	16	88.48	199.99	512.56
(v) Loans	17	2,420.00	2,592.17	3,617.17
(vi) Other Financial Assets	18	228.72	371.22	297.81
(c) Other Tax Assets	19	773.57	612.69	881.18
(d) Other Current Assets	20	729.96	935.54	1,145.64
<b>Total Current Assets</b>		<b>9,678.25</b>	<b>10,358.71</b>	<b>14,502.63</b>
<b>TOTAL ASSETS</b>		<b>39,701.15</b>	<b>35,413.85</b>	<b>32,874.73</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity Share capital	21	320.00	320.00	320.00
(b) Other Equity	22	37,685.28	33,609.26	27,759.67
<b>Total Equity</b>		<b>38,005.28</b>	<b>33,929.26</b>	<b>28,079.67</b>
<b>Liabilities</b>				
<b>1 Non-Current Liabilities</b>				
(a) Financial Liabilities				
(i) Other Non Current Financial Liabilities	23	47.00	41.50	36.00
(b) Deferred Tax Liabilities (Net)	24	243.39	297.20	256.37
<b>Total Non - Current Liabilities</b>		<b>290.39</b>	<b>338.70</b>	<b>292.37</b>
<b>2 Current Liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	25	-	-	729.76
(ii) Trade Payables	26	1,040.46	857.07	3,270.38
(iii) Other Financial Liabilities	27	8.31	121.63	200.31
(b) Other Current Liabilities	28	153.41	116.13	197.99
(c) Provisions	29	105.21	51.06	104.25
(d) Current Tax Liabilities (Net)	30	98.09	-	-
<b>Total current liabilities</b>		<b>1,405.48</b>	<b>1,145.89</b>	<b>4,502.69</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>39,701.15</b>	<b>35,413.85</b>	<b>32,874.73</b>

**Summary of significant accounting policies.**
**2**

As per our report of even date attached

**FOR KANU DOSHI ASSOCIATES LLP**
**CHARTERED ACCOUNTANTS**

Firm's Registration Number: 104746W/W100096

**JAYESH PARMAR**
**PARTNER**
**MEMBERSHIP NO. 45375**
**PLACE : MUMBAI**
**DATED : 22<sup>nd</sup> MAY, 2018**
**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**
**SHEKHAR BAJAJ**
**CHAIRMAN**
**DIN- 00089358**
**PRAKASH SUBRAMANIAM**
**PRESIDENT & CEO**
**KIRAN MUKADAM**
**COMPANY SECRETARY**
**H A NEVATIA**
**WHOLE TIME DIRECTOR**
**DIN-00066955**
**VIJAY SINGH**
**CHIEF FINANCIAL OFFICER**

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

(Rs. in Lakhs)

Particulars	Note No.	2017-2018 ₹	2016-2017 ₹
Revenue from Operations	32	7,707.73	8128.75
Other Income	33	980.69	1174.56
<b>Total Income</b>		<b>8,688.42</b>	<b>9303.31</b>
<b>Expenses</b>			
Cost of Material Consumed	34	4,428.86	3782.33
Changes in inventories of Finished goods and Work - in -Progress	35	(120.12)	753.44
Excise Duty on Sale of Goods	36	160.61	823.09
Employee Benefit Expenses	37	1,008.58	987.44
Finance Cost	38	3.80	22.51
Depreciation & Amortization Expenses	39	292.23	259.05
Other Expenses	40	1,844.90	1680.47
<b>Total Expenses</b>		<b>7,618.87</b>	<b>8308.33</b>
Profit Before Exceptional Items & Tax		1,069.55	994.98
Add: Exceptional Items		-	-
Profit/(Loss) Before Tax		1,069.55	994.98
Less: Tax Expenses			
(1) Current Tax			
of Current Year		233.85	185.93
of Earlier Years		(1.59)	(27.39)
(2) Deferred Tax			
of Current Year		(100.89)	40.83
of Earlier Years		(40.22)	-
<b>Total Tax Expenses</b>		<b>91.15</b>	<b>199.37</b>
<b>Profit After Tax</b>	A	<b>978.40</b>	<b>795.61</b>
Other Comprehensive Income			
A. (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
B. (i) Items that will not be reclassified to profit or loss		3,570.06	5631.70
(ii) Income tax relating to items that will not be reclassified to profit or loss		(87.30)	-
Total Other Comprehensive Income for the year	B	3,482.76	5631.70
Total Comprehensive Income for the year	(A+B)	4,461.16	6427.31
Earning per equity share (Face Value of Rs. 1/- each)	41		
(1) Basic		3.06	2.49
(2) Diluted		3.06	2.49
<b>Summary of significant accounting policies</b>	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

**FOR KANU DOSHI ASSOCIATES LLP**  
**CHARTERED ACCOUNTANTS**  
 Firm's Registration Number: 104746W/W100096

**JAYESH PARMAR**  
**PARTNER**  
**MEMBERSHIP NO. 45375**

**PLACE : MUMBAI**  
**DATED : 22<sup>nd</sup> MAY, 2018**

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**SHEKHAR BAJAJ**  
**CHAIRMAN**  
**DIN- 00089358**

**PRAKASH SUBRAMANIAM**  
**PRESIDENT & CEO**

**KIRAN MUKADAM**  
**COMPANY SECRETARY**

**H A NEVATIA**  
**WHOLE TIME DIRECTOR**  
**DIN-00066955**

**VIJAY SINGH**  
**CHIEF FINANCIAL OFFICER**

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

(Rs. in Lakhs)

Particulars	2017-18 ₹	2016-17 ₹
<b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Tax & Extraordinary Items	1,069.55	994.98
Adjustment for:		
Dividend Income on from Equity Instrutements designated at FVOCI	(210.55)	(30.59)
Dividend Income on from Mutual Fund designated at FVTPL	(17.52)	(10.66)
Depreciation /Amortisation	292.23	259.05
Interest Income	(350.56)	(560.84)
Reclassification of Remeasurement of Employee Benefits	(3.06)	(8.27)
Interest Expenses	2.01	21.36
Bad Debts	-	2.17
Allowance for Bad Debts	137.86	24.54
Provision for Slow Moving and Non Moving	100.81	-
Allowance for Bad Debts Advances	8.27	-
Net Gain on Sale of Investments	(188.34)	(240.35)
Net Gain on Financial Assets Measured at FVTPL	(80.07)	(23.84)
(Profit)/Loss on Sale of Assets/Discarded Assets (Net)	3.46	1.51
Excess Provision Written Back (Net)	(35.98)	(86.27)
Sundry Balance Written Back (Net)	(36.24)	(67.77)
Exchange Rate Fluctuation (Net)	(3.33)	6.73
	<b>(381.03)</b>	<b>(713.22)</b>
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>688.53</b>	<b>281.76</b>
ADJUSTMENTS FOR WORKING CAPITAL CHANGES :		
Other Non - Current Assets	235.01	129.88
Inventories	(138.54)	1,446.53
Trade Receivable	253.98	967.82
Other Bank Balances	(0.99)	325.13
Other Non Current Financial Assets	(21.06)	154.81
Other Financial Assets	8.27	(11.38 )
Other Current Assets	197.32	208.68
Other Non Current Financial Liabilities	5.50	5.50
Trade Payables	223.57	(2,317.00)
Other Current Financial Liabilities	-	(75.50)
Other Current Liabilities	37.28	(80.82)
Provisions	54.15	(32.02)
	<b>854.49</b>	<b>721.64</b>
Cash Generated from Operations	1,543.02	1,003.40
Direct Taxes Paid/(Refund)	30.59	- (215.48)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>1,512.42</b>	<b>1,218.88</b>

**B) CASH FLOW FROM INVESTING ACTIVITIES**

Loan (given)/Returned	172.17	1,025.00
Purchase of Fixed Assets including Capital Work in Progress	(170.26)	(1,296.53 )
Sale of Fixed Assets	0.10	3.58
Purchase of Non Current Investments	(3,833.00)	(1,366.66)
Sale of Non Current Investments	1,980.84	1,201.16
Interest Received	481.83	496.17
Dividend Received	228.08	41.25
	<u>(1,140.23)</u>	<u>103.96</u>
NET CASH USED IN INVESTING ACTIVITY	<u>(1,140.23)</u>	<u>103.96</u>

**C) CASH FLOW FROM FINANCING ACTIVITIES**

Net (Decrease)/ Increase in Short Term Borrowings	-	(729.76)
Interest Paid	-	(21.52)
Dividend Paid (Inclusive of Dividend Distribution Tax)	(385.14)	(577.72)
	<u>(385.14)</u>	<u>(1,329.00)</u>
NET CASH USED IN FINANCING ACTIVITY	<u>(385.14)</u>	<u>(1,329.00 )</u>
NET CHANGES IN CASH & CASH EQUIVALENTS(A+B+C)	<u>(12.95)</u>	<u>(6.16 )</u>
OPENING BALANCE OF CASH & CASH EQUIVALENTS	128.58	134.73
CLOSING BALANCE OF CASH & CASH EQUIVALENTS	<u>115.62</u>	<u>128.58</u>
	<u>(12.95)</u>	<u>(6.16)</u>

**Notes****Closing Balance of Cash & Cash Equivalents**

- 1 Cash and Cash Equivalents Includes: (Refer Note No 15)

Cash in hand	6.27	2.35
Balance with scheduled banks		
- In Current Account	109.35	126.23
	<u>115.62</u>	<u>128.58</u>

- 2 Interest received on delayed payments from dealers of Rs. 49.47 Lakhs (Previous Year Rs. 154.24 Lakhs) has been considered as cash flow from operating activities.
- 3 Previous year figures have been regrouped and rearranged wherever considered necessary to make them comparable with those of the current year.

As per our report of even date attached

**FOR KANU DOSHI ASSOCIATES LLP**  
**CHARTERED ACCOUNTANTS**  
 Firm's Registration Number: 104746W/W100096

**JAYESH PARMAR**  
**PARTNER**  
**MEMBERSHIP NO. 45375**

**PLACE : MUMBAI**  
**DATED : 22<sup>nd</sup> MAY, 2018**

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**SHEKHAR BAJAJ**  
**CHAIRMAN**  
**DIN- 00089358**

**PRAKASH SUBRAMANIAM**  
**PRESIDENT & CEO**

**KIRAN MUKADAM**  
**COMPANY SECRETARY**

**H A NEVATIA**  
**WHOLE TIME DIRECTOR**  
**DIN-00066955**

**VIJAY SINGH**  
**CHIEF FINANCIAL OFFICER**

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2018****A. Equity Share Capital**

(Rs. in Lakhs)

Particulars	No of Shares	Amount ₹
<b>Balance at 1st April, 2016</b>	<b>3,20,00,000</b>	320.00
Changes in Equity Share Capital during the year	-	-
<b>Balance at 31st March, 2017</b>	<b>3,20,00,000</b>	320.00
Changes in Equity Share Capital during the year	-	-
<b>Balance at 31st March, 2018</b>	<b>3,20,00,000</b>	320.00

**B. Other Equity**

Particulars	Reservers and Surplus			Other items of Other comprehensive income		Total
	Capital Reserve	General Reserves	Retained Earnings	Remeasurement of net defined benefit plans Remeasurement of net defined benefit plans	Fair Value through Other Comprehensive Income of Equity Investments	
<b>Balance at 1st April, 2016</b>	<b>5.14</b>	<b>17,095.11</b>	<b>1,804.73</b>	<b>(15.34 )</b>	<b>8,870.03</b>	<b>27,759.67</b>
Profit for the year	-	-	795.61	-	-	795.61
Final Dividend Paid	-	-	(480.00)	-	-	(480.00)
Dividend Distribution Tax paid	-	-	(97.72 )	-	-	(97.72)
Remeasurements of Defined Benefit Plan	-	-	-	(8.27)	-	(8.27)
Fair Value Effect of Investments of shares	-	-	-	-	5,639.97	5,639.97
<b>Balance at 31st March, 2017</b>	<b>5.14</b>	<b>17,095.11</b>	<b>2,022.62</b>	<b>(23.61)</b>	<b>14,510.00</b>	<b>33,609.26</b>
Profit for the year	-	-	978.40	-	-	978.40
Final Dividend Paid	-	-	(320.00)	-	-	(320.00)
Dividend Distribution Tax paid	-	-	(65.14)	-	-	(65.14)
Remeasurements of Defined Benefit Plan	-	-	-	(3.06)	-	(3.06)
Fair Value Effect of Investments of shares	-	-	-	-	3,485.82	3,485.82
<b>Balance at at 31st March, 2018</b>	<b>5.14</b>	<b>17,095.11</b>	<b>2,615.88</b>	<b>(26.67)</b>	<b>17,995.82</b>	<b>37,685.28</b>

As per our report of even date attached

**FOR KANU DOSHI ASSOCIATES LLP  
CHARTERED ACCOUNTANTS**

Firm's Registration Number: 104746W/W100096

**JAYESH PARMAR  
PARTNER  
MEMBERSHIP NO. 45375****PLACE : MUMBAI  
DATED : 22<sup>nd</sup> MAY, 2018****FOR AND ON BEHALF OF THE BOARD OF DIRECTORS****SHEKHAR BAJAJ  
CHAIRMAN  
DIN- 00089358****PRAKASH SUBRAMANIAM  
PRESIDENT & CEO****KIRAN MUKADAM  
COMPANY SECRETARY****H A NEVATIA  
WHOLE TIME DIRECTOR  
DIN-00066955****VIJAY SINGH  
CHIEF FINANCIAL OFFICER**

## SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

### 1 Company Overview

The Company ("Hercules Hoists Limited", "HHL") is an existing public limited company incorporated on 15/06/1962 under the provisions of the Indian Companies Act, 1956 and deemed to exist within the purview of the Companies Act, 2013, having its registered office at Bajaj Bhavan, 226 Jamnalal Bajaj Marg, Nariman Point, Mumbai-400 021. The Company offers a diverse range of products and services including manufacturing, sales, distribution and marketing of mechanical hoists, electric chain hoists and wire rope hoists, stackers and storage and retrieval solutions, overhead cranes in the standard and extended standard range, manipulators and material handling automation solutions. The equity shares of the Company are listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"). The financial statements are presented in Indian Rupee (₹).

