



indef

HERCULES HOISTS LIMITED

55th ANNUAL REPORT

2016-2017

Material Handling. Delivered.

FINANCIAL HIGHLIGHTS

(₹ in Lakhs)

Description	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11
PROFIT & LOSS ACCOUNT							
Gross Sales	7895.70	9803.79	10,378.15	11147.80	13,372.91	12,971.39	12,748.32
Net Sales	7098.16	8888.07	9,482.49	10093.00	12,034.89	11,789.69	11,635.11
Sale of Power Units Generated	318.30	225.48	265.68	312.11	308.47	275.76	223.86
Other Income	848.72	1216.47	973.12	1072.90	1,164.78	955.20	559.81
Gross Revenue	8265.17	10,330.02	10,721.29	11,478.00	13,508.14	13,020.65	12,418.78
Cost of Material	4563.04	5192.36	5,693.14	5944.02	6,518.55	6,108.04	5,687.54
Operating & Other Expenses	3047.17	3223.83	3,008.93	2521.42	2,680.81	2,277.15	2,129.18
Interest & Finance Expenses	22.51	24.57	-	-	10.11	5.51	24.29
Depreciation/Amortisation	259.05	220.17	259.30	199.91	201.79	203.32	202.65
Profit Before tax and extra ordinary items	373.40	1,669.09	1,759.93	2,812.65	4,096.88	4,426.64	4,375.12
Less - Extra Ordinary Items	(326.62)	-	-	-	-	-	-
Profit Before tax	700.02	1,669.09	1,759.93	2,812.65	4,096.88	4,426.64	4,375.12
Current Tax (IncomeTax)	158.53	433.13	535.40	804.97	1201.99	1,274.00	1,369.55
Deferred Tax	(10.80)	(86.53)	(31.48)	22.34	52.14	41.56	30.68
Adjustment for earlier years / MAT Credit	(47.58)	(6.43)	(8.45)	8.95	(10.35)	19.42	(16.07)
Profit After Tax & Adjustment for earlier Years	599.87	1,328.92	1,264.46	1,976.39	2,853.10	3,091.66	2,990.96
Dividend -Interim / Proposed Dividend	320.00	480.00	480.00	480.00	560.00	560.00	480.00
BALANCE SHEET							
Net Worth	19372.88	18773.01	18,021.80	17400.31	15,985.50	13,787.57	11,346.76
Loan Funds							
- Secured Loan	-	-	-	-	-	-	-
- Unsecured Loan	41.50	36.00	39.00	37.02	31.02	23.52	22.02
Deferred Tax Liability (Net)	320.23	331.04	417.56	482.65	460.31	408.17	366.60
Total Sources of Funds	19734.61	19,140.05	18,478.36	17,919.99	16,476.83	14,219.26	11,735.38
Fixed Assets & Intangible Assets							
- Gross (including Capital WIP)	6162.91	4967.69	4,907.01	4630.83	4,531.62	4,468.70	4,666.20
- Net	3570.72	2621.47	2,684.11	2746.47	2,846.47	2,976.84	3,361.95
Investments	5545.36	5139.49	4,362.40	3977.95	2,427.95	2,259.27	2,457.27
Long term Loans & Advances	1077.51	1369.68	1,553.52	1016.68	915.91	489.93	312.94
Current Assets	10697.85	15148.15	12,930.97	13248.13	12,697.92	10,577.53	7,820.46
Current Liabilities	(1105.77)	(4456.78)	(2,368.84)	(2449.81)	(1,714.81)	(1,377.82)	(1,567.63)
Provisions	(51.06)	(681.96)	(683.80)	(619.44)	(696.60)	(706.48)	(649.61)
Miscellaneous Expenditure	-	-	-	-	-	-	-
Total Application of Funds	19,734.61	19,140.05	18,478.36	17,919.99	16,476.83	14,219.26	11,735.38
RATIOS and STATISTICS							
Proprietary Ratio	0.93: 1	0.77: 1	0.83:1	0.83: 1	0.85: 1	0.85: 1	0.81: 1
Debt Equity Ratio	0: 1	0: 1	0: 1	0: 1	0: 1	0: 1	0: 1
Current Ratio	9.25: 1	2.95: 1	4.24:1	4.32 : 1	5.27 : 1	5.07 : 1	3.53 : 1
Return on Proprietor's Fund	3.10%	7.08%	7.02%	11.36%	17.85%	22.42%	26.36%
Return on Capital Employed	3.55%	8.72%	9.52%	15.70%	24.93%	31.17%	37.49%
Operating Ratio	46.90%	39.03%	34.47%	26.96%	24.04%	21.09%	20.25%
Net Profit Ratio	8.45%	14.95%	13.33%	19.58%	23.71%	26.22%	25.71%
Dividend Per Share (Rs.)	1.00	1.50	1.50	1.50	1.75	3.50	3.00
Earning per Equity Share (Rs.)	1.87	4.15	3.95	6.18	8.92	19.32	18.70
Price Earning Ratio	81.60	34.89	43.95	18.62	11.75	13.13	12.22
Book Value per Equity Share (Rs.)	60.54	58.67	56.32	54.38	49.95	86.17	70.92
No. of Equity Shareholders	9,754	8,213	8,207	9,648	9,816	9,146	9,147
No. of Employees	132	122	119	121	116	113	108

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 Tax / (Equity Capital + Reserves & Surplus+Loan Funds - 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



HERCULES HOISTS LIMITED

55th ANNUAL REPORT 2016-2017

BOARD OF DIRECTORS

Shekhar Bajaj - *Chairman*
Vinaya L Mehrotra
H A Nevatia (*Whole-time Director*)
Klaus Carl Uebel
Naresh Chandra
Kishorilal F Jhunjhunwala
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*)

COMPANY SECRETARY

Kiran Mukadam

CONTENTS

Notice	02
Voting through Electronic Means	04
Directors Report	05
Annexures A to C to Directors Report	08
Management Discussion & Analysis.....	17
Corporate Governance Report	19
Auditors Report.....	27
Balance Sheet.....	32
Statement of Profit & Loss Account.....	33
Cash Flow Statement.....	34
Notes to Financial Statements.....	36
Proxy Form & Attendance Slip.....	55