### 2 Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### (A) Basis of Preparation of Financial Statement

##### i) Compliance with Ind AS

The financial statements Complies in all material aspects with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 (the "Act") and other relevant provisions of the Act and other accounting principles generally accepted in India.

The financial statements up to year ended March 31, 2017 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) notified under Section 133 of the Act and other relevant provisions of the Act ("IGAAP").

These financial statements are the first financial statements of the Company under Ind AS. The date of transition to Ind AS is 1st April, 2016. Refer note 53 related to First-time Adoption of Ind AS for an explanation of how the transition from IGAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

The financial statements were authorized for issue by the Company's Board of Directors on 22nd May, 2018.

These financial statements are presented in Indian Rupees (INR), which is also the functional currency. All the amounts have been rounded off to the nearest lacs, unless otherwise indicated.

##### ii) Historical Cost Convention

The Company follows the mercantile system of accounting and recognizes income and expenditure on an accrual basis. The financial statements are prepared under the historical cost convention, except in case of significant uncertainties and except for the following:

- (a) Certain financial assets and liabilities (Including Derivative Instruments) that are measured at fair value;
- (b) Defined benefit plans where plan assets are measured at fair value.
- (c) Investments are measured at fair value.

##### iii) Current and Non Current Classification

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

#### (B) Use of Estimates and Judgements

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively.

#### (C) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.



## (I) Financial Assets

### (i) Classification

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

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

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

- (a) For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.
- (b) For investments in debt instruments, this will depend on the business model in which the investment is held.
- (c) For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

### (ii) Measurement

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

#### (a) Debt instruments

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

Amortised cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

Fair Value Through Other Comprehensive Income (FVOCI):

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other income or other expenses (as applicable). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair Value Through Profit or Loss (FVTPL):

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other income or other expenses (as applicable) in the period in which it arises. Interest income from these financial assets is included in other income or other expenses, as applicable.

#### (b) Equity Instruments

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

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

**(iii) Impairment of Financial Assets**

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

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime credit losses (ECL) to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

**(iv) Derecognition of financial assets**

A financial asset is derecognised only when -

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

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

**(II) Financial Liabilities**

**(i) Measurement**

Financial liabilities are initially recognised at fair value, reduced by transaction costs (in case of financial liability not at fair value through profit or loss), that are directly attributable to the issue of financial liability. After initial recognition, financial liabilities are measured at amortised cost using effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash outflow (including all fees paid, transaction cost, and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. At the time of initial recognition, there is no financial liability irrevocably designated as measured at fair value through profit or loss.

**(ii) Derecognition**

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

**(D) Financial Guarantee Contracts**

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets and the amount initially recognised less cumulative amortization, where appropriate.

**(E) Segment Report**

- (i) The company identifies primary segment based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.
- (ii) The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

**(F) Inventories Valuation**

- (i) Raw materials, components, stores & spares, packing material, semi-finished goods & finished goods are valued at lower of cost and net realisable value.
- (ii) Cost of Raw Materials, components, stores & spares and packing material is arrived at Weighted Average Cost and Cost of semi-finished good and finished good comprises, raw materials, direct labour, other direct costs and related production overheads.
- (iii) Scrap is valued at net realisable value.
- (iv) Due allowances are made in respect of slow moving, non-moving and obsolete inventories based on estimate made by the Management.

**(G) Cash and Cash Equivalents**

Cash and cash equivalents includes cash in hand, deposits with banks, other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes outstanding bank overdraft shown within current liabilities in statement of financial balance sheet and which are considered as integral part of company's cash management policy.

**(H) Income Tax, Deferred Tax and Dividend Distribution Tax**

The Income tax expense or credit for the year is the tax payable on the current year's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current and deferred tax is recognised in the profit and loss except to the extent it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised in equity or other comprehensive income respectively.

**(i) Current Income Tax**

Current tax charge is based on taxable profit for the year. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

**(ii) Deferred Tax**

Deferred tax is provided using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements at the reporting date. Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilised.

Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

The carrying amount of deferred tax assets is reviewed at each reporting date and adjusted to reflect changes in probability that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred income tax assets and liabilities are off-set against each other and the resultant net amount is presented in the Balance Sheet, if and only when, (a) the Company has a legally enforceable right to set-off the current income tax assets and liabilities, and (b) the deferred income tax assets and liabilities relate to income tax levied by the same taxation authority.

Minimum Alternate Tax credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

(iii) Dividend Distribution Tax

Dividend distribution tax paid on the dividends is recognised consistently with the presentation of the transaction that creates the income tax consequence. Dividend distribution tax is charged to statement of profit and loss if the dividend itself is charged to statement of profit and loss. If the dividend is recognised in equity, the presentation of dividend distribution tax is recognised in equity.

**(I) Property, Plant and Equipment**

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2016 measured as per the IGAAP and used those carrying value as the deemed cost of the property, plant and equipment.

- (i) Freehold land is carried at historical cost including expenditure that is directly attributable to the acquisition of the land.
- (ii) All other items of property, plant and equipment are stated at cost less accumulated depreciation. Cost includes expenditure that is directly attributable to the acquisition of the items.
- (iii) Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.
- (iv) Cost of Capital Work in Progress ('CWIP') comprises amount paid towards acquisition of property, plant and equipment outstanding as of each balance sheet date and construction expenditures, other expenditures necessary for the purpose of preparing the CWIP for its intended use and borrowing cost incurred before the qualifying asset is ready for intended use. CWIP is not depreciated until such time as the relevant asset is completed and ready for its intended use.
- (v) Depreciation methods, estimated useful lives and residual value
- (a) Fixed assets are stated at cost less accumulated depreciation.
- (b) Depreciation is provided on a pro rata basis on the straight-line method over the estimated useful lives of the assets which is as prescribed under Schedule II to the Companies Act, 2013. The depreciation charge for each period is recognised in the Statement of Profit and Loss, unless it is included in the carrying amount of any other asset. The useful life, residual value and the depreciation method are reviewed at least at each financial year end. If the expectations differ from previous estimates, the changes are accounted for prospectively as a change in accounting estimate.
- (c) Leasehold Land is depreciated over the period of the Lease.
- (vi) Tangible assets which are not ready for their intended use on reporting date are carried as capital work-in-progress.
- (vii) The residual values are not more than 5% of the original cost of the asset.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Estimated useful lives, residual values and depreciation methods are reviewed annually, taking into account commercial and technological obsolescence as well as normal wear and tear and adjusted prospectively, if appropriate.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other expenses or other income as applicable.

**(J) Investment Property**

Property that is held for Capital appreciation and which is occupied by the Company, is classified by Investing property. Investment property is measured at cost including related transaction cost and where applicable borrowing cost. Investment properties are depreciated at the same rate applicable for class of asset under Property, Plant and Equipment.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its investment properties recognised as at April 01, 2016 measured as per the IGAAP and use that carrying value as the deemed cost of investment properties.

**(K) Intangible Assets**

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as at 1 April 2016 measured as per the IGAAP and used those carrying value as the deemed cost of the intangible assets.



- (i) An intangible asset shall be recognised if, and only if: (a) it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and (b) the cost of the asset can be measured reliably.
- (ii) Cost of technical know-how is amortised over a period of six years.
- (iii) Computer software is capitalised where it is expected to provide future enduring economic benefits. Capitalisation costs include licence fees and costs of implementation / system integration services. The costs are capitalised in the year in which the relevant software is implemented for use. The same is amortised over a period of 5 years on straight-line method.

**(L) Leases**

- (i) As a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

- (ii) As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

**(M) Revenue Recognition**

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade discount taxes and amounts collected on behalf of third parties. The Company recognises revenue as under:

**(I) Sales**

- (i) The Company recognizes revenue from sale of goods when:

- (a) The significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, which coincides with the delivery of goods.
- (b) The Company retains neither continuing managerial involvement to the degree usually associated with the ownership nor effective control over the goods sold.
- (c) The amount of revenue can be reliably measured.
- (d) It is probable that future economic benefits associated with the transaction will flow to the Company.
- (e) The cost incurred or to be incurred in respect of the transaction can be measured reliably.
- (f) The company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

- (ii) Sales of Power

The Company recognises income from power generated on accrual basis. However, where the ultimate collection of the same lacks reasonable certainty, revenue recognition is postponed to the extent of uncertainty.

**(II) Other Income**

- (i) Interest Income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

- (ii) Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the group, and the amount of the dividend can be measured reliably.

- (iii) Export Benefits

Export incentives are accounted for on export of goods if the entitlements can be estimated with reasonable accuracy and conditions precedent to claim are fulfilled.

## (iv) Income from Erection &amp; Commissioning Services:

- (a) The amount of revenue can be measured reliably.
- (b) It is probable that future economic benefits associated with the transaction will flow to the Company.
- (c) The stage of completion of the transaction at the end of the reporting period can be measured reliably.
- (d) The cost incurred for transaction and the cost to complete the transaction can be measured reliably.

**(N) Employee Benefit**

## (i) Short-Term Obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

## (ii) Other Long-Term Employee Benefit Obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

## (iii) Post-Employment Obligations

The group operates the following post-employment schemes:

## (a) Defined Benefit Gratuity Plan:

Gratuity and Leave encashment which are defined benefits are accrued based on actuarial valuation working provided by Life Insurance Corporation of India (LIC). The Company has opted for a Group Gratuity-cum-Life Assurance Scheme of the Life Insurance Corporation of India (LIC), and the contribution is charged to the Statement of Profit & Loss each year. The Company has funded the liability on account of leave benefits through LIC's Group Leave Encashment Assurance Scheme and the Contribution is charged to Statement of Profit and Loss.

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan. The defined benefit obligation is calculated annually as provided by LIC. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

## (b) Defined Contribution Plan:

Contribution payable to recognised provident fund and superannuation scheme which is defined contribution scheme is charged to Statement of Profit & Loss. The company has no further obligation to the plan beyond its contribution.

**(O) Foreign Currency Translation**

## (i) Functional and Presentation Currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian Rupee (INR), which is Company's functional and presentation currency.

## (ii) Transactions and Balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the



translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. All the foreign exchange gains and losses are presented in the statement of Profit and Loss on a net basis within other expenses or other income as applicable.

**(P) Borrowing Cost**

- (i) Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.
- (ii) Borrowings are classified as current financial liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

**(Q) Earnings Per Share**

- (i) Basic earnings per share  
Basic earnings per share is calculated by dividing:
  - the profit attributable to owners of the Company; and
  - by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.
- ii) Diluted earnings per share  
Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:
  - the after income tax effect of interest and other financing costs associated with dilutive potential equity shares; and
  - the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

**(R) Impairment of Assets**

Intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

**(S) Provisions, Contingent Liabilities and Contingent Assets**

- (i) Provisions:  
Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss.
- (ii) Contingent Liabilities:  
A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.
- (iii) Contingent Assets: Contingent Assets are disclosed, where an inflow of economic benefits is probable.

**(T) Investments**

On transition to Ind AS, equity investments are measured at fair value, with value changes recognised in Other Comprehensive Income, except for those mutual fund for which the Company has elected to present the fair value changes in the Statement of Profit and Loss.

**(U) Trade Receivables**

Trade receivables are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

**(V) Trade and Other Payables**

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are recognised, initially at fair value, and subsequently measured at amortised cost using effective interest rate method.

**(W) Operating Cycle**

Based on the nature of products/activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non current.

**(X) Rounding of Amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Rupees Lacs (upto two decimals), unless otherwise stated as per the requirement of Schedule III (Division II).



(Rs. in Lakhs)

**3 PROPERTY, PLANT AND EQUIPMENT**

Particulars	Gross Carrying Amount			Depreciation/Impairment Losses					Net Carrying Amount
	As At 01.04.2017	Purchase During The Year	Deduction During The Year	As At 31.03.2018	Up To 01.04.2017	Dep. For The Year	Impairment Losses	As At 31.03.2018	As At 31.03.2018
Freehold Land	71.29	-	-	71.29	-	-	-	-	71.29
Leasehold Land	10.78	-	-	10.78	0.49	0.49	-	0.98	9.80
Buildings (Refer Note No 3.2)	1,597.94	-	-	1,608.09	39.65	44.62	-	84.27	1,523.82
Windmill Plant	1,109.74	10.15	-	1,109.74	86.49	86.49	-	172.98	936.76
Plant & Machinery	303.85	11.84	3.76	311.93	18.03	22.21	-	39.94	272.00
Computers	37.93	11.93	-	49.86	10.61	12.87	-	23.47	26.38
Jigs & Fixtures	8.11	-	-	8.11	1.01	1.01	-	2.02	6.09
Factory Fixtures	87.55	-	-	87.55	8.51	8.51	-	17.02	70.53
Machine Accessories	1.18	-	-	1.18	0.08	0.08	-	0.16	1.02
Dies & Patterns	47.97	9.17	-	57.14	2.31	3.70	-	6.01	51.13
Electrical Installations	65.83	-	-	65.83	16.15	16.15	-	32.30	33.54
Furniture & Fixtures	64.74	151.83	-	216.57	9.19	21.48	-	30.67	185.90
Vehicles	74.65	0.60	0.50	74.75	11.29	11.28	-	22.18	52.56
Office Equipments	36.28	32.25	-	68.52	8.02	12.33	-	20.35	48.17
Total Property, Plant and Equipment	3,517.84	227.77	4.26	3,741.35	211.83	241.23	-	452.36	3,288.99

Particulars	Gross Carrying Amount			Depreciation/Impairment Losses				Net Carrying Amount
	As At 01.04.2016 (Refer Note No 3.1)	Purchase During The Year	Deduction During The Year	As At 31.03.2017	Up To 01.04.2016	Dep. For The Year	Impairment Losses	As At 31.03.2017
Freehold Land	71.29	-	-	71.29	-	-	-	71.29
Leasehold Land	10.78	-	-	10.78	-	0.49	-	10.29
Buildings (Refer Note No 3.2)	618.70	979.24	-	1,597.94	-	39.65	-	1,558.30
Windmill Plant	1,109.74	-	-	1,109.74	-	86.49	-	1,023.25
Plant & Machinery	176.78	127.07	-	303.85	-	18.03	-	285.82
Computers	24.63	13.35	0.05	37.93	-	10.61	-	27.32
Jigs & Fixtures	7.79	0.33	-	8.11	-	1.01	-	7.11
Factory Fixtures	84.02	3.53	-	87.55	-	8.51	-	79.04
Machine Accessories	1.18	-	-	1.18	-	0.08	-	1.10
Dies & Patterns	30.34	17.63	-	47.97	-	2.31	-	45.66
Electrical Installations	65.85	-	0.02	65.83	-	16.15	-	49.69
Furniture & Fixtures	54.27	10.47	-	64.74	-	9.19	-	55.55
Vehicles	72.07	7.73	5.15	74.65	-	11.49	-	63.36
Office Equipments	28.57	7.97	0.26	36.28	-	8.21	-	28.26
<b>Total Property, Plant and Equipment</b>	<b>2,356.02</b>	<b>1,167.30</b>	<b>5.48</b>	<b>3,517.84</b>	<b>-</b>	<b>212.21</b>	<b>-</b>	<b>3,306.01</b>

**Notes:**

- (a) The Company has elected to measure all its property, plant and equipment at the previous GAAP carrying amount i.e. April 1, 2016 as its deemed cost (Gross Block Value) on the date of transition to Ind AS i.e. April 1, 2016.
- (b) The Company has availed the deemed cost exemption in relation to the property, plant and equipment, capital work-in-progress and intangibles on the date of transition and hence the net block carrying amount has been considered as the gross block carrying amount on that date.