BANKERS

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

AUDITORS

M. L. Bhuwania & Co. - *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 Wednesday, August 9, 2017 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. 55

REGISTERED OFFICE

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

CORPORATE OFFICE

501 to 504, 5th Floor, Shelton Cubix, Plot No. 87, Sector 15, CBD-Belapur, Navi Mumbai 400614 (MH)
Tel.: 022-45477300/01/05



NOTICE

NOTICE is hereby given that the 55th **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 Wednesday, August 9, 2017 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, 2017 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, 2017.
3. To appoint a Director in place of Shri K C Uebel [DIN No. 00668399] who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri Shekhar Bajaj [DIN No. 00089358] who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Auditors of the Company and to fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution:

“RESOLVED THAT pursuant to provision of Section 139 (1) of the Companies Act, 2013 and the rules made thereunder M/s. Kanu Doshi Associates LLP Chartered Accountants, Mumbai be and are hereby appointed as auditors of the Company to hold the office for the period commencing from the conclusion of this Annual General Meeting till the conclusion of the 60th Annual General Meeting, subject to ratification by the shareholders annually on such remuneration as shall be fixed by the Board of Directors.”

Special Business

6. 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. 42,000/-, 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 2017-18, be and are hereby ratified and confirmed.

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197 and other applicable provisions read with Schedule V of the Companies Act, 2013, (including any statutory modification(s) or enactment(s) thereof, the re-appointment of Shri H A Nevatia [DIN No. 00066955] as a Director in Whole-time employment of the Company for a period of three years from November 22, 2017 to November 21, 2020 on the following remuneration and perquisites, is hereby approved, with powers to the Board of Directors to alter and vary the terms and conditions of remuneration (including minimum remuneration in case of absence or inadequacy of profits) in such manner as the Board may deem fit within the limits specified in Schedule V of the Companies Act, 2013 or any statutory modification(s) or substitution (s) thereof.

a) Remuneration : Rs.25,000/- per month.

b) Perquisites : i) Free use of Company's Car for Company's work as well as for personal purposes, along with driver.
ii) Telephone at residence and a mobile phone at Company's cost.

RESOLVED FURTHER THAT in any financial year during the period November 22, 2017 to November 21, 2020, when the Company has made no profits or its profits are inadequate, it will pay to the Whole-time Director by way of remuneration and perquisites as specified above, subject to restrictions, if any, set forth in Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all the acts, deeds and things which are necessary for the re-appointment of aforesaid person as a Whole-time Director of the Company.”

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 3, 2017 to August 9, 2017 both days inclusive.
3. Payment of Dividend, if sanctioned, will be made after August 9, 2017
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 2016-17 and the Notice of the 55th 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 2016-17 and the Notice of the 55th 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 in respect of Special Businesses pursuant to section 102 of the Companies Act, 2013 for Item No.6 to 7:

Item No. 6

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 2017-18. 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. 6 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.

Item No. 7

The term of the Whole-time Director, Shri H A Nevatia expires on November 21, 2017. The Board of Directors felt that his continued contribution on various matters will be in the interest of the Company. On the recommendation of Nomination & Remuneration Committee, it was decided in the Board Meeting dated May 30, 2017, to re-appoint Shri H A Nevatia as a Director in the whole-time employment of the Company for a further period of three years from November 22, 2017 to November 21, 2020 on the terms as set out in the resolution. Under the section 196 (3) proviso, the age of Shri H A Nevatia is more than seventy. Hence, the approval of the shareholders vide special resolution is accordingly sought for the re-appointment of Shri H A Nevatia as a Director in the Whole-time employment of the Company and the remuneration payable to him. The perquisites like Provident Fund, Gratuity, Superannuation and Leave are not applicable to Shri H A Nevatia. The Board recommends passing of the Special Resolution as set out in item No. 7 of the Notice.

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

On behalf of the Board of Directors

Dated : 30/05/2017
Place : Mumbai

Shekhar Bajaj
Chairman
(DIN No. 00089358)



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 6, 2017 (9:00 am) and ends on August 8, 2017 (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 2, 2017, 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** and **scrutinizer@snaco.net** with a copy marked to **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 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 2, 2017
 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 2, 2017, may obtain the login ID and password by sending a request at **evoting@nsdl.co.in** or **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 9, 2017.

DIRECTORS' REPORT

Dear Members,

We present our **55th Annual Report** together with the Audited Financial Accounts for the year ended **March 31, 2017**:

1. Financial Results

(Rs. In Lakhs)

Financial Results	As on March 31, 2017	As on March 31, 2016
Revenue from Operations and Other Incomes	82,65.17	103,30.02
Profit before Finance Cost & Depreciation	9,81.58	19,13.84
Less- Finance Cost	22.51	24.58
Less-Depreciation	2,59.05	2,20.17
Profit before taxes	7,00.02	16,69.09
Provision for taxation for the year (including deferred tax, earlier year's income-tax adjustment, and MAT credit)	1,00.15	3,40.17
Profit after Taxes	5,99.87	13,28.92
Add: Balance brought forward from previous year	13,52.76	11,01.55
Profit available for appropriation	19,52.63	24,30.47

2. Dividend

The Directors recommend for consideration of the shareholders at the Annual General Meeting payment of dividend of Re. 1.00 per Equity Share of Re.1.00 each for the year ended March 31, 2017 as against Rs.1.50 per Equity Shares of Re.1.00 in the previous year.

3. Operations

The revenue from operations of Rs. 74,16.45 Lakhs is 18.62% lower than last year's revenue from operations of Rs.91,13.55 Lakhs. The net profit of Rs. 5,99.87 Lakhs is 54.86% lower, as compared to last year's net profit of Rs.13,28.92 Lakhs.

With the Company's products / solutions being used as capital equipment, sectors which are the drivers of capital equipment industry have still not picked up to levels where capacity utilization of industry requires higher investment either for expansion or new projects. Sectors like automotive, metals, engineering, power and other manufacturing sectors where the Company's products / solutions are required are not seeing any noticeable growth yet.

The Company has invested in a highly efficient ERP system. To further the streamlining of operations and create a decisive competitive edge, the Company has commenced the implementation of a Theory of Constraints (ToC) based on demand and supply management system. This will enable the Company to significantly improve its sales distribution processes whereby it will be able to attend to customer requirements substantially faster. The Company expects to streamline its working capital with the full implementation of ToC based system.