**Note No. 3.1:** Deemed cost as at April 1, 2016 which is the net carrying amount on April 1, 2016 which is tabulated as follows:

Particulars	Gross carrying amount as at April 01, 2016	Reclassified as Investment property	Accumulated Depreciation	Net carrying amount
Freehold Land	73.95	2.66	-	71.29
Leasehold Land	15.00	-	4.22	10.78
Buildings (Refer Note No 3.2)	1,055.82	91.82	345.30	618.70
Windmill Plant	2,312.53	-	1,202.79	1,109.74
Plant & Machinery	534.56	-	357.79	176.78
Computers	72.45	-	47.82	24.63
Jigs & Fixtures	75.31	-	67.52	7.79
Factory Fixtures	126.34	-	42.32	84.02
Machine Accessories	3.29	-	2.10	1.18
Dies & Patterns	33.74	-	3.40	30.34
Electrical Installations	142.67	-	76.82	65.85
Furniture & Fixtures	109.78	-	55.51	54.27
Vehicles	101.70	-	29.63	72.07
Office Equipments	60.42	-	31.84	28.57
<b>Total</b>	<b>4,717.54</b>	<b>94.48</b>	<b>2,267.05</b>	<b>2,356.02</b>

**Note No. 3.2: Buildings**

Building includes Rs.0.04 (Previous Year Rs.0.04) being the face value of investment in shares of Co-operative Premises Society.

**4 CAPITAL WORK-IN-PROGRESS**

(Rs. in Lakhs)

Particulars	As At 01.04.2017	Addition During The Year	Deduction During The Year	As At 31.03.2018
<b>Capital Work- in- Progress (Refer Note No 4.1)</b>	5.61	14.76	5.61	<b>14.76</b>
<b>Previous Year</b>	11.29	5.61	11.29	5.61

**Note No 4.1:** Capital work-in-progress mainly comprises fixed assets related to new factory unit taken on lease and for previous year mainly comprise fixed assets related to new plant and machinery.

**5 INVESTMENT PROPERTY**

(Rs. in Lakhs)

Particulars	Gross Carrying Amount				Depreciation/Impairment Losses				Net Carrying Amount	
	As At 01.04.2017	Purchase During The Year	Deduction During The Year	As At 31.03.2018	Up To 01.04.2017	Dep. For The Year	Impairment Losses	Deduction During The Year	As At 31.03.2018	As At 31.03.2018
Freehold Land	2.66	-	-	2.66	-	-	-	-	-	2.66
Buildings	91.82	-	-	91.82	2.15	2.15	-	-	4.29	87.53
<b>Total Investment Property</b>	<b>94.48</b>	<b>-</b>	<b>-</b>	<b>94.48</b>	<b>2.15</b>	<b>2.15</b>	<b>-</b>	<b>-</b>	<b>4.29</b>	<b>90.19</b>

**INVESTMENT PROPERTY**

Particulars	Gross Carrying Amount				Depreciation/Impairment Losses				Net Carrying Amount	
	As At 01.04.2016 (Refer Note 3.1)	Purchase During The Year	Deduction During The Year	As At 31.03.2017	Up To 01.04.2016	Dep. For The Year	Impairment Losses	Deduction During The Year	As At 31.03.2017	As At 31.03.2017
Freehold Land	2.66	-	-	2.66	-	-	-	-	-	2.66
Buildings	91.82	-	-	91.82	-	2.15	-	-	2.15	89.67
<b>Total Investment Property</b>	<b>94.48</b>	<b>-</b>	<b>-</b>	<b>94.48</b>	<b>-</b>	<b>2.15</b>	<b>-</b>	<b>-</b>	<b>2.15</b>	<b>92.33</b>



Amount recognised in profit or loss for Investment Properties

Particulars	March 31st, 2018	March 31st, 2017
Rental Income	Nil	Nil
Direct operating expenses from property that did not generate rental income.	31.19	30.75

There are no restrictions on the reliability of investment property. The company is using same life for the same class of asset as applicable for property plant and equipment. The company is currently using the property as godown for old machinery.

Fair Value

Investment property - Land and Building, the market value has not been ascertained. The range of estimates within which fair value is highly likely to lie- Between Rs. 8,500 Lakhs to 10,000 Lakhs

## 6 OTHER INTANGIBLE ASSETS

(Rs. in Lakhs)

Particulars	Gross Carrying Amount			Depreciation/Impairment Losses				Net Carrying Amount	
	As At 01.04.2017	Purchase During The Year	As At 31.03.2018	Up To 01.04.2017	Dep. For The Year	Impai- Rment Losses	Deduction During The Year	As At 31.03.2018	As At 31.03.2018
Computer Software	207.93	8.02	215.95	44.69	48.85	-	-	93.55	122.40
Technical Know How	-	-	-	-	-	-	-	-	-
<b>Total Other Intangible Assets</b>	207.93	8.02	215.95	44.69	48.85	-	-	93.55	122.40

## OTHER INTANGIBLE ASSETS

Particulars	Gross Carrying Amount			Depreciation/Impairment Losses				Net Carrying Amount	
	As At 01.04.2016 (Refer Note No 6.1)	Purchase During The Year	As At 31.03.2017	Up To 01.04.2016	Dep. For The Year	Impai- Rment Losses	Deduction During The Year	As At 31.03.2017	As At 31.03.2017
Computer Software	156.15	51.78	207.93	-	44.69	-	-	44.69	163.24
Technical Know How	-	-	-	-	-	-	-	-	-
<b>Total Other Intangible Assets</b>	156.15	51.78	207.93	-	44.69	-	-	44.69	163.24

**Note No. 6.1:** Deemed cost as at April 1, 2016 which is the net carrying amount on April 1, 2016 which is tabulated as follows:

	Gross carrying amount as at April 01, 2016	Reclassified as Investment property	Accumulated Depreciation	Net carrying amount
Computer Software	228.89	-	72.74	156.15
Technical Know How	6.44	-	6.44	-
<b>Total</b>	235.33	-	79.18	156.15

## 7 INTANGIBLE ASSETS UNDER DEVELOPMENT

(Rs. in Lakhs)

Particulars	As At 01.04.2017	Addition During The Year	Deduction During The Year	As At 31.03.2018
Intangible assets under development (Note No 7.1)	3.54	3.75	-	7.29
<b>Previous Year</b>	3.54	-	-	3.54

**Note No 7.1:** Intangible assets under development is related to Computer Software & Application Software.

## 8 NON CURRENT INVESTMENTS

(Rs. in Lakhs)

Particulars	As at March 31, 2018			As at March 31, 2017			As at April 1, 2016	
	Face Value	QTY	₹	QTY	₹	QTY	₹	
<b>Quoted</b>								
Equity Instruments (At FVOCI)								
Bajaj Holdings & Investment Ltd.	10	286,094	7,506.96	286,094	6,212.82	286,094	4,179.83	
Bajaj Auto Ltd.	10	182,590	5,019.22	182,590	5,126.21	182,590	4,393.30	
Bajaj Finserv Ltd.	5	92,063	4,767.53	92,063	3,763.35	92,063	1,568.52	
Bajaj Electricals Ltd.	2	554,937	3,117.36	554,937	1,735.57	554,937	1,056.32	
<b>Total Value of Quoted Investments</b>			<b>20,411.07</b>		<b>16,837.95</b>		<b>11,197.98</b>	
<b>Unquoted</b>								
Mutual Funds (At FVTPL)								
HDFC FMP 1135D	10	1,500,000.00	190.44	1,500,000.00	178.08	1,500,000.00	163.24	
HDFC NFO Collection	10	1,500,000.00	183.66	1,500,000.00	171.41	1,500,000.00	157.92	
Reliance Short Term Fund	10	511,779.81	167.11	187,197.21	57.69	187,197.21	53.20	
SBI Debt Fund Series B	10	600,000.00	74.63	600,000.00	69.98	600,000.00	64.36	
SBI MF SDFS	10	1,500,000.00	183.98	1,500,000.00	172.24	1,500,000.00	158.16	
SBI Short Term Debt Fund	100	1,413,608.74	283.09	1,413,608.74	267.18	1,413,608.74	244.90	
Sundaram Flexible Fund	10	254,218.76	61.99	254,218.76	58.71	254,218.76	53.16	
UTI MF FMP Collection	10	2,000,000.00	247.94	2,000,000.00	230.28	2,000,000.00	210.09	
UTI MF FMP Collection Series Xxi	10	1,770,000.00	224.33	1,770,000.00	210.25	1,770,000.00	193.07	
Kotak Equity Arbitrage	10	2,034,013.90	217.49	792,260.32	85.15	745,090.96	80.09	
UTI Fixed Term Income Fund Series Xxii	10	300,000.00	37.96	300,000.00	35.29	300,000.00	32.17	
HDFC Corporate Debt Opportunity Fund	10	3,436,051.70	495.16	2,024,654.06	274.50	-	-	
HDFC FMP 1178D	10	1,500,000.00	163.67	1,500,000.00	151.46	-	-	
HDFC PSU Debt Fund	10	1,141,792.94	160.52	764,397.43	101.01	-	-	
ICICI Prudential Income Opportunities Fund	10	656,685.88	159.36	439,411.72	101.10	-	-	
Kotak Flexi Debt Regular Plan	10	721,653.45	160.87	721,653.45	151.46	-	-	
Kotak Medium Term Fund	10	2,275,901.58	328.47	1,555,948.00	210.64	-	-	
Reliance Corporate Bond Fund	10	1,847,877.72	258.94	384,057.03	111.76	-	-	
Sundaram Flexible Fund	10	437,290.37	106.64	437,290.37	100.99	-	-	
UTI Fixed Term Income Fund Series Xxvi-iii	10	1,100,000.00	117.12	1,100,000.00	110.50	-	-	
Aditya Birla Sunlife Medium Term Plan	10	1,399,534.78	307.59	-	-	-	-	
Aditya Birla Sunlife Corporate Bond Fund	10	3,450,766.62	446.55	-	-	-	-	
HDFC Regular Saving Fund	10	243,985.20	84.01	-	-	-	-	
Kotak Income Opportunity Fund	10	1,916,124.94	366.46	-	-	-	-	
L&T Income Opportunity Fund	10	1,529,598.61	304.50	-	-	-	-	
HDFC FMP 1177D	10	2,000,000.00	200.00	-	-	-	-	
HDFC FMP 1208D	10	1,000,000.00	100.51	-	-	-	-	
ICICI Prudential Long Term Plan	10	-	-	370,771.35	75.60	-	-	
ICICI Prudential Short Term Plan	10	-	-	1,220,415.10	416.43	1,220,415.10	377.76	
IDFC Arbitrage Fund Collection	10	-	-	659,782.53	85.86	620,858.10	80.36	
Tata Short Term Bond Fund	10	-	-	676,943.41	206.93	676,943.41	190.63	
HDFC Liquid Fund	1000	-	-	-	-	5,326.27	54.32	
IDFC Prudential Short Term Plan - Growth	10	-	-	-	-	340,931.56	122.22	
IDFC Dynamic Bond Fund	10	-	-	-	-	3,461,921.94	617.24	
SBI Magnum Income Fund	10	-	-	-	-	982,578.88	351.92	
<b>Total Value of Unquoted Investments</b>			<b>5,633.01</b>		<b>3,634.52</b>		<b>3,205.82</b>	
Total of Non Current Investments			<b>26,044.08</b>		<b>0.20</b>		<b>0.14</b>	
Less: Provision for Diminution in the value of Investment			-		-		-	
<b>Net Value of Non Current Investment</b>			<b>26,044.08</b>		<b>0.20</b>		<b>0.14</b>	


**9 OTHER NON CURRENT FINANCIAL ASSETS**

(Rs. in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Deposits	65.03	43.97	198.78
	<u>65.03</u>	<u>43.97</u>	<u>198.78</u>

**10 OTHER TAX ASSETS (NET)**

(Rs. in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Advance Tax and Tax Deducted at Source (Net of Current Tax Provisions)	91.86	358.32	463.84
	<u>91.86</u>	<u>358.32</u>	<u>463.84</u>

**11 OTHER NON CURRENT ASSETS**

(Rs. in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Capital Advances	3.20	82.46	14.91
Sales Tax Advance/Refund	285.51	524.70	669.27
Advance recoverable in cash or kind or for value to be received	9.60	2.50	1.03
	<u>298.31</u>	<u>609.66</u>	<u>685.20</u>

**12 INVENTORIES**

(Rs. in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Raw Material (Refer Note No 12.1 & 12.2)	2,620.07	2,704.65	3,349.98
Work-in-Progress	444.99	393.58	643.56
Finished Goods (Refer Note No 12.3)	219.89	151.18	708.49
Stores & Spares	15.51	13.33	7.23
	<u>3,300.47</u>	<u>3,262.74</u>	<u>4,709.27</u>

**Note No 12.1:** Raw Material inventory includes Goods-in transit Rs. 442 Lakhs (31st March 2017 Rs. Nil and 1st April 2016 Rs. 19,831 Lakhs)

**Note No 12.2:** Raw Material inventory net off provision for slow moving and non moving of Rs. 100.81 Lakhs (31st March 2017 Rs. Nil and 1st April 2016 Rs. Nil)

**Note No 12.3:** Finished Goods inventory includes Goods-in transit Rs. Nil (31st March 2017 Rs. 0.26 Lakhs and 1st April 2016 Rs. Nil)

**13 CURRENT INVESTMENTS**

(Rs. in Lakhs)

Particulars		As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(Unquoted)	Face Value QTY ₹	QTY ₹	QTY ₹	QTY ₹
<b>Investments in mutual funds</b>				
Kotak Floater Short Term-Daily Dividend	10 12,067.07	122.07	- -	- -
		<u>122.07</u>	<u>- -</u>	<u>- -</u>

**14 TRADE RECEIVABLES**

(Rs. in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(Unsecured)			
Considered good (Refer Note No 51)	1,899.36	2,255.79	3,204.26
Considered Doubtful	988.73	875.79	890.05
Less: Allowance for Expected Credit Loss	(988.73)	(875.79)	(890.05)
	<u>1,899.36</u>	<u>2,255.79</u>	<u>3,204.26</u>

**Movement in the Allowance of Doubtful Receivables**

Balance at the Beginning of the Year	875.79	890.05	172.65
Less: Amounts Written off During the Year (Net)	(24.93)	(38.80)	(39.19)
Changes in Allowance for Doubtful Receivables	<u>137.86</u>	<u>24.54</u>	<u>756.59</u>
Balance at End of the Year	<u>988.73</u>	<u>875.79</u>	<u>890.05</u>

The average credit period ranges from 1 to 5 days for Sales through Associated Business Partners (ABP), and for Direct customers/ Project order depending upon Terms of the Purchase Orders. No interest is charged on trade receivables during credit period of ABPs. Thereafter, interest is charged at 24% p.a. on the outstanding balance. The Company has a policy of providing trade receivable outstanding above 3 years.