The Company is shifting its commercial office to a new office situated at Belapur, Navi Mumbai for improving operational efficiency.

The Company has disposed inventory amounting to Rs. 2,06.95 Lakhs net of realizable value during the year, which had become obsolete due to design changes for improving performance and range of Company's products. The Company has made provision of Rs. 2,86.92 Lakhs for old and unrecoverable dues from customers during the year.

The Company's 4 Windmills produced 58.75 Lakhs units of energy in the current year, as against 46.21 Lakhs units of energy produced in the previous year.

4. Directors and Key Managerial Personnel-Changes

Shri K C Uebel and Shri Shekhar Bajaj retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The Board of Directors have re-appointed 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. The Special Resolution for approval of his appointment as a "Whole-time Director" is given in the notice. The detailed profiles of above mentioned Directors are given under the head "Corporate Governance".

The members at the Annual General Meeting held on August 12, 2016, had approved the appointment of Shri Vandan Shah, as an Independent Director for a term of five years, effective from February 6, 2016.

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 Auditor**

Pursuant to the provisions of section 139 of the Companies Act, 2013, the 3 years terms of present auditor M/s M L Bhuwania & Co, Chartered Accountants, expires on 55th Annual General Meeting. The Board of Directors places on record its appreciation to the services rendered by them, as the Statutory Auditor of the Company.

Further, on recommendation of audit committee, the Board considered a proposal to appoint from M/s. Kanu Doshi Associates LLP, Chartered Accountants, Mumbai for five years term with effect from 55th Annual General Meeting to 60th Annual General Meeting of the Company. Also, the Company has received a certificate from them to the effect that their appointment, if made, would be within the prescribed limit under the Act. The Board recommends their appointment.

B) Cost Auditor

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 2017-18 at a remuneration of Rs. 0.42 Lakhs -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 Auditor

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 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, 2017 have been disclosed as per Schedule III of the Companies Act, 2013.

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 schedule No. 10 & 15 to the Financial Statements.

19. Number of Meetings of the Board and Audit Committee

During the year, five Board Meetings and five 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 Requirement) 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 be 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 : May 30, 2017
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		2016-17	2015-16
(a) Electricity Purchased	Units	338,651	400,424
	Total Amount (Rs. in Lakhs)	36.09	40.99
	Rate/Unit (Rs.)	10.66	10.24
(b) Own Generation Electricity	Units	3111	3815
	Units per litre of Diesel Oil	2.61	1.90
	Diesel Cost (Rs. in Lakhs)	1.80	2.00
	Rate/Unit (Rs.)	22.36	27.61
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 compact, light-weight HC+ series Chain Hoists, the iCrane series of standard cranes, the iStacker series of Floor Operated Stacker Cranes. 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	2016-17	2015-16
Foreign Exchange Earnings	5.02	51.37

Particulars	2016-17	2015-16
Foreign Exchange Outgo	7,72.74	8,02.52

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

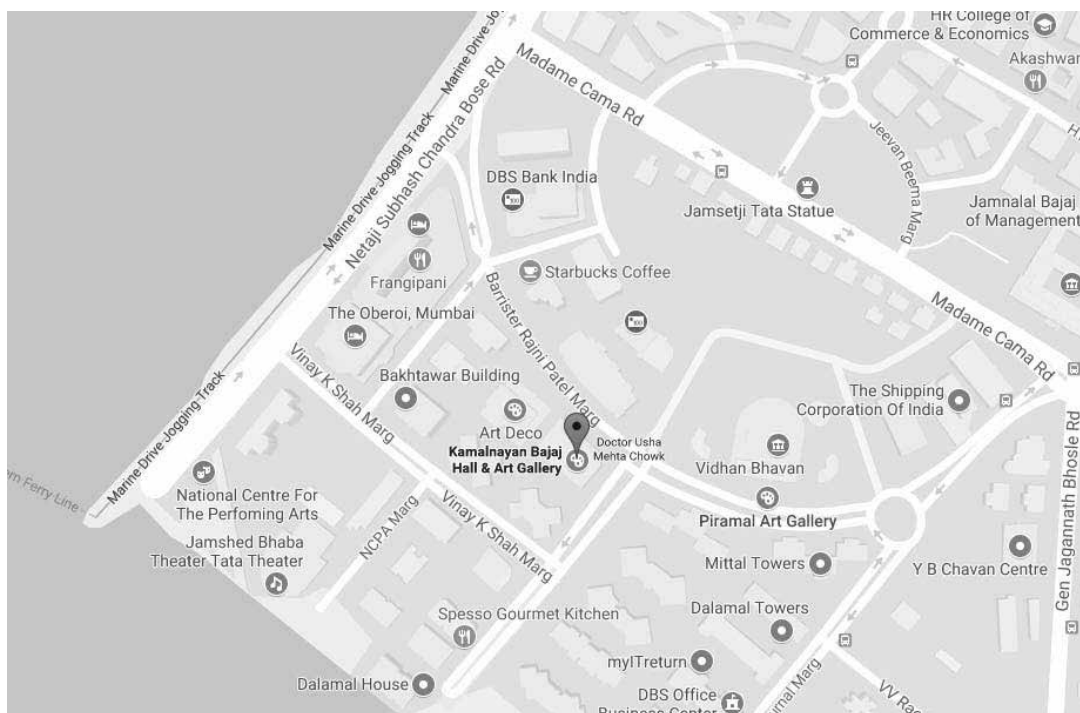
a.	A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes:	The Corporate Social responsibility (CSR) activities of Bajaj Group are guided by the vision and philosophy of its Founding Father, late Shri Jammalalji 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 www.indef.com
b.	Composition of the CSR Committee:	<ol style="list-style-type: none"> 1) Shri Shekhar Bajaj-Chairman 2) Shri H A Nevatia- Member 3) Shri Mukul Updhayaya- Member (Independent Director) 4) Smt. Shruti Jatia- Member (Independent Director)

c.	Average net profit of the Company for last three financial years:	Rs. 1,80,252,399/-
d.	Prescribed CSR Expenditure (two percent of the amount as in item 'c' above):	Rs. 36,05,048/- plus Rs. 1,25,21,774 (carried forward amount of FY 2014-15 to FY 2015-16)
e.	Details of CSR spend for the financial year:	The Board has approved a project "Krida-Vikas" and decided to complete the project through Hercules Hoists Charitable Trust (HHCT). The "Krida-Vikas" project aims to bring upon a positive perspective towards sports in students, their parents and school teachers. The project aims at developing a community sports training centre as a hub and basic facilities in at least 10 schools/ colleges/ local sports clubs ("Sports Nurseries") in peripheral regions of Karjat – Khalapur. The project cost is Rs. 63 Lakhs and the Company has contributed Rs. 50 Lakhs as an initial contribution to HHCT, towards project implementation
f.	Reason for not spending the prescribed expenditure in "d"above.	The HHCT had received registration certificate under section 12A of the Income Tax Act. HHCT signed a memorandum of understanding with Seva Sahayog Foundation, Mumbai for implementation of "Krida- Vikas" project at Karjat-Khalapur area. The HHCT contributed Rs. 12.60 Lakhs towards initial contribution of project. Project is to be implemented within a year that is March 2017 to March 2018. The HHCT will release balance payment on installment basis subject to terms and conditions to be complied by Seva Sahayog Foundation.
g.	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. The unspent CSR amount of Rs. 1,11,22,822/- is being carried forward.

Shekhar Bajaj
Chairman
(DIN No. 00089358)

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

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





ANNEXURE B

EXTRACT OF ANNUAL RETURN [Form No. MGT-9] AS ON FINANCIAL YEAR ENDED MARCH 31, 2017

[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	96.14

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 -2016]				No. of Shares held at the end of the year [As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter s									
(1) Indian									
a) Individual/ HUF	83,24,720	-	83,24,720	26.01	83,24,720	-	83,24,720	26.01	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	1,39,06,000	-	1,39,06,000	43.46	1,39,06,000	-	1,39,06,000	43.46	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub Total (A) (1)	2,22,30,720	-	2,22,30,720	69.47	2,22,30,720	-	2,22,30,720	69.47	-
(2) Foreign									
a) NRIs – Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp..	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub Total (A) (2)	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)=(A) (1)+ (A)(2)	2,22,30,720	-	2,22,30,720	69.47	2,22,30,720	-	2,22,30,720	69.47	-

B. Public Shareholding									
1. Institutions									
a) Mutual Funds	5,00,000	-	5,00,000	1.56	-	-	-	-	(1.56)
b) Banks / FI	14,682	-	14,682	0.05	20,017	-	20,017	0.06	0.01
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
OCB	-	16,00,000	16,00,000	5.00	-	16,00,000	16,00,000	5.00	-
Sub-total (B)(1):-	5,14,682	16,00,000	21,14,682	6.61	20,017	16,00,000	16,20,017	5.06	(1.55)
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	3,52,566	-	3,52,566	1.10	4,76,639	-	4,76,639	1.49	0.39
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	34,21,597	1,88,384	36,09,981	11.28	38,54,776	1,87,584	40,42,360	12.63	1.35
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	18,73,188	7,76,480	26,49,668	8.28	17,43,542	7,76,480	25,20,022	7.88	(0.41)
c) Others (specify)									
NRI	43,282	-	43,282	0.14	43,175	-	43,175	0.13	0.01
Clearing Members	86,387	-	86,387	0.27	1,54,623	-	1,54,623	0.48	0.21
Trusts	25,314	-	25,314	0.08	25,314	-	25,314	0.08	-
Director & Relatives	8,87,400	-	8,87,400	2.77	8,87,400	-	8,87,400	2.77	-
Sub-total (B)(2):-	66,89,734	9,64,864	76,54,598	23.92	7,185,199	9,64,864	81,49,263	25.47	1.55
Total Public Shareholding (B)=(B)(1)+ (B)(2)	72,04,416	25,64,864	97,69,280	30.53	72,05,216	25,64,064	97,69,280	30.53	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	2,94,35,136	25,64,864	3,20,00,000	100.00	2,94,35,936	25,64,064	3,20,00,000	100.00	-


ii) Shareholding of Promoter

SN	Shareholder's Name	Shareholding at 01-04-2016			Share holding at 31-03-2017			% 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	4,40,000	1.38	-	6,06,400	1.90	-	0.52
5	Niraj Bajaj	9,28,000	2.90	-	10,94,400	3.42	-	0.52
6	Niraj Bajaj - Trust	5,52,000	1.73	-	5,52,000	1.73	-	-
7	Rahul Kumar Bajaj	14,640	0.05	-	14,640	0.05	-	-
8	Sanjivnayan Bajaj	2,400	0.01	-	2,400	0.01	-	-
9	Shekhar Bajaj	12,39,200	3.87	-	9,06,400	2.83	-	(1.04)
10	Sunaina Kejriwal	19,90,480	6.22	-	19,90,480	6.22	-	-
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	Jamn Lal Sons Private Limited	41,51,680	12.97	-	41,51,680	12.97	-	-
15	Shekhar Holdings Private Limited	4,00,000	1.25	-	4,00,000	1.25	-	-
		2,22,30,720	69.47	-	2,22,30,720	69.47	-	-

iii) **Change in Promoters' Shareholding:** Shri Shekhar Bajaj has transferred internally as gift 1,66,400 equity share each to Shri Niraj Bajaj and Shri Madhur Bajaj on December 20, 2016

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

SN	For Each of the Top 10 Shareholders	Shareholding at 01-04-2016		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 Jhunjhunwala				
	At the beginning/end of the year	11,94,000	3.73	11,94,000	3.73
3	Prabhat Nevatia				
	At the beginning/end of the year	-	-	-	-
	Date wise Increase / Decrease in Share holding during the year (Transfer shares to second shareholder after deletion of first holders death)	7,76,480	2.43 (29-03-2017)	7,76,480	2.43
	At the end of the year	7,76,480	2.43	7,76,480	2.43
4	Bishwanath Prasad Agrawal				
	At the beginning/end of the year	3,33,000	1.04	3,33,000	1.04