**15 CASH AND CASH EQUIVALENTS**

(Rs. in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Balance With Banks</b>			
- On Current Account	109.35	126.23	129.16
- Cash on Hand	<u>6.27</u>	<u>2.35</u>	<u>5.57</u>
	<u>115.62</u>	<u>128.58</u>	<u>134.73</u>

**16 BANK BALANCES**

(Rs. in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unpaid Dividend Account (Refer Note No 16.1)	7.99	120.48	107.93
Margin Money Account (Refer Note No 16.2)	79.67	76.81	255.91
Bank Fixed Deposits Account less than 12 Months for maturity	<u>0.83</u>	<u>2.69</u>	<u>148.73</u>
	<u>88.48</u>	<u>199.99</u>	<u>512.56</u>

**Note No. 16.1**

The company can utilise balances only towards settlement of the unpaid dividend.

**Note No. 16.2**

Margin money deposits amounting to Rs. 79.67 Lakhs (31 March 2017 Rs. 76.81 Lakhs and 1 April 2016 Rs. 255.91 Lakhs) are lying with bank against Bank Guarantees.

**17 LOANS**

(Rs. in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(Unsecured, Considered Good, unless specified otherwise)			-
<b>Loans and Advances to Related Parties</b>			837.17
Deposit with Companies (Refer Note No 17.1)	-	167.17	-
<b>Other Loans &amp; Advances</b>			-
Loan to Companies	2,420.00	2,425.00	2,780.00
	<u>2,420.00</u>	<u>2,592.17</u>	<u>3,617.17</u>

**Note No 17.1:** The Company has surplus fund and hence has given loan to companies/placed deposit which is payable on demand and these Companies have taken loan for their working capital requirements. The rate of interest charged is 9.30- 15 % which is higher than prevailing rate of interest charged for the same tenor of the Government securities.

**18 OTHER TAX ASSETS**

(Rs. in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Security Deposits	6.57	12.91	1.57
Advances to Staff	4.65	6.58	6.54
Interest Receivable	217.50	355.66	293.63
Less: Allowance for Doubtful Assets	-	3.93	3.93
	<u>217.50</u>	<u>351.73</u>	<u>289.70</u>
	<u>228.72</u>	<u>371.22</u>	<u>297.81</u>

**19 OTHER TAX ASSETS**

(Rs. in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Advance Tax and Tax Deducted at Source	773.57	612.69	881.18
	<u>773.57</u>	<u>612.69</u>	<u>881.18</u>

**20 OTHER CURRENT ASSETS**

(Rs. in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Balance with Central Excise	48.08	142.19	166.65
Export Duty Draw Back	-	-	0.14
Sales Tax Advance/Refund	465.05	387.73	223.58
Advance to Suppliers and Service Providers	162.39	340.68	549.39
Less: Allowance for Bad Debts Advances	8.27	-	-
	<u>154.12</u>	<u>340.68</u>	<u>549.39</u>
Advance Recoverable in Cash or kind for which Value to be Received	62.28	58.90	30.19
Other Receivable	10.02	8.55	176.72
	<u>739.56</u>	<u>938.04</u>	<u>1,146.67</u>

**21 EQUITY SHARE CAPITAL**

(Rs. in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Authorized Share Capital</b>			
4,00,00,000 Equity Shares, Re. 1/- par value (31 March 2017: 4,00,00,000 equity shares Re. 1/- each) (1 April 2016: 4,00,00,000 equity shares Re. 1/- each)	400.00	400.00	400.00
	<u>400.00</u>	<u>400.00</u>	<u>400.00</u>
<b>Issued, Subscribed and Fully Paid Up Shares</b>			
3,20,00,000 Equity Shares, Re. 1/- par value fully paid up (31 March 2017: 3,20,00,000 equity shares Re. 1/- each) (1 April 2016: 3,20,00,000 equity shares Re. 1/- each)	320.00	320.00	320.00
	<u>320.00</u>	<u>320.00</u>	<u>320.00</u>

**Note No 21.1: The reconciliation of the number of shares outstanding at the beginning and at the end of reporting period 31-03-2018:**

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
Number of shares at the beginning	3,20,00,000	320.00	3,20,00,000	320.00	3,20,00,000	320.00
Add: Shares issued during the year	-	-	-	-	-	-
Less : Shares bought back (if any)	-	-	-	-	-	-
<b>Number of shares at the end</b>	<u>3,20,00,000</u>	<u>320.00</u>	<u>3,20,00,000</u>	<u>320.00</u>	<u>3,20,00,000</u>	<u>320.00</u>

**Note No 21.2: Terms/rights attached to equity shares**

- (A) The company has only one class of equity shares having a par value of Re. 1 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.
- (B) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**Note No 21.3: Aggregate number of bonus shares issued and sub-division of shares during the period of five years immediately preceding the reporting date :**

In the Financial Year 2012-13, 16,000,000 Equity Shares of Re.1 each were allotted as fully paid-up Bonus Shares.

**Note No 21.4: The details of shareholders holding more than 5% shares in the company :**

Name of the shareholder	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	No. of shares held	% held as at	No. of shares held	% held as at	No. of shares held	% held as at
Bajaj Holdings & Investment Ltd.	62,51,040	19.53	62,51,040	19.53	62,51,040	19.53
Jamnallal Sons Pvt. Ltd.	54,76,680	17.11	41,51,680	12.97	41,51,680	12.97
Mrs. Sunaina Kejriwal	7,10,480	2.22	19,90,480	6.22	19,90,480	6.22
Bajaj Sevashram Pvt. Ltd.	18,68,000	5.84	18,68,000	5.84	18,68,000	5.84
Mr. Anant Bajaj	16,64,000	5.20	16,64,000	5.20	16,64,000	5.20

**Note No 21.5: The details of Dividend paid per share is as under-**

Year	Dividend paid per share
2017-18	1.25 (Proposed)
2016-17	1.00
2015-16	1.50


**22 OTHER EQUITY**

(Rs. in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Reserves &amp; surplus*</b>			
Capital Reserve #	5.14	5.14	5.14
General Reserves ##	17,095.11	17,095.11	17,095.11
Retained Earnings	2,943.12	2,022.62	1,804.73
<b>Other Comprehensive Income (OCI)</b>			
-Remeasurement of Net Defined Benefit Plans	(26.67)	(23.61)	(15.34)
-Fair Value of Equity Investments through OCI	17,995.82	14,510.00	8,870.03
	<b>38,012.51</b>	<b>33,609.26</b>	<b>27,759.67</b>

# Capital reserve mainly represents amount transferred on amalgamation of INDEF Marketing Private Limited

## General reserve reflects amount transferred from statement of profit and loss in accordance with regulations of the Companies Act, 2013.

\* For movement, refer statement of changes in equity.

**23 OTHER NON CURRENT FINANCIAL LIABILITIES**

(Rs. in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Deposits from customers (Refer Note No 23.1)	47.00	41.50	36.00
	<b>47.00</b>	<b>41.50</b>	<b>36.00</b>

**Note No 23.1:** Deposits from customers are interest free deposit from Associate Business Partner and repayable on termination of agreement unless otherwise agreed.

**24 DEFERRED TAX LIABILITIES (NET)**

(Rs. in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Deferred Tax Liabilities (Net) (Refer Note 24.1)	243.39	297.20	256.37
	<b>243.39</b>	<b>297.20</b>	<b>256.37</b>
Property, Plant and Equipment/Investment Property/Other Intangible Assets	465.69	532.99	462.98
Fair Value through P&L	144.24	143.32	134.16
Fair Value through OCI	87.30	-	-
(A)	<b>697.23</b>	<b>676.31</b>	<b>597.13</b>
Less: Deferred Tax Assets			
Expenses Allowable under Income Tax on Payment Basis	9.40	10.76	12.78
Provision for Warranty	3.74	4.73	5.15
Provision for Slow Moving and Non Moving Items	29.36	-	-
MAT Credit Entitlement	236.50	47.58	-
Allowance for Bad & Doubtful Debts	298.80	316.03	322.83
(B)	<b>577.80</b>	<b>379.11</b>	<b>340.76</b>
	<b>119.44</b>	<b>297.20</b>	<b>256.37</b>

**Note No.: 24.1**

Particulars	Net Balance as at 01.04.2017	Recognised in statement of Profit and Loss	Recognised in OCI	Net Balance at 31.03.2018
<b>Deferred Tax Assets/(Liabilities)</b>				
Property, Plant and Equipment/Investment Property/Other Intangible Assets	532.99	(67.30)	-	<b>465.69</b>
Fair Value through Profit & Loss	143.32	0.92	-	<b>144.24</b>
Equity Instrutements Designated at FVOCI	-	-	87.30	<b>87.30</b>
Expenses Allowable under Income Tax on Payment Basis	(10.76)	1.36	-	<b>(9.40)</b>
Provision for Warranty	(4.73)	1.00	-	<b>(3.73)</b>
Provision for Slow Moving and Non Moving Items	-	(29.36)	-	<b>(29.36)</b>
MAT Credit Entitlement	(47.58)	(62.56)	-	<b>(110.14)</b>
Allowance for Bad & Doubtful Debts	(316.03)	14.82	-	<b>(301.21)</b>
	297.21	(141.12)	87.30	<b>243.39</b>

Particulars	Net Balance as at 1 April 2016	Recognised in statement of Profit and Loss	Recognised in OCI	Net Balance as at 31 March 2017
<b>Deferred Tax Liabilities/(Assets)</b>				
Property, Plant and Equipment/Investment Property/Other Intangible Assets	462.98	70.02	-	533.00
Fair Value through P&L	134.16	9.16	-	143.32
Fair Value through OCI	-	-	-	-
Expenses Allowable under Income Tax on Payment Basis	(12.78)	2.02	-	(10.76)
Provision for Warranty	(5.15)	0.42	-	(4.73)
Provision for Slow Moving and Non Moving Items	-	-	-	-
MAT Credit Entitlement	-	(47.58)	-	(47.58)
Allowance for Bad & Doubtful Debts	(322.83)	6.80	-	(316.03)
	256.37	40.83	-	297.20

**Income tax**

The major components of income tax expense for the year ended 31 March, 2018

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
<b>Profit and Loss:</b>		
Current Tax – Net of Reversal of Earlier Years : Rs. 1.59 Lakhs (31 March 2017: Rs. 27.39 Lakhs)	<b>232.26</b>	158.53
Deferred Tax– Net of Reversal of Earlier Years : Rs. 40.22 Lakhs (31 March 2017: Rs. Nil)	<b>(141.11)</b>	40.83
	<b>91.15</b>	199.36

**Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate**

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
Profit Before Income Tax Expense	1,069.55	994.98
Tax at the Indian Tax Rate 33.063%	353.63	328.97
Add: Items giving rise to Difference in Tax		
Effect of Non-Deductible Expenses	73.40	79.54
Permanent Difference	(224.79)	(144.23)
Transition Effect	27.58	-
Others	(138.67)	(64.91)
Income Tax Expenses	91.15	199.36

**Note:** The figures have been regrouped/reclassified, wherever necessary.

**25 BORROWINGS**

(Rs. in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Secured (Refer Note No 25.1)			
<b>From Bank</b>			
Cash Credit	-	-	507.26
Buyers Credit	-	-	222.51
	<u>-</u>	<u>-</u>	<u>729.76</u>

**Note No 25.1:** Secured by hypothecation of first and exclusive charge on all present and future stocks and book debts and also collaterally secured by pledge of mutual fund units.

**26 TRADE PAYABLES**

(Rs. in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Current</b>			
Dues of Micro and Small Enterprises (Refer Note No 26.1)	-	-	-
Dues Other than Micro and Small Enterprises (Refer Note No 26.1)	1,040.46	857.07	3,270.38
	<u>1,040.46</u>	<u>857.07</u>	<u>3,270.38</u>

**Note No 26.1:** The company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures relating to amounts unpaid as at the year end together with interest paid / payable under this Act, have not been given.