5	Suvarna Commercial Private Limited				
	At the beginning of the year	1,66,000	0.51	1,66,000	0.51
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	13,000	0.03 (07-10-2016)	1,53,000	0.48
	At the end of the year	1,53,000	0.48	1,53,000	0.48
6	Shashi N Jhunjunwala				
	At the beginning of the year	1,42,324	0.44	1,42,324	0.44
	Date wise Decrease in Shareholding during the year specifying the reasons for decrease	(3,182)	(0.01) (17-06-2016)	1,39,142	0.43
		(1,000)	(0.00) (30-06-2016)	1,38,142	0.43
		(7,000)	(0.02) (02-09-2016)	1,31,142	0.41
		(15,000)	(0.05) (21-10-2016)	1,16,142	0.36
		(1,000)	(0.00) (13-01-2017)	1,15,142	0.36
		(1,000)	(0.00) (20-01-2017)	1,14,142	0.36
At the end of the year	1,14,142	0.36	1,14,142	0.36	
7	Niranjan Purshottamdas Jhunjunwala				
	At the beginning of the year	1,02,400	0.32	1,02,400	0.32
8	Suvarna Kumari Agrawal				
	At the beginning /end of the year	1,01,464	0.32	1,01,464	0.32
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease	(9,464)	(0.03) (07-10-2016)	(9,464)	0.03
	At the end of the year	92,000	0.29	92,000	0.29
9	Veena Sitaram Shah				
	At the beginning /end of the year	97,040	0.30	97,040	0.30
10	Vedant Prakash Gupta				
	At the beginning /end of the year	84,984	0.27	84,984	0.27

Note: All increase and decrease in individual shareholders as mentioned above are due to market trading except serial no. 3 and there were no increase/decrease in shareholding for Serial Number 1 to 2 ,4 , 8 and 10. In case of serial no. 3, equity shares has transferred to second holder person of joint shareholding on submission of requisite documents regarding death of first holder person of joint shareholding.

v) Shareholding of Directors and Key Managerial Personnel

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at 01-04-2016		Shareholding at 31-03-2017	
		No. of Shares	% of total share capital of the Company	No. of Shares	% of total share capital of the Company
1	Shri Shekhar Bajaj	12,39,200	3.87	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	102.37	5.87	21.13	132.37
	(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	-	-	-	-	-
	Total	3.32	102.90	5.87	21.36	133.45

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

The Company had declared the annual /fourth quarter financial results FY 2015-16 on June 14, 2016 against due date May 30, 2016. Therefore, the Company had paid penalty of Rs.75,000/- each to BSE and NSE for default in submission of annual financial results of FY 2015-16 within 45 days due to complexities arising out of the first time closing of accounts in the new ERP system implemented in FY 2015-16, as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

ANNEXURE C

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2017

[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, 2017**, 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, 2017**, 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;
- 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/ did not propose to delist 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 / did not propose to buy-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 other than the general laws, including Labour & Industrial laws, Tax laws, etc.

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) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.



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

Mr. K. C. Uebel, (a German National) Director has not attended any Board Meeting since 9th of February, 2015, attracting the provisions of Section 167(1)(b) of the Companies Act, 2013, relating to 'vacation of office of director'. He was re-appointed as a Director at the Annual General Meeting of the Company held on 10th August, 2015. The Company has represented that Mr. Darius J. Kakalia was appointed as his alternate Director on 27th May, 2015, and has attended Board Meetings in his absence.

We further report that: -

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were 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.
- Majority decision is carried through, while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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

Malati Kumar
Partner
C.P No: 10980

Dated : May 22, 2017
Place : Thane

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

Our Secretarial Audit Report 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
C.P No: 10980

Dated: May 22, 2017
Place : Thane

MANAGEMENT DISCUSSION AND ANALYSIS

Industry Structure and Development

Your Company operates in the area of unitized material handling with products like mechanical material handling equipment, electric chain hoists, electric wire rope hoists, winches, cranes, overhead material handling equipment, storage & retrieval solutions and ergonomic handling solutions.

They are used in various industry sectors, including but not restricted to the automotive or auto-component sectors, engineering (both heavy and light) sector, metals and metal processing, oil / gas / petro-chemical sector, power generation sector, cement and infrastructure sector, food processing sector amongst others. Enterprises whether large corporate customers, public sector organisations, customers in the SME sector and also by project or EPC organisations use the products and solutions offered by the Company.

A pan-India network of over 44 Authorised Marketing Associates (distributors) and a further network of dealers associated with these AMAs distribute the Company's products in the various markets. The Company has also set up its own Regional Offices in Pune, Delhi, Kolkata and Chennai, from where dedicated personnel support the channel partners and also work on increasing the market penetration for the solutions business requiring significant engineering inputs or project business. Your Company is also taking initiatives to ramp up its exports business, including appointment of distributors for key export markets.

Your Company's facilities has two production facilities: in Khopoli and Pune. The quality system of your Company's Khopoli facility is certified to ISO:9001-2008 standards by TUV Nord. The Chain Pulley Blocks made by your Company are "CE" certified as they meet the relevant European Machinery Directives. The operations are supported by an array of dedicated suppliers / vendors for the various components required.

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

Product and technology development and engineering is a core strength of your Company. The focus on design and development has enabled the Company to strongly meet the competition emanating from various local and international players in the market.

During the year, your Company has developed and upgraded its in-house developed line of Cranes, Chain Hoists and Wire Rope Hoists to meet the customer requirements. Further, the technologically updated series of Chain Pulley Blocks and Ratchet Lever Hoists offered in association with Planeta Hebeteknik is gaining rapid acceptability as also the Chain Hoists offered in association with Varese Hoisting Technology along with LR system based solution. Your Company has also met success in supplying / commissioning manipulators with leading automotive companies in India. These steps taken by your Company to improve its products and the inherent technologies and improve its market reach will enable your Company to consolidate and strengthen its position and face the competition.

Financial Review / Segment wise Performance

The revenue from operations of the Company at Rs. 74,16.45 lakhs is 18.62% lower as compared to last year's revenue from operations at Rs. 91,13.55 lakhs. The net profit of Rs. 5,99.87 lakhs is 54.86% lower, as compared to last year's net profit of Rs.13,28.92 Lakhs.