**27 OTHER FINANCIAL LIABILITIES**

(Rs. in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Current Maturities of Long Term Debt	-	-	-
Interest Accrued but not due on Buyer's Credit	-	-	0.16
Unpaid Dividends	7.99	120.48	107.93
Sundry Creditors for Capital Goods	0.32	1.14	16.73
Outstanding Liabilities	-	-	75.50
	<u>8.31</u>	<u>121.63</u>	<u>200.31</u>

**28 OTHER CURRENT LIABILITIES**

(Rs. in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Advances From Customers	30.30	72.01	36.86
Statutory Dues Payable	123.12	44.12	161.13
	<u>153.41</u>	<u>116.13</u>	<u>197.99</u>

**29 PROVISIONS**

(Rs. in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Provision for Employee Benefits</b>			
For Gratuity	-	-	-
For Leave Encashment (Refer Note No 46)	-	-	7.58
<b>Others (Refer Note No 48)</b>			
Provisions for Warranty	12.83	13.67	14.89
Incentive Payable to Senior Management staff	29.00	-	39.00
Incentive Payable to Management staff	26.00	-	-
Provision for Liquidity Damages	37.39	37.39	42.78
	<u>105.21</u>	<u>51.06</u>	<u>104.25</u>

**30 CURRENT TAX LIABILITIES (NET)**

(Rs. in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Provision for Taxation (Net of Tax Payment)	98.09	-	-
	<u>98.09</u>	<u>-</u>	<u>-</u>

**31 CONTINGENT LIABILITIES AND COMMITMENTS****a) CONTINGENT LIABILITIES: #**

(Rs. in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Disputed Income Tax Liability	45.56	43.47	75.37
Disputed Excise Duty & Service Tax Liability	375.75	330.24	205.97
Indemnity Bonds issued under Export Promotion Capital Goods (EPCG) Scheme	-	-	5.08
Claims against the company not acknowledged as debts	-	-	7.32
Disputed Sales Tax Liabilities	50.40	96.61	91.23
	<u>471.71</u>	<u>470.32</u>	<u>384.97</u>

**b) COMMITMENTS:**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Estimated Amounts of Contract remaining to be executed on Capital account and not provided for (Net of Advances)	8.78	100.35	11.97
	<u>8.78</u>	<u>100.35</u>	<u>11.97</u>

**Note:**

# The management does not expect these demands/claims to succeed. Claims, where the possibility of outflow of resources embodying economic benefits is remote, have not been considered in contingent liability.

**32 REVENUE FROM OPERATIONS**

(Rs. in Lakhs)

Particulars	2017-2018	2016-2017
Sale of Products (Refer Note No 32.1)	7,686.08	8,103.20
<b>Other Operating Revenue</b>		
Income from Erection & Commissioning Services	21.65	11.03
Scrap Sales	-	14.52
	<b>7,707.73</b>	<b>8,128.75</b>

**Note No 32.1:** Goods and Service Tax (GST) have been effective from July 1, 2017. Consequently, excise duty, value added tax (VAT), Service tax etc. have been replaced with GST. Until June 30, 2017, 'Sale of products' included the amount of excise duty recovered on sales. With effect from July 1, 2017, 'Sale of products' excludes the amount of GST recovered. Accordingly, revenue from 'Sale of Products, and 'Revenue from operations' for the year ended March 31, 2018 are not comparable with those of previous year. Excise duty on sales amounting to Rs. 160.61 Lakhs (31st March, 2017 : Rs. 823.09 Lakhs) has been included in sales in Statement of Profit and Loss.

**33 OTHER INCOME**

(Rs. in Lakhs)

Particulars	2017-2018	2016-2017
Interest Income (Refer Note No 33.1)	400.03	715.08
Dividend income on from Equity Instrutements Designated at FVOCI	210.55	30.59
Dividend income on from Mutual Fund designated at FVTPL	17.52	10.66
Net gain on sale of investments	188.34	240.35
Net gain on financial assets measured at FVTPL	80.07	23.84
<b>Other Non Operating Income</b>		
Provision no longer required, written back	35.98	86.27
Sundry Balance Written Back (Net)	36.24	67.77
Exchange Fluctuation Gain (Net)	11.95	-
	<b>980.69</b>	<b>1,174.56</b>

**Note No. 33.1 : Break-up of Interest Income**

Interest Income from ABPs	49.47	154.24
Interest income on other deposits	3.27	3.05
Interest on income tax refund	9.13	115.82
Interest on sales tax refund	15.42	13.26
Interest income on deposits with banks	7.10	15.65
Interest income on Loan to Companies.	315.64	413.06
	<b>400.03</b>	<b>715.08</b>

**34 COST OF MATERIALS CONSUMED**

(Rs. in Lakhs)

Particulars	2017-2018	2016-2017
Inventory at the beginning of the year	2,704.65	3,349.98
Add: Purchases during the year	4,450.81	3,418.14
	<b>7,155.46</b>	<b>6,768.13</b>
Less: Sales of Materials	106.52	281.15
Less: Inventory at the end of the year	2,620.07	2,704.65
	<b>4,428.86</b>	<b>3,782.33</b>

**Note No 34.1:** Raw Material inventory net off provision for slow moving and non moving of Rs. 100.81 Lakhs (Previous Year Rs. Nil).

**35 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS**

(Rs. in Lakhs)

Particulars	2017-2018	2016-2017
<b>Inventories at the end of the year</b>		
Finished Goods	219.89	151.18
Work In Progress	444.99	393.58
	<b>664.88</b>	<b>554.76</b>
<b>Inventories at the beginning of the year</b>		
Finished Goods (Refer Note No 35.1)	151.18	654.64
Work In Progress	393.58	643.56
	<b>544.76</b>	<b>1,298.20</b>
	<b>(120.12)</b>	<b>753.44</b>

**Note No 35.1:** Finished Goods transfer to Fixed Assets on Capitalisation of Rs. Nil (Previous Year Rs. 53.85 Lakhs).**36 EXCISE DUTY ON SALES OF GOODS**

(Rs. in Lakhs)

Particulars	2017-2018	2016-2017
Excise duty on sales (Refer Note No 32.1)	160.61	823.09
	<b>160.61</b>	<b>823.09</b>

**37 EMPLOYEE BENEFIT EXPENSES**

(Rs. in Lakhs)

Particulars	2017-2018	2016-2017
Salaries, Wages and Bonus	736.02	685.78
Contribution to Provident and other fund	75.74	77.44
Staff Welfare Expenses	196.82	224.21
	<b>1,008.58</b>	<b>987.44</b>

**38 FINANCE COST**

(Rs. in Lakhs)

Particulars	2017-2018	2016-2017
Unwinding of interest on security deposits (Refer Note No 53 (3))	1.79	-
Interest Expense on Short Term Bank Borrowing	-	21.36
Interest Expense on Income Tax Payment	2.01	-
Other Borrowing Costs	-	1.15
	<b>3.80</b>	<b>22.51</b>

**39 DEPRECIATION & AMORTIZATION EXPENSES**

(Rs. in Lakhs)

Particulars	2017-2018	2016-2017
Depreciation on Property, Plant and Equipment	241.23	212.21
Depreciation on Investment Property	2.15	2.15
Amortisation on Intangible Assets	48.85	44.69
	<b>292.23</b>	<b>259.05</b>

**40 OTHER EXPENSES**

(Rs. in Lakhs)

<b>Particulars</b>	<b>2017-2018</b>	<b>2016-2017</b>
Consumption of Stores and Tools	<b>95.84</b>	16.65
Manufacturing & Processing charges	<b>116.99</b>	167.46
Power & Fuel	<b>36.35</b>	41.03
Consumption of Packing Material (including packing labour charges)	<b>202.10</b>	203.75
Repairs & Maintenance		
Plant & Machinery	<b>9.19</b>	3.80
Building	<b>17.84</b>	19.52
Others	<b>15.32</b>	15.93
Insurance Charges	<b>10.53</b>	10.52
Rates & Taxes	<b>82.88</b>	56.05
Rent	<b>55.37</b>	60.62
Erection and Commissioning Charges	<b>12.81</b>	7.21
Carriage outwards (Net)	<b>207.34</b>	232.54
Advertisement & Sales Promotion	<b>40.37</b>	44.18
Commission on sales	-	10.24
Incentive to Business Facilitator	-	-
Payment to Statutory Auditors (Refer Note No. 40.1)	<b>7.50</b>	9.50
Legal & Professional	<b>261.15</b>	203.46
Directors' Fees	<b>15.20</b>	17.80
Directors' Remuneration	<b>3.00</b>	3.00
Fixed Assets Written Off	<b>3.45</b>	-
Loss on Sale of Fixed Assets (Net)	<b>0.01</b>	1.51
Exchange Rate Fluctuation (Net)	-	24.64
Bad Debts	-	2.17
Allowance for Doubtful Debts	<b>137.86</b>	24.54
Allowance for Doubtful Debts Advances	<b>8.27</b>	-
Windmill Expenses	<b>97.12</b>	130.21
CSR Expenditure	-	50.00
Miscellaneous expenses	<b>408.40</b>	324.13
	<b>1,844.90</b>	1,680.47

**Note No. 40.1 : Payment to Statutory Auditors****(A) Payment to Statutory Auditors**

(Rs. in Lakhs)

Particulars	2017-2018	2016-2017
<b>As Auditors :</b>		
Audit Fees (including Limited Review)	6.53	6.50
Tax Audit Fees	-	1.20
VAT Audit Fees	-	0.60
Towards GST/Service Tax *	0.16	1.25
	<b>6.69</b>	<b>9.55</b>
<b>In Other Capacity :</b>		
Certification	-	0.04
Other Matter	-	0.10
Out of pocket expenses	0.53	0.58
Towards GST/Service Tax *	0.01	0.02
	<b>0.54</b>	<b>0.74</b>
	<b>7.23</b>	<b>10.28</b>

**(B) Payment to Cost Auditors**

Audit Fees	0.42	0.42
Out of pocket expenses	0.01	0.02
Towards GST/Service Tax *	-	0.06
	<b>0.43</b>	<b>0.50</b>
<b>Total Auditors Remuneration (A + B)</b>	<b>7.66</b>	<b>10.78</b>

\* Note: Out of above GST/ Service Tax credit of Rs. 0.16 Lakhs (Previous Year Rs. 1.28 Lakhs) has been taken and the same has not been debited to Statement of Profit & Loss.

**41 EARNING PER SHARE**

(Rs. in Lakhs)

Particulars	2017-2018	2016-2017
(A) Profit attributable to Equity Shareholders (Rs.)	978.40	756.61
(B) No. of Equity Share outstanding during the year.	3,20,00,000	3,20,00,000
(C) Face Value of each Equity Share (Rs.)	1.00	1.00
(D) Basic & Diluted earning per Share (Rs.)	3.06	2.49

**42 CAPITAL MANAGEMENT**

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders. The primary objective of the Company capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio and is measured by net debt divided by total capital plus net debt. The Company's net debt is equal to trade and other payables less cash and cash equivalents.

(Rs. in Lakhs)

Particulars	31 March 2018	31 March 2017	31 March 2016
Trade Payables	1,040.46	857.07	3,270.38
Other Payables	412.02	330.32	1,268.31
Less - Cash and Cash equivalents	115.62	128.58	134.73
Net Debt	1,336.86	1,058.82	4,403.96
Total Equity	38,005.28	33,929.26	28,079.67
Capital and Net debt	39,342.14	34,988.08	32,483.62
Gearing Ratio	3.40%	3.03%	13.56%


**43 SEGMENT REPORTING**
**Segment Information for the year ended 31st March, 2018**

Information about primary business segment

(Rs. in Lakhs)

Particulars	2017-18				2016-17			
	Segments			Total	Segments			Total
	Material Handling	Windmill Power	Unallo-cated		Material Handling	Windmill Power	Unallo-cated	
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
<b>Revenue</b>								
Segment Revenue	7,421.64	286.09	-	7,707.73	7,810.44	318.30	-	8,128.75
<b>Result</b>								
Segment Results	168.58	101.78	-	270.36	123.68	129.59	-	253.27
Add: Unallocated Corporate Income net of Unallocated corporate expenses	-	-	802.99	802.99	-	-	764.22	764.22
Less: Interest Expenses	-	-	(3.80)	(3.80)	-	-	(22.51)	(22.51)
Profit Before Tax	168.58	101.78	799.19	1,069.55	123.68	129.59	741.71	994.98
Less: Provision for Tax (Net of Deferred Tax)	-	-	132.96	132.96	-	-	226.76	226.76
Net Profit After Tax & Before Prior Period Adjustments	168.58	101.78	666.24	936.60	123.68	129.59	514.95	768.21
Add : Prior Period Tax Adjustments	-	-	(41.81)	(41.81)	-	-	(27.40)	(27.40)
Net Profit After Prior Period Adjustments	168.58	101.78	708.04	978.40	123.68	129.59	542.34	795.61
<b>Other Information</b>								
Segment Assets	8,452.65	1,343.53	29,904.97	39,701.15	9,570.64	1,220.48	24,622.73	35,413.85
Segment Liabilities	1,223.29	0.38	472.21	1,695.87	1,022.79	0.36	461.44	1,484.59
Capital Expenditure	235.78	-	-	235.78	1,219.08	-	-	1,219.08
Depreciation / Amortisation	203.10	86.98	2.15	292.23	169.93	86.98	2.15	259.05

**Notes:**

- The Company is engaged into two main business segments mainly (i) Material Handling Equipment and (ii) Windmill Power Segments have been identified and reported taking into account the nature of products and services, the differing risks and returns and the organisation structure.
- Segment Revenue, Results, Assets and Liabilities include the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis.
- The Company does not have any geographical segment.

**44 FINANCIAL RISK MANAGEMENT**

The Company's activities expose it to credit risk, liquidity risk, market risk and price risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact thereof in the financial statements.

Sl. No.	Risk	Exposure arising from	Measurement	Management
1	Credit Risk	Cash and cash equivalents, trade receivables and financial assets.	Credit ratings, Review of aging analysis, Review of investment on quarterly basis.	Strict credit control and monitoring system, diversification of counterparties, Investment limits, check on counterparties basis credit rating and investment review on quarterly basis.
2	Liquidity Risk	Trade payables and other financial liabilities.	Maturity analysis, cash flow projections.	Maintaining sufficient cash / cash equivalents and marketable security.
3	Market Risk – Foreign Exchange	Highly probable forecast transactions and financial assets and liabilities not denominated in INR.	Foreign currency exposure review and sensitivity analysis.	Forward foreign currency contract, future and option.
4	Price Risk – Commodity Prices	Basic ingredients of company raw materials are various grade of steel and copper where prices are volatile	The company sourcing components from vendors directly, hence it does not hedge its exposure to commodity price risk.	The company is able to pass on substantial price hike to the customers.

The Board provides guiding principles for overall risk management, as well as policies covering specific areas such as credit risk, liquidity risk, price risk, investment of surplus liquidity and other business risks effecting business operation. The company's risk management is carried out by the management as per guidelines and policies approved by the Board of Directors.

#### (A) Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses the direct risk of default, risk of deterioration of creditworthiness as well as concentration risks. The Company is exposed to credit risk from its operating activities (primarily trade receivables), deposits with banks and loans given.

#### Credit Risk Management

For financial assets the Company has an investment policy which allows the Company to invest only with counterparties having credit rating equal to or above AAA and AA. The Company reviews the creditworthiness of these counterparties on an ongoing basis. Another source of credit risk at the reporting date is from trade receivables as these are typically unsecured. This credit risk has always been managed through credit approvals, establishing credit limits and continuous monitoring the creditworthiness of customers to whom credit is extended in the normal course of business. The Company estimates the expected credit loss based on past data, available information on public domain and experience. Expected credit losses of financial assets receivable are estimated based on historical data of the Company. The company has provisioning policy for expected credit losses. There is no credit risk in bank deposits which are demand deposits. The creditors risk is minimum in case of entity to whom loan has been given.

The maximum exposure to credit risk as at 31 March 2018, 31 March 2017 and 1 April 2016 is the carrying value of such trade receivables as shown in note 14 of the financials.

**The Credit Loss allowances are provided in the case of trade receivables as under:** (Rs. in Lakhs)

Loss allowance as on 1 April 2016	890.05
Change in loss allowance	(14.25)
Loss allowance as on 31 March 2017	875.79
Change in loss allowance	112.93
Loss allowance as on 31 March 2018	<b>988.73</b>

#### (B) Liquidity Risk

The Company's principal sources of liquidity are "cash and cash equivalents" and cash flows that are generated from operations. The Company has no outstanding term borrowings. The Company believes that its working capital is sufficient to meet its current requirements. Additionally, the Company has sizeable surplus funds invested in fixed income securities or instruments of similar profile ensuring safety of capital and availability of liquidity if and when required. Hence the Company does not perceive any liquidity risk.

#### (c) Market Risk - Foreign Currency Risk

The Company significantly operates in domestic market. Though very insignificant portion of export took place during the financial year where all payment received in advance. Hence foreign currency risk towards export is insignificant.

The Company also imports certain materials the value of which is also not material as compared to value of total raw materials. Currently, Company does not hedge this exposure. Nevertheless, Company may wish to hedge such exposures.

#### Open exposure

The Company's exposure to foreign currency risk which are unhedged at the end of the reporting period is as follows:

Particulars	GBP	Euro	USD
<b>31 March 2018</b>			
Trade Receivables - Foreign Currency	<b>130</b>	<b>3,113</b>	<b>51,732</b>
Trade Receivables - Rs. in Lakhs	<b>0.12</b>	<b>2.45</b>	<b>33.31</b>
Trade Payables - Foreign Currency	-	-	<b>20,039</b>
Trade Payables - Rs. in Lakhs	-	-	<b>13.09</b>
<b>31 March 2017</b>			
Trade Receivables - Foreign Currency	130	3,113	74,067
Trade Receivables - Rs. in Lakhs	0.10	2.11	47.63
Trade Payables - Foreign Currency	-	38,718	27,911
Trade Payables - Rs. in Lakhs	-	27.06	18.22



Particulars	GBP	Euro	USD
<b>31 March 2016</b>			
Trade Receivables - Foreign Currency	130	1,890	38,201
Trade Receivables - Rs. in Lakhs	0.12	1.52	25.09
Trade Payables - Foreign Currency	-	1,69,438	2,06,057
Trade Payables - Rs. in Lakhs	-	128.25	137.40

#### Sensitivity Analysis

The Company is mainly exposed to changes in USD and Euro. The sensitivity analysis demonstrate a reasonably possible change in USD and Euro exchange rates, with all other variables held constant. 5% appreciation/depreciation of USD and Euro with respect to functional currency of the company will have impact of following (decrease)/increase in Profit & vice versa.

Particulars	31 March 2018	31 March 2017	31 March 2016
Euro	<b>12,270</b>	(1,24,791)	(6,33,634)
USD	<b>1,01,059</b>	1,47,073	(5,61,540)
<b>Total</b>	<b>1,13,329</b>	22,282	(11,95,174)

#### (d) Price Risk

The company is exposed to price risk in basic ingredients of Company's raw material and is procuring finished components and bought out materials from vendors directly. The Company monitors its price risk and factors the price increase in pricing of the products.

#### 45 Related party disclosures as required under Ind AS 24, "Related Party Disclosures", are given below:

a) Name of the related party and description of relationship.

SN	Related Parties	Nature of Relationship
(i)	Hind Musafir Agency Limited	Shri Shekhar Bajaj is Chairman & Member
(ii)	Hindustan Housing Co. Limited	Shri Shekhar Bajaj is Member and Shri Vinaya Mehrotra is a Director
(iii)	Mukand Limited	Relative of Shri Shekhar Bajaj, Shri Niraj Bajaj (Brother) is Director
(vii)	Bajaj Finance Limited	Relative of Shri Shekhar Bajaj, Shri Madhur Bajaj (Brother) is Director
(iv)	Hind Lamps Limited	Relative of Shri Shekhar Bajaj, Shri Anant Bajaj (Son) and Shri Shekhar Bajaj are Directors
(v)	Bajaj Allianz General Insurance Co. Limited	Relative of Shri Shekhar Bajaj, Shri Niraj Bajaj (Brother) is Director
(vi)	Bajaj International Private Limited	Shri Shekhar Bajaj is Chairman
(vii)	Shri Shekhar Bajaj	Chairman (Key Management Personnel)
(viii)	Shri H.A. Nevatia	Whole Time Director (Key Management Personnel)
(ix)	Bajaj Holdings & Investment Limited	Relative of Shri Shekhar Bajaj, Shri Madhur Bajaj (Brother) is Director
(x)	Bajaj Auto Limited	Relative of Shri Shekhar Bajaj, Shri Madhur Bajaj (Brother) and Shri Shekhar Bajaj are Directors
(xi)	Bajaj Finserv Limited	Relative of Shri Shekhar Bajaj, Shri Madhur Bajaj (Brother) is Director
(xii)	Bajaj Electricals Limited	Relative of Shri Shekhar Bajaj, Shri Madhur Bajaj (Brother), Shri Anant Bajaj (Son) and Shri Shekhar Bajaj are Directors

b) Details of Transactions during the year with related parties.

Rs. in Lakhs

S.No.	Related parties	Nature of Transactions during the year	2017-18 ₹	2016-17 ₹
(i)	Bajaj International Private Limited	Reimbursement of Expenses	<b>0.34</b>	0.09
		Payment towards Expenses	<b>0.12</b>	0.31
(ii)	Hind Lamps Limited	Interest Receivable	-	3.93
(iii)	Hind Musafir Agency Limited	Purchase of Travel Tickets	<b>51.68</b>	45.36
		Payment against Purchases of Travel Tickets	<b>51.50</b>	9.41
		(Advance)/Payable against Purchases of Travel Tickets	<b>3.96</b>	3.77

(Rs. in Lakhs)

S.No.	Related parties	Nature of Transactions during the year	2017-18 ₹	2016-17 ₹
(iv)	Hindustan Housing Company Limited	Office Maintenance Charges	3.76	3.61
		Payment-Office Maintenance Charges	4.79	3.96
		Payable-Office Maintenance Charges	(0.07)	0.96
(v)	Bajaj Allianz General Insurance Company Limited	Insurance Premiums	38.87	13.00
		Payment towards Insurance Premiums	48.98	13.64
		(Advance)/Payable against Insurance Premium	(10.38)	(0.28)
(vi)	Bajaj Finance Limited	Investment in Fixed Deposit	-	167.17
(vii)	Shri H.A.Nevatia	Short-term employee benefits	6.15	4.31
(viii)	Shri Prakash Subramaniam	Short-term employee benefits	91.38	89.59

c) Balances at end of the year with related parties.

(Rs. in Lakhs)

S. No.	Related parties	Nature of Transactions during the year	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
(i)	Bajaj International Private Limited	(Advance)/Payable against Reimbursement of Expenses	0.19	(0.03)	0.10
(ii)	Hind Lamps Limited	Interest Receivable	-	3.93	3.93
(iii)	Hind Musafir Agency Limited	(Advance)/Payable against Purchases of Travel Tickets	3.96	3.77	(32.17)
(iv)	Hindustan Housing Company Limited	Payable-Office Maintenance Charges	(0.07)	0.96	1.32
(v)	Bajaj Allianz General Insurance Company Limited	(Advance)/Payable against Insurance Premium	(10.38)	(0.28)	0.37
(vi)	Bajaj Finance Limited	Investment in Fixed Deposit	-	167.17	837.17
(vii)	Shri Prakash Subramaniam	Remuneration Payable	-	-	25.00
(viii)	Bajaj Holdings & Investment Limited	Investment in Equity Share	7,506.96	6,212.82	4,179.83
(ix)	Bajaj Auto Limited	Investment in Equity Share	5,019.22	5,126.21	4,393.30
(x)	Bajaj Finserv Limited	Investment in Equity Share	4,767.53	3,763.35	1,568.52
(xi)	Bajaj Electricals Limited	Investment in Equity Share	3,117.36	1,735.57	1,056.32

**46 EMPLOYEE BENEFITS**

As per Ind AS 19 "Employee Benefits", the disclosures of Employee benefits as defined in the said Accounting Standards are given below :

**(i) Defined Contribution Plan**

Contribution to Defined Contribution Plan includes Provident Fund and Superannuation Fund. The expenses recognised for the year are as under :

(Rs. in Lakhs)

Particulars	2017-18	2016-17
Employer's Contribution to Provident Fund	35.81	34.41
Employer's Contribution to Superannuation Fund	9.56	11.00

**(ii) Defined Benefit Plan****(a) Gratuity:**

The Company operates gratuity plan wherein every employee is entitled to the benefit equivalent to 15 to 19 days/one month salary last drawn for each completed year of service depending on the date of joining. The same is payable on termination of service, retirement or death, whichever is earlier. The benefit vests after 5 years of continuous service.

**(b) Leave Encashment:**

The Company has a policy on compensated absences which is applicable to its executives jointed upto a specified period and all workers. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each Balance Sheet date using projected unit credit method on the additional amount expected to be paid as a result of the unused entitlement that has accumulated at the Balance Sheet date.



The plans of the Company exposes to actuarial risks such as Investment Risk, Interest rate risk, salary risk and longevity risk. These risks may impact the obligation of the Company

**(c) Major Category of Plan Assets**

The Company has taken plans from Life Insurance Corporation of India

(d) The following tables set out the funded status of the gratuity and leave encashment plans and the amounts recognised in the Company's financial statements as at 31 March 2018 and 31 March 2017.

(Rs. in Lakhs)

Sr.No.	Particulars	2017-18		2016-17	
		Leave Encashment ₹	Gratuity ₹	Leave Encashment ₹	Gratuity ₹
<b>I</b>	<b>Changes in present value of obligations</b>				
(a)	Present value of obligations as at the beginning of year	48.45	73.57	44.82	66.81
(b)	Interest cost	3.88	5.89	3.59	5.34
(c)	Current Service Cost	11.29	9.61	10.79	8.68
(d)	Benefits Paid	(6.19)	(10.93)	(14.68)	(11.60)
(e)	Actuarial gain on obligations	(1.50)	4.56	3.93	4.34
(f)	Present value of obligations as at the end of year	55.93	82.69	48.45	73.57
<b>II</b>	<b>Changes in the fair value of plan assets</b>				
(a)	Fair value of plan assets at the beginning of year	49.00	76.30	37.24	69.09
(b)	Expected return on plan assets	4.65	6.61	4.38	6.47
(c)	Contributions	14.93	13.15	22.07	12.34
(d)	Benefits paid	(6.19)	(10.93)	(14.68)	(11.60)
(e)	Actuarial gain on Plan assets	-	-	-	-
(f)	Fair value of plan assets at the end of year	62.40	85.12	49.00	76.30
<b>III</b>	<b>Change in the present value of the defined benefit obligation and fair value of plan assets</b>				
(a)	Present value of obligations as at the end of the year	55.93	82.69	48.45	73.57
(b)	Fair value of plan assets as at the end of the year	62.40	85.12	49.00	76.30
(c)	Net (liability) / asset recognized in Balance Sheet	6.47	2.43	0.55	2.72

(e) Amount for the year ended 31 March, 2018 and 31 March, 2017 recognised in the statement of profit and loss under employee benefit expenses.

(Rs. in Lakhs)

Sr.No.	Particulars	2017-18		2016-17	
		Leave Encashment ₹	Gratuity ₹	Leave Encashment ₹	Gratuity ₹
<b>I</b>	<b>Expenses Recognised in statement of Profit &amp; Loss</b>				
(a)	Current Service cost	11.29	9.61	10.79	8.68
(b)	Interest Cost	3.88	5.89	3.59	5.34
(c)	Expected return on plan assets	(4.65)	(6.61)	(4.38)	(6.47)
(d)	Net Actuarial gain recognised in the year	(1.50)	4.56	3.93	4.34
(e)	Expenses recognised in statement of Profit & Loss Account	9.01	13.44	13.93	11.90

(f) Amount for the year ended December 31, 2017 and December 31, 2016 recognised in the statement of other comprehensive income.

(Rs. in Lakhs)

Sr.No.	Particulars	2017-18		2016-17	
		Leave Encashment ₹	Gratuity ₹	Leave Encashment ₹	Gratuity ₹
<b>I</b>	<b>Actuarial Gain/Loss recognized</b>				
(a)	Actuarial gain for the year -Obligation	1.50	(4.56)	(3.93 )	(4.34)
(b)	Actuarial gain for the year - plan assets	-	-	-	-
(c)	Total gain for the year	(1.50)	4.56	3.93	4.34
(d)	Total actuarial (gain)/ loss included in other comprehensive income	(1.50)	4.56	3.93	4.34

#### 47 DERIVATIVES

The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are as under.