Segment Performance:

(Rs. in lakhs)

Name of the segment	Segment Revenue for the year 2016-17	Segment Revenue for the year 2015-16
Materials Handling Equipments	70,98.15	88,88.07
Windmill Segment	3,18.30	2,25.48

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 outstandings) 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. There has been some shift in positive expectations and the Company hopes to benefit from the same.

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. At present, the Company comprising of engineers, marketing staff, commercial staff and workmen.

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

Shekhar Bajaj
Chairman
(DIN No. 00089358)

Dated : May 30, 2017
Place : Mumbai

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 31 st March 2017		Other directorships	No. of Committee Position held in other Companies.	
			BMs	AGM		Chairman	Member
Shri Shekhar Bajaj - Chairman	NED (Promoter)	906,400	05	Yes	11	-	01
Shri Naresh Chandra	NED (Promoter)	-	03	Yes	05	-	-
Shri H A Nevatia	ED	1,600	05	Yes	02	-	-
Shri K F Jhunjunwala	NED	880,000	04	Yes	03	-	-
Shri Vinaya L Mehrotra	NED (ID)	-	02	Yes	01	02	-
Shri Mukul M Upadhyaya	NED (ID)	-	05	Yes	-	-	-
Shri Gaurav V Nevatia	NED (ID)	-	05	Yes	-	-	-
Smt Shruti Jatia	NED (ID)	-	04	Yes	09	-	-
Shri K C Uebel	NED	-	-	-	-	-	-
Shri. Darius J. Kakalia, Alternate Director (represented Shri K C Uebel, Director of the Company)	NED	-	05	Yes	04	-	06
Shri Vandan Shah	NED (ID)	-	04	Yes	04	-	-

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

During the financial year under review, five Board Meetings were held on May 30, 2016, June 14, 2016, August 12, 2016, November 11, 2016 and February 10, 2017 and the Annual General Meeting of the Company was held on August 12, 2016.

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:

- a) Strategy and business plans
- b) Approval of quarterly results/annual results.
- c) Listing requirements, attending to shareholders' grievances, etc.
- d) Annual operating and capital expenditure budgets and any updates
- e) Investment of Company's funds.
- f) Compliance with statutory/regulatory requirements and review of major legal issues.
- g) 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 five times, viz on May 30, 2016, June 14, 2016, August 12, 2016, November 11, 2016 and February 10, 2017. Shri H A Nevatia , Shri Gaurav Nevatia, Shri Mukul M Upadhyaya attended all five Meetings and Shri Vinaya Mehrotra attended two meetings. Shri Vinaya Mehrotra was present at the Annual General Meeting of the Company held on August 12, 2016, 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 25, 2017 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 11, 2016 and February 10, 2017. Both meetings were attended by all members.

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 February 10, 2017 and the meeting was attended by all members except Shri Vinaya Mehrotra.

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 Company's Products, competition in the industry, present marketing network, order position, present status of industry, assembly process, new models developed by Design team, future outlook etc.. The details of such familiarization programmes are placed on website of the Company i.e. 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 10, 2017. 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 2016-17 are as follows:-

SN	Name of the Directors	Particulars of Remuneration (Rs. in Lakhs)			
		Fee for attending Board Committee & Other Meetings	Commission	Remuneration	Total
1	Independent Directors				
	Shri Vinaya L Mehrotra	1.20	-	-	1.20
	Shri Mukul Upadhyaya	3.60	-	-	3.60
	Shri Gaurav V Nevatia	3.40	-	-	3.40
	Smt Shruti Jatia	1.80	-	-	1.80
	Shri Vandan Shah	1.70	-	-	1.70
	Total (1)				11.70
2	Other Non-Executive Directors				
	Shri Shekhar Bajaj	1.90	-	-	1.90
	Shri K F Jhunjunwala	1.60	-	-	1.60
	Shri Naresh Chandra	1.10	-	-	1.10
	Shri Darius J Kakalia (Alternate Director to Shri K C Uebel)	1.50	-	-	1.50
	Total (2)				6.10
3	Shri H A Nevatia	-	-	3.32 plus other benefits	3.32
	Total Managerial Remuneration (1) to (3)				21.12

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 Shekhar Bajaj**

Shri. Shekhar Bajaj, aged 68 years, is a Bachelor of Science (Hons) in Mathematics from Pune University and MBA from New York University USA. He has been a Director of your Company since February 12, 1989 and is the Chairman of the Board of Directors. Starting off in Bajaj Sevashram after graduation, he learnt the nitty-gritty of business by working his way up, gaining invaluable insights into the real market and joined Bajaj Electricals Ltd as Chief Executive in 1980. Thereafter in 1984, he took over as Managing Director of Bajaj Electricals Limited and became the Chairman & Managing Director in 1990. He built on the company's inherent strengths and radically turned around its fortunes. Under his watchful eyes, the company restructured its overall operations, consolidating its formidable retail network to provide the country's burgeoning middle class a better quality of life. He has over 35 years of varied and rich work experience in a wide range of functions with emphasis on marketing and has been closely associated with a number of start-up businesses. He has been the Past President of Electric Lamp and Component Manufacturers' Association (ELCOMA), Associated Chamber of Commerce & Industry of India (ASSOCHAM), Indian Merchants' Chamber (IMC), Indian Fan Manufacturers' Association (IFMA) and Former Director in IDBI Bank Ltd. He is also Director of Bajaj Auto Limited, Hind Lamps Limited, Hind Musafir Agency Limited, Starlite Lighting Limited and Rudi Multi-Trading Co. Limited, Bajaj Sevashram Private Limited, Bachhraj Factories Private Limited, Shekhar Holdings Private Limited, Bajaj International Private Limited and Council for



Fair Business Practices. Born into a family whose brand image bespeaks trust and transparency, brought up in the Gandhian ideals of his grandfather Shri Jamnalal Bajaj, he is a unique embodiment of time-tested traditions, visionary zeal and humane concern.

2) Shri K C Uebel

Shri Klaus C. Uebel, a German national, aged 82 years, has been a Director of your Company since 1963. He is the Proprietor and Managing Director of M/s. Heinrich De Fries GmbH, a more than 100 years old Company with whose collaboration Hercules Hoists Limited was formed. He is also proprietor of Uebel Grundstuecksverwaltuns GmbH & Co.KG, Germany, Chairman of N.V. Traditie, Netherlands and Chairman of L.M. Maskin AS, Norway. Mr. Uebel has over 40 years of experience in manufacture and marketing of hoists and other lifting equipments.