(a) Amount Receivable in Foreign Currency on account of the following :

(Rs. in Lakhs)

Particulars	Foreign	As on 31.03.2018		As on 31.03.2017		As on 01.04.2016	
		Amount in Foreign Currency	₹	Amount in Foreign Currency	₹	Amount in Foreign Currency	₹
Receivables	GBP	130	0.12	130	0.10	130	0.12
	EURO	3,113	2.45	3,113	2.11	1,890	1.52
	USD	51,732	33.31	74,067	47.63	38,201	25.09

(b) Amount Payable in foreign Currency on account of the following :

(Rs. in Lakhs)

Particulars	Foreign	As on 31.03.2018		As on 31.03.2017		As on 01.04.2016	
		Amount in Foreign Currency	₹	Amount in Foreign Currency	₹	Amount in Foreign Currency	₹
Payable	EURO	-	-	38,718	27.06	1,69,438	128.25
	USD	20,039	13.09	27,911	18.22	2,06,057	137.40

**48 DISCLOSURE RELATING TO PROVISIONS-** The movement in the following provisions is summarised as under :

(Rs. in Lakhs)

Sr. No. **	Provision Related to	Opening Balance	Additions	Utilisation	Reversal	Closing Balance
1.	Warranty	13.67	12.58	13.43	-	12.83
2.	Liquidated Damages	37.39	-	-	-	37.39
3.	Incentive to Senior Management Staff	-	29.00	-	-	29.00
4.	Incentive to Management Staff	-	-	-	-	-
	<b>TOTAL</b>	<b>51.06</b>	<b>41.58</b>	<b>13.43</b>	<b>-</b>	<b>79.21</b>

#### \*\* Notes:

- The company gives Warranties at the time of Sales of Main Products to the customers. Under the terms of Contract of Sales, the company undertakes to make good by replacement or repairs, Manufacturing defects that arise within 1-2 years from the date of sales. A provision has been recognised for the expected Warranty claims on products sold based on past experience.
- The Company has taken Orders with Liquidated Damages Clause. A provision has been made for the expected liability wherein the delivery is made beyond the delivery date and attracted the liquidated damages clause in the contract.
- The company gives incentives to its senior management staff based on performance of the Company.
- The company gives incentives to its management staff based on their performance.



- 49 During the previous year, the details of Specified Bank Notes held and transacted during the demonetization period (8th November, 2016 to 30th December, 2016) as provided in the table below:

Rs. in Lakhs

Particulars	Specified Bank Notes (SBNs)	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	1.95	0.24	2.19
(+) Permitted receipts	-	6.72	6.72
(-) Permitted payments	-	6.09	6.09
(-) Amount deposited in Banks	1.95	-	1.95
Closing cash in hand as on 30.12.2016	-	0.86	0.86

**50 LEASES:**

The Company's major leasing arrangements are in respect of godowns/office premises (including furniture & fittings therein wherever applicable taken on leave and license basis). The aggregate lease rentals of Rs. 55.37 Lacs (March 2017: Rs. 60.62 Lacs) are charged as Rent and shown under the Note No. 40 "Other Expenses". These leasing arrangements, which are cancelable, range between 11 months to 3 years and are usually renewable by mutual consent at mutually agreed terms and conditions.

- 51 Balance of Trade Receivable includes Rs. 631.69 Lacs (March 2017: Rs. 415.21 and April 2016: Rs. 580.69 Lacs) which are overdue for which no provision has been made in the accounts as the Management is hopeful of recovery.
- 52 Balances of Trade Receivables, Trade Payables and Loans and Advances are subject to confirmation and consequential adjustment, if any.

**53 FIRST TIME ADOPTION OF IND AS**

The Company has adopted Ind AS with effect from 1st April 2017 with comparatives being restated. Accordingly the impact of transition has been provided in the Opening Reserves as at 1st April 2016. The figures for the previous period have been restated, regrouped and reclassified wherever required to comply with the requirement of Ind AS and Schedule III.

**Explanation 1 - Exemptions and exceptions availed**

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from IGAAP to Ind AS.

**(I) Ind AS Optional exemptions****Deemed Cost - Property, Plant and Equipment, Capital work-in-progress and Intangible Assets**

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the IGAAP and use that as its deemed cost as at the date of transition. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets. Accordingly, the Company has elected to measure all of its property, plant and equipment, Capital work-in-progress and intangible assets at their IGAAP carrying values.

**(II) Ind AS mandatory exemptions****(i) Estimates**

An entity's estimates in accordance with Ind AS' at the date of transition to Ind AS shall be consistent with the estimates made for the same date in accordance with the IGAAP (after adjustments to reflect any difference in accounting policies) unless there is an objective evidence that those estimates were in error.

**(ii) Classification and measurement of financial assets (other than equity instruments)**

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exists at the date of transition to Ind AS.

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

Ind AS 101 requires a first time adopter to apply the de-recognition provisions for Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows first time adopter to apply the derecognition requirements provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past Ind AS 101 retrospectively from the date of entity's choosing, transactions was obtained at the time of initially accounting for the transactions.

## Effects of Ind AS adoption on Balance Sheet as at 31st March, 2017 and 1st April, 2016:

(Rs. in Lakhs)

Particulars		Note No.	As at 31st March, 2017 (End of last period presented as per IGAAP)			As at 1st April, 2016 (Date of Transition)		
			As per IGAAP	Adjustments on transition to Ind	AS As per Ind AS	As per IGAAP	Adjustments on transition to Ind	AS As per Ind AS
Non - Current Assets								
(a)	Property, Plant and Equipment	1	3,398.34	(92.33)	3,306.01	2,450.49	(94.48)	2,356.02
(b)	Capital work - in - progress		5.61	-	5.61	11.29	-	11.29
(c)	Investment Property	1	-	92.33	92.33	-	94.48	94.48
(d)	Other Intangible Assets		163.24	-	163.24	156.15	-	156.15
(e)	Intangible assets under development		3.54	-	3.54	3.54	-	3.54
(f)	Financial assets							
	(i) Non Current Investments	2	5,545.36	14,927.11	20,472.47	5,139.50	9,263.30	14,402.80
	(ii) Other Non Current financial assets	3	61.96	(2.99)	58.97	219.41	(5.63 )	213.78
(g)	Other tax assets (Net)	4	405.90	(47.58)	358.32	463.84	-	463.84
(h)	Other non - current assets		609.66	-	609.66	670.20	-	670.20
Current Assets								
(a)	Inventories		3,262.74	-	3,262.74	4,709.27	-	4,709.27
(b)	Financial assets							
	(i) Trade receivables	5	2,609.93	(354.14)	2,255.79	3,866.00	(661.73)	3,204.26
	(ii) Cash and cash equivalents		128.58	-	128.58	134.73	-	134.73
	(iii) Bank balances other than (ii) above		199.99	-	199.99	512.56	-	512.56
	(iv) Loans	6	2,653.90	(48.82)	2,605.08	3,660.36	(41.62)	3,618.74
	(v) Other current financial assets		358.31	-	358.31	297.81	-	297.81
(c)	Other tax assets (Net)		612.69	-	612.69	881.18	-	881.18
(d)	Other current assets	7	886.72	48.82	935.54	1,102.46	41.62	1,144.07
Total Assets			20,907	14,523	35,430	24,280	8,596	32,875.73
Equity								
Equity Share Capital			320.00	-	320.00	320.00	-	320.00
Other Equity		Refer Note	19,052.88	14,556.38	33,609.26	18,453.01	9,306.66	27,759.67
Liabilities								
Non Current Liabilities								
(a)	Financial Liabilities							
	(i) Other non current financial liabilities		41.50	-	41.50	36.00	-	36.00
(b)	Deferred tax liabilities (Net)	7 & 24.1	320.23	(23.03)	297.20	331.04	(74.67)	256.37
Current Liabilities								
(a)	Financial Liabilities							
	(i) Borrowings		-	-	-	729.76	-	729.76
	(i) Trade payables		857.07	-	857.07	3,270.38	-	3,270.38
	(ii) Other current financial liabilities		121.63	-	121.63	200.31	-	200.31
(b)	Other current liabilities	5	127.07	(10.94)	116.13	256.32	(58.33)	197.99
(c)	Provisions	10	51.06	-	51.06	681.96	(577.72 )	104.25
Total Equity and Liabilities			20,891.45	14,523.41	35,414.85	24,278.79	8,595.94	32,874.73



Statement of Reconciliation of Equity (Shareholders' funds) as at 31st March, 2017 and 1st April, 2016:

(Rs. in Lakhs)

Particulars	Note No.	As at 31st March, 2017	As at 1st April, 2016
Total Equity (Shareholders' Fund) as per IGAAP		19,372.88	18,773.01
Adjustments on transition to Ind AS:		-	-
Fair valuation of investments	2	14,927.11	9,263.30
Other impact of financial assets	3	(2.99)	(5.63)
Provision for expected credit losses on trade receivables	5	(343.20)	(603.40)
Proposed dividend (Including Dividend Distribution Tax)	10	-	577.72
Tax effects of adjustments	7 & 23.1	(24.55)	74.67
Total adjustments		14,556.38	9,306.66
Total Equity (Shareholders' Fund) as per Ind AS		33,929.26	28,079.67

Effects of Ind AS adoption on Statement of Profit &amp; Loss for the year ended 31st March, 2017

(Rs. in Lakhs)

Particulars	Note No.	Year ended 31st March, 2017 (End of last period presented as per IGAAP)		
		As per IGAAP	Adjustments on transition to Ind	AS As per Ind AS
Revenue from operations	8	7,416.45	712.30	8,128.75
Other income	2 & 3	1,175.34	(0.78)	1,174.56
<b>Total Revenue</b>		8,591.80	711.51	9,303.31
Cost of Materials Consumed		3,809.60	(27.26)	3,782.33
Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade		753.44	-	753.44
Excise Duty on sales of goods	8	-	823.09	823.09
Employee benefit expenses	9	995.70	(8.27)	987.44
Finance Costs		22.51	-	22.51
Depreciation & amortization expenses		259.05	-	259.05
Other Expenses	5 & 8	2,051.47	(371.00)	1,680.47
Total Expenses		7,891.77	416.56	8,308.33
		-	-	-
Profit before exceptional items & tax		700.02	294.95	994.98
Exceptional Items		-	-	-
Profit before tax		700.02	294.95	994.98
Less: Income Tax expenses		-	-	-
-Current Tax		158.53	-	158.53
-Deferred Tax	7 & 24.1	(58.38)	99.22	40.83
Profit for the period		599.87	195.74	795.61
Other comprehensive income		-	5,631.70	5,631.70
Total comprehensive income		599.87	5,827.44	6,427.31

## Statement of Reconciliation of total comprehensive income for the year ended 31st March, 2017

(Rs. in Lakhs)

Particulars	Note No.	As at 31st March, 2017
Net Profit after Tax previously presented under IGAAP		599.87
Adjustments on transition to Ind AS		195.74
Net Profit after Tax before OCI as per Ind AS		795.61
Fair valuation of investments	2	5,639.97
Reclassification of remeasurement of employee benefits	9	(8.27)
Tax effects of adjustments		-
Total adjustments		5,631.70
Total Equity (Shareholders' Fund) as per Ind AS		6,427.31

## Statement of Reconciliation of total comprehensive income for the year ended 31st March, 2017

(Rs. in Lakhs)

Particulars	Year ended 31st March, 2017 (End of last period presented as per IGAAP)		
	As per IGAAP	Adjustments on transition to Ind	AS As per Ind AS
Cash Flow from Operations	1,218.88	-	1,218.88
Cash Flow from Investing Activities	103.96	-	103.96
Cash Flow from Financing Activities	(1,329.00)	-	(1,329.00)
Net Increase/(decrease) in Cash and Cash Equivalents	(6.16)	-	(6.16)
Cash and Cash Equivalents at the beginning of the year	134.73	-	134.73
Cash and Cash Equivalents at the end of the year	128.58	-	128.58

**1 Property, Plant and Equipment and Investment Property**

Under the IGAAP, Investment Property, Land & Building was grouped under Property Plant and Equipment. Under Ind AS, the same is treated as Investment property under Ind AS 41 at carrying cost under IGAAP. There is no impact on the total equity and profit.

**2 Investments**

Under the IGAAP, investments in equity instruments and mutual funds were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments (other than equity instruments designated as at FVOCI) have been recognised in retained earnings as at the date of transition and subsequently in the profit or loss for the year ended 31 March 2017. This increased the retained earnings by Rs. 417.11 Lacs as at 31 March 2017 (1 April 2016 - Rs. 393.27 Lacs).

Fair value changes with respect to investments in equity instruments designated as at FVOCI have been recognised in FVOCI Equity investments reserve as at the date of transition and subsequently in the other comprehensive income for the year ended 31 March 2017. This increased other reserves by Rs. 14510 Lacs as at 31 March 2017 (1 April 2016 - Rs. 8870.03 Lacs).

**3 Security Deposits**

Under the IGAAP, interest free lease security deposits (that are refundable in cash on completion of the lease term) are recorded at their transaction value. Under Ind AS, all financial assets are required to be recognised at fair value. Accordingly, the group has fair valued these security deposits under Ind AS. Difference between the fair value and transaction value of the security deposits have been recognised in retained earnings. Consequent to this change, the amount of security deposits decreased by Rs. Nil as at 31 March 2017 (1 April 2016 - Rs. 9.95 Lacs). Total equity decreased by Rs. 5.63 Lacs as on 1 April 2016 (Set-off notional interest income of Rs. 4.32 Lacs). The profit for the year and total equity as at 31 March 2017 increased by Rs. 2.64 Lacs due to notional interest income recognised on security deposits. The net impact on the deposits is Rs. 2.98 Lacs

**4 MAT Credit Entitlement**

Under the IGAAP, Mat Credit Entitlement was the grouped as Long term loans & advances. Under Ind AS, Mat Credit is an element of deferred tax being a tax credit under IND AS 12 (Income Tax). Hence the amount of Mat Credit regrouped with deferred tax liabilities (net) of Rs. 47.58 lacs as at 31 March 2017 (1 April 2016 Rs. Nil). There is no impact on the total equity and profit.

**5 Trade Receivable**

As per Ind AS 109, the company is required to apply expected credit loss model for recognising the allowance for doubtful debts. As a result, the allowance for doubtful debts increased by Rs. 343.19 lakhs as at 31 March 2017 (1 April 2016 Rs. 603.40 lakhs). Consequently, the total equity as at 31 March 2017 decreased by Rs. 343.19 lakhs (1 April 2016 Rs. 603.40 lakhs) and profit for the year ended 31 March 2017 increased by Rs. 260.20 lakhs.

Under the IGAAP, Provision of Service discount was grouped as Short term provision. Under Ind AS, Service discount provision was netted with Trade Receivable. This change of amount of Provision of Service discount regrouped with trade receivable of Rs. 10.94 lakhs as at 31 March 2017 (1 April 2016 Rs. 58.33 lakhs). There is no impact on the total equity and profit.

**6 Deposits with Government Authorities**

Under the IGAAP, security deposit placed with Government authorities were grouped as short term loans & advances. Under Ind AS, the security deposit placed with the government authorities is in accordance with the taxation regulations. There is no contractual agreement for placing such a deposit, it is not a financial instrument. Hence the security deposit is not a financial asset under IND AS 32 (Financial Instruments). This change the amount of deposits regroup with other current assets of Rs. 48.81 lakhs as at 31 March 2017 (1 April 2016 Rs. 41.61 lakhs). There is no impact on the total equity and profit.

**7 Deferred Tax**

Under IGAAP, deferred taxes were recognised based on Profit & loss approach i.e. tax impact on difference between the accounting income and taxable income. Under Ind AS, deferred tax is recognised by following balance sheet approach i.e. tax impact on temporary difference between the carrying value of assets and liabilities in the books and their respective tax base.

**8 Revenue from Operations**

Under the IGAAP, revenue from sale of products was presented exclusive of excise duty. Under Ind AS, revenue from sale of goods is presented inclusive of excise duty. The excise duty paid is presented on the face of the statement of profit and loss as part of expenses. This change has resulted in an increase in total revenue and total expenses for the year ended 31 March 2017 by Rs. 823.09 lakhs. There is no impact on the total equity and profit

Under the IGAAP, certain discounts were shown in expenses. Under Ind AS, the same has been netted from revenue of Rs. 110.79 lakhs. There is no impact on the total equity and profit.

**9 Remeasurements of Post-Employment Benefit Obligations**

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the IGAAP, these remeasurements were forming part of the profit or loss for the year. As a result of this change, the profit for the year ended 31 March 2017 increased by Rs. 8.27 lakhs (1 April 2016 Rs. 15.34 lakhs). There is no impact on the total equity as at 31 March 2017 (1 April 2016).

**10 Proposed Dividend**

Under the IGAAP, dividends proposed by the board of directors after the balance sheet date but before the approval of the financial statements were considered as adjusting events. Accordingly, provision for proposed dividend was recognised as a liability. Under Ind AS, such dividends are recognised when the same is approved by the shareholders in the general meeting. Accordingly, the liability for proposed dividend (including dividend distribution tax Rs. 97.71 lakhs) of Rs. 577.72 lakhs as at 31 March 2017 included under provisions has been reversed with corresponding adjustment to retained earnings. Consequently, the total equity increased by an equivalent amount.

**54 Fair Value Measurement-**

The fair value of Financial instrument as of March 31,2018, March 31,2017 and April 1,2016 were as follows- (Rs. in Lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016	Fair value Hierarchy	Valuation Technique
<b>Assets-</b>					
Investment in Equity Instruments through OCI	20,411.07	16,837.95	11,197.98	Level-1	Quoted Market Price
Investment in Mutual Funds through FVTPL	5,633.01	3,634.52	3,204.82	Level-1	Unquoted Market Price
<b>Total</b>	<b>26,044.08</b>	<b>20,472.47</b>	<b>14,402.80</b>		

The management assessed that Cash and Cash equivalents, loans, other balances with Banks, trade receivables, trade payables and other current liabilities/assets approximate their carrying amounts largely due to the short-term maturities of these instruments.

**55** The previous year figures have been regrouped/reclassified, wherever necessary to conform to the current presentation as per the schedule III of Companies Act, 2013.

As per our report of even date attached

**FOR KANU DOSHI ASSOCIATES LLP**  
**CHARTERED ACCOUNTANTS**  
 Firm's Registration Number: 104746W/W100096

**JAYESH PARMAR**  
**PARTNER**  
**MEMBERSHIP NO. 45375**

**PLACE : MUMBAI**  
**DATED : 22<sup>nd</sup> MAY, 2018**

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**SHEKHAR BAJAJ**  
**CHAIRMAN**  
**DIN- 00089358**

**PRAKASH SUBRAMANIAM**  
**PRESIDENT & CEO**

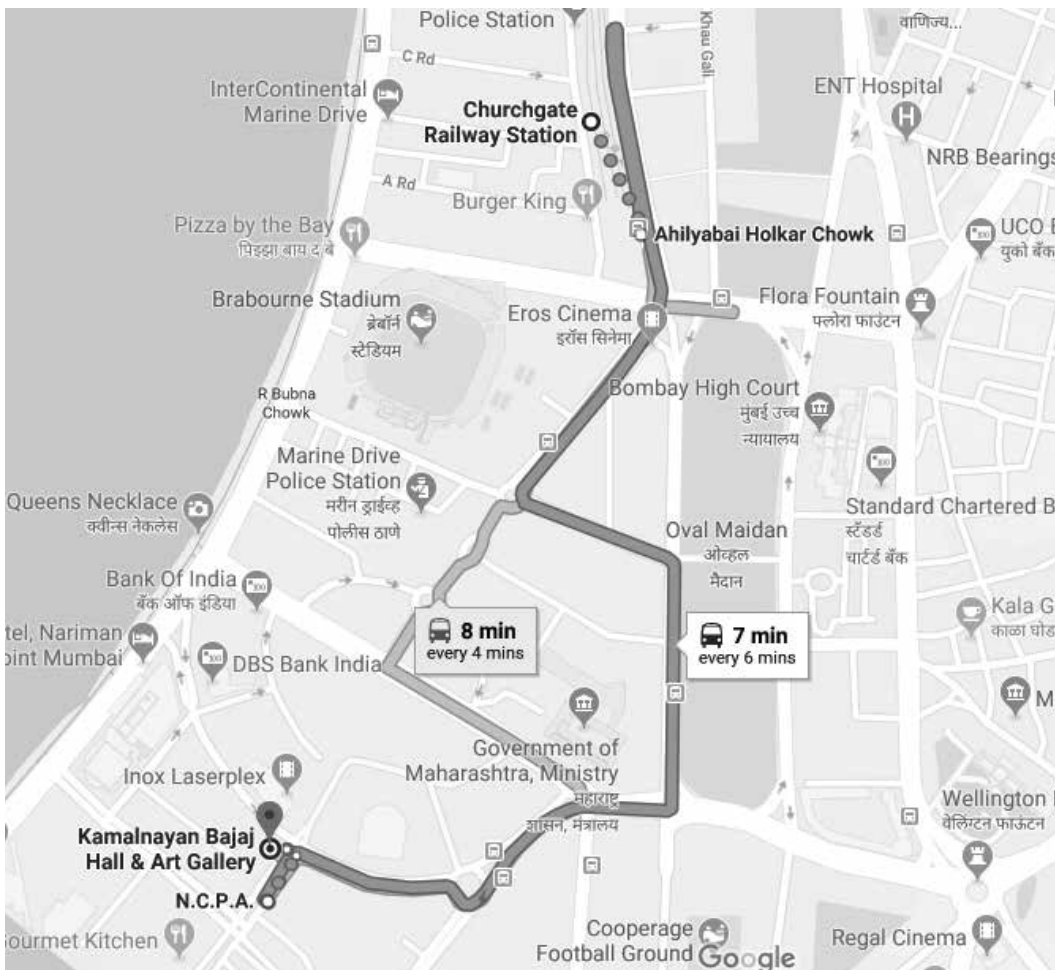
**KIRAN MUKADAM**  
**COMPANY SECRETARY**

**H A NEVATIA**  
**WHOLE TIME DIRECTOR**  
**DIN-00066955**

**VIJAY SINGH**  
**CHIEF FINANCIAL OFFICER**



### Location Map - to reach at the venue of Annual General Meeting





## HERCULES HOISTS LIMITED

Regd. Office : Bajaj Bhawan, 2<sup>nd</sup> floor, 226, Jamnalal Bajaj Marg, Nariman Point, Mumbai 400021.

CIN: L45400MH1962PLC012385



### PROXY FORM [Form No. MGT. 11]

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Members \_\_\_\_\_ DP ID : \_\_\_\_\_

Registered address: \_\_\_\_\_ Client Id / Folio No : \_\_\_\_\_

\_\_\_\_\_ Email Id : \_\_\_\_\_

I/We being the members of \_\_\_\_\_ shares of the above named company, hereby appoint :

- 1) Name , address and email ID \_\_\_\_\_ Signature or failing him
- 2) Name , address and email ID \_\_\_\_\_ Signature or failing him
- 3) Name , address and email ID \_\_\_\_\_ Signature as my/our

proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **56<sup>th</sup>** Annual general meeting of the company, to be held on the **Friday, August 10, 2018 at 11.30 A.M.** at Kamalnayan Bajaj Hall, Ground floor, Bajaj Bhawan, 226, Jamnalal Bajaj Marg, Nariman Point, Mumbai 400021 and at any adjournment thereof in respect of such resolutions as are indicated below:

#### Resolutions

1. \_\_\_\_\_ 2. \_\_\_\_\_
3. \_\_\_\_\_ 4. \_\_\_\_\_
5. \_\_\_\_\_

Signature of shareholder
Signature of Proxy Holders

Signed this..... day of .....2018

Please affix  
Re.1/-  
Revenue  
stamp

**N.B.** This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

TEAR HERE

TEAR HERE

TEAR HERE



## HERCULES HOISTS LIMITED

Regd. Office : Bajaj Bhawan, 2<sup>nd</sup> floor, 226, Jamnalal Bajaj Marg, Nariman Point, Mumbai 400021. CIN: L45400MH1962PLC012385



### ATTENDANCE SLIP

**56<sup>th</sup> Annual General Meeting on Friday, August 10, 2018 at 11.30 a.m.** at Kamalnayan Bajaj Hall, Ground floor, Bajaj Bhawan, 226, Jamnalal Bajaj Marg, Nariman Point, Mumbai 400021

Name of the Shareholder/Proxy :		Signature Member's / Proxy's (To be signed at the time of handing over this slip)
Ledger Folio No.	No. of Shares Held:	
DP ID:	Client ID:	

**Note:** Slip to Be handed over at the entrance of the meeting hall.

[illegible]



Talent Search Event-Varsha Krida Mohatsav July 2017



Energizing and Inauguration Krida Vikas Project

# A CSR initiative

## Krida-Vikas Project,

Karjat (Raigarh),  
Maharashtra

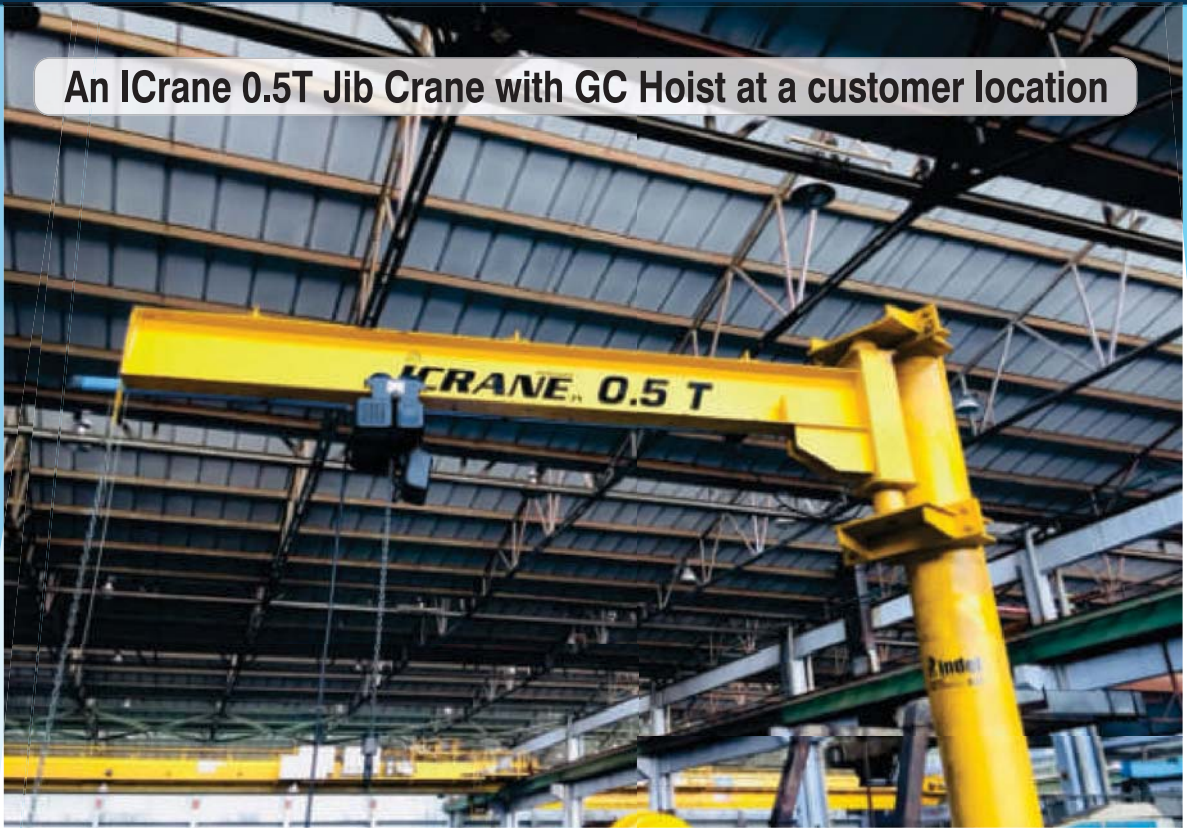
Wrestling Boot camp



Annual Krida Mohostav - February 2018



An ICrane 0.5T Jib Crane with GC Hoist at a customer location



The New HC3+ Electric Chain Hoist



## HERCULES HOISTS LIMITED

Corporate Office : 501 to 504,  
Shelton Cubix, Plot No. 87, Sector 15,  
CBD-Belapur, Navi Mumbai 400614 (MH) Tel.: 022-45417300/01/05  
E: [indef@indef.com](mailto:indef@indef.com) • U: [www.indef.com](http://www.indef.com)  
CIN: L45400MH1962PLC012385