3) Shri H A Nevatia

Shri H A Nevatia, aged 85 years, was Chief Executive of the Company since its inception and was Managing Director from 27th January, 1976, to 21st November, 2001. He has been a Whole-time Director since 22nd November, 2001. His current term of Whole-time Director expires on November 21, 2017. He has been making valuable contribution in the management of the Company and he has a deep knowledge of the hoisting industry. He has extensively traveled abroad to attend material handling exhibitions and he was twice invited to attend Top Management Seminars in Japan. He had also been actively associated with Industry Associations, viz. Confederation of Indian Industry, Indo-German Chamber of Commerce and he was the past President of the Bombay Productivity Council. He is Director of Jamnalal Sons Private Limited and Bajaj Sevashram Private Limited

DISCLOSURES

- i) During the year 2016-17, 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.
- 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.45,000/- 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.75,000/- 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 except default in submission of unaudited financial results for the fourth quarter /annual results of FY 2015-16 [refer MGT 9, Point VII].
- 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
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	4.00 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	-
2013-14	Annual General Meeting on 11-08-2014		11.00 A.M.	NIL	Re-appointment of Shri H A Nevatia as a Whole-time Director for the period 22 nd November 2014 to 21 st November 2017

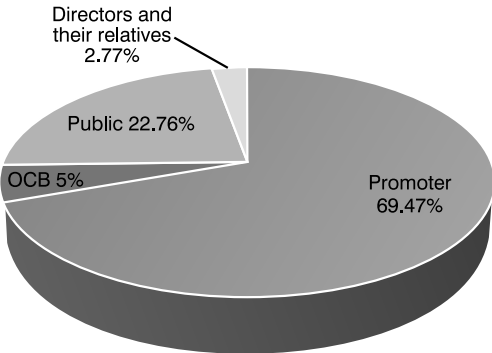
MEANS OF COMMUNICATION TO THE SHAREHOLDERS

- (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 -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 nd 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) Four Windfarms [1.25 M.W. capacity each]- situated at Khori-Titane, Amkhel, Phophade [All from Dhule District, Maharashtra]																													
(c)	Correspondence Address	501 to 504, 5 th Floor, Shelton Cubix, Plot No. 87, Sector 15, CBD-Belapur, Navi Mumbai 400614 (MH) Tel. 022 - 45417300/05/03 Email: indef@indef.com & Shareholders_grievance@indef.com																													
(d)	Date, Time and Venue of Annual General Meeting	Date and Time: August 9, 2017 at 11.30 A.M. Venue: Kamalnayan Bajaj Hall, Bajaj Bhavan, Ground Floor, 226, Jamnalal Bajaj Marg, Nariman Point, Mumbai 400 021																													
(e)	Financial Year	April 1, 2016 to March 31, 2017																													
(f)	Financial Calendar	a) First Quarterly Result – August 12, 2016 b) Second Quarterly Result- November 11, 2016 c) Third Quarterly result- February 10, 2017 d) Fourth Quarterly Result: May 30, 2017																													
(g)	Tentative Financial Calendar for FY 2017-2018	a) First Quarterly Result – before 14 th August, 2017 b) Second Quarterly Result- before 14 th November, 2017 c) Third Quarterly result- before 14 th February, 2018 d) Fourth Quarterly Result- before 30 th May, 2018																													
(h)	Dates of Book Closure	August 3, 2017 to August 9, 2017																													
(i)	Dividend and payment date	Dividend of Re. 1.00/- 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 border="1"> <thead> <tr> <th>Sl. No.</th> <th>FY</th> <th>Ratio of Bonus shares</th> </tr> </thead> <tbody> <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> </tbody> </table>			Sl. No.	FY	Ratio of Bonus shares	1.	1975	1 : 1	2.	1979	1 : 1	3.	1985	1 : 3	<table border="1"> <thead> <tr> <th>Sl. No.</th> <th>FY</th> <th>Ratio of Bonus shares</th> </tr> </thead> <tbody> <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> </tbody> </table>			Sl. No.	FY	Ratio of Bonus shares	4.	1997	1 : 1	5.	2006	1 : 1	6.	2012	1 : 1
Sl. No.	FY	Ratio of Bonus shares																													
1.	1975	1 : 1																													
2.	1979	1 : 1																													
3.	1985	1 : 3																													
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 2016-17, 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)	Stock Exchange Data:	<table border="1"> <thead> <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> </thead> <tbody> <tr> <td>April 2016</td> <td>175.60</td> <td>144.00</td> <td>416,643</td> <td>176.00</td> <td>144.95</td> <td>942,732</td> </tr> <tr> <td>May 2016</td> <td>163.80</td> <td>150.10</td> <td>44,731</td> <td>163.00</td> <td>150.10</td> <td>142,260</td> </tr> <tr> <td>June 2016</td> <td>171.50</td> <td>144.35</td> <td>164,103</td> <td>172.00</td> <td>144.55</td> <td>834,290</td> </tr> <tr> <td>July 2016</td> <td>170.50</td> <td>155.70</td> <td>112,218</td> <td>170.80</td> <td>156.50</td> <td>525,376</td> </tr> <tr> <td>Aug. 2016</td> <td>173.10</td> <td>153.00</td> <td>104,506</td> <td>173.20</td> <td>152.25</td> <td>403,850</td> </tr> <tr> <td>Sept. 2016</td> <td>181.00</td> <td>146.35</td> <td>316,453</td> <td>180.70</td> <td>142.15</td> <td>1,197,907</td> </tr> <tr> <td>Oct. 2016</td> <td>196.00</td> <td>151.50</td> <td>915,509</td> <td>195.80</td> <td>152.00</td> <td>4,528,215</td> </tr> <tr> <td>Nov. 2016</td> <td>176.85</td> <td>139.00</td> <td>134,506</td> <td>179.00</td> <td>137.00</td> <td>558,244</td> </tr> <tr> <td>Dec. 2016</td> <td>155.80</td> <td>132.00</td> <td>217,266</td> <td>156.35</td> <td>132.50</td> <td>882,915</td> </tr> <tr> <td>Jan. 2017</td> <td>188.75</td> <td>137.15</td> <td>2,504,657</td> <td>188.90</td> <td>137.50</td> <td>12,466,770</td> </tr> <tr> <td>Feb. 2017</td> <td>171.95</td> <td>150.00</td> <td>400,280</td> <td>172.00</td> <td>150.05</td> <td>1,178,000</td> </tr> <tr> <td>Mar. 2017</td> <td>158.30</td> <td>148.10</td> <td>153,882</td> <td>159.00</td> <td>147.65</td> <td>621,344</td> </tr> </tbody> </table> <p>Note: 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 2016	175.60	144.00	416,643	176.00	144.95	942,732	May 2016	163.80	150.10	44,731	163.00	150.10	142,260	June 2016	171.50	144.35	164,103	172.00	144.55	834,290	July 2016	170.50	155.70	112,218	170.80	156.50	525,376	Aug. 2016	173.10	153.00	104,506	173.20	152.25	403,850	Sept. 2016	181.00	146.35	316,453	180.70	142.15	1,197,907	Oct. 2016	196.00	151.50	915,509	195.80	152.00	4,528,215	Nov. 2016	176.85	139.00	134,506	179.00	137.00	558,244	Dec. 2016	155.80	132.00	217,266	156.35	132.50	882,915	Jan. 2017	188.75	137.15	2,504,657	188.90	137.50	12,466,770	Feb. 2017	171.95	150.00	400,280	172.00	150.05	1,178,000	Mar. 2017	158.30	148.10	153,882	159.00	147.65	621,344
Month	BSE			NSE																																																																																															
	High	Low	Volume	High	Low	Volume																																																																																													
April 2016	175.60	144.00	416,643	176.00	144.95	942,732																																																																																													
May 2016	163.80	150.10	44,731	163.00	150.10	142,260																																																																																													
June 2016	171.50	144.35	164,103	172.00	144.55	834,290																																																																																													
July 2016	170.50	155.70	112,218	170.80	156.50	525,376																																																																																													
Aug. 2016	173.10	153.00	104,506	173.20	152.25	403,850																																																																																													
Sept. 2016	181.00	146.35	316,453	180.70	142.15	1,197,907																																																																																													
Oct. 2016	196.00	151.50	915,509	195.80	152.00	4,528,215																																																																																													
Nov. 2016	176.85	139.00	134,506	179.00	137.00	558,244																																																																																													
Dec. 2016	155.80	132.00	217,266	156.35	132.50	882,915																																																																																													
Jan. 2017	188.75	137.15	2,504,657	188.90	137.50	12,466,770																																																																																													
Feb. 2017	171.95	150.00	400,280	172.00	150.05	1,178,000																																																																																													
Mar. 2017	158.30	148.10	153,882	159.00	147.65	621,344																																																																																													
(p)	Shareholding Pattern as on March 31, 2017	 <table border="1"> <thead> <tr> <th>Particulars</th> <th>No. of Equity Shares held</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>Promoters</td> <td>2,22,30,720</td> <td>69.47</td> </tr> <tr> <td>Overseas Corporate Bodies</td> <td>16,00,000</td> <td>05.00</td> </tr> <tr> <td>General Public</td> <td>72,81,880</td> <td>22.76</td> </tr> <tr> <td>Directors and their relatives, not part of the Promoter Group.</td> <td>8,87,400</td> <td>02.77</td> </tr> <tr> <td>Total</td> <td>3,20,00,000</td> <td>100.00</td> </tr> </tbody> </table>	Particulars	No. of Equity Shares held	%	Promoters	2,22,30,720	69.47	Overseas Corporate Bodies	16,00,000	05.00	General Public	72,81,880	22.76	Directors and their relatives, not part of the Promoter Group.	8,87,400	02.77	Total	3,20,00,000	100.00																																																																															
Particulars	No. of Equity Shares held	%																																																																																																	
Promoters	2,22,30,720	69.47																																																																																																	
Overseas Corporate Bodies	16,00,000	05.00																																																																																																	
General Public	72,81,880	22.76																																																																																																	
Directors and their relatives, not part of the Promoter Group.	8,87,400	02.77																																																																																																	
Total	3,20,00,000	100.00																																																																																																	
(q)	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]. 2,94,35,936 equity shares of the Company representing 91.98% of the Company's shares are held in electronic form as on March 31, 2017.</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>																																																																																																	

(r)	Distribution of shareholding as on March 31, 2017				
	No. of Equity Shares held	No. of share-holders	% of share-holders	No. of shares held	% of share-holding
	Upto 500	8,616	83.33	10,09,939	3.16
	501 – 1000	603	6.18	5,05,537	1.58
	1001 – 2000	240	2.46	3,74,000	1.17
	2001 – 3000	74	0.76	1,86,911	0.58
	3001 – 4000	47	0.48	1,72,923	0.54
	4001 – 5000	31	0.32	1,42,745	0.45
	5001 – 10000	52	0.53	3,61,779	1.13
	10001 & above	91	0.94	2,92,46,166	91.39
	Total	9,754	95	3,20,00,000	100
(s)	CEO and CFO Certification				
	The President & CEO and Chief Financial Officer of the Company have given annual certification dated May 22, 2017 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)	Certificate of Compliance with the Code of Conduct for Board of Directors and Senior Management Personnel To The Members of Hercules Hoists Limited				
	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				
	Sd/-				
	Prakash Subramaniam				
	President & CEO				Khalapur, Dated May 22, 2017
(u)	Company's Recommendation to the Shareholders/Investors				
	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. 66,456/- for the financial year 2008-09, 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 12/08/2016 (at Annual General Meeting) on the www.iepf.gov.in and also on the Website of the Company.				
(v)	Compliance Certificate :				
	As required by of 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 30, 2017

On behalf of the Board of Directors

Shekhar Bajaj

Chairman

(DIN No. 00089358)

Dated : May 30, 2017

Place : Mumbai



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, 2017**, 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 **except** the following-

Mr.K.C.Uebel (a German National), Director has not attended any Board Meeting since 9th of February, 2015, attracting the provisions of Section 167(1)(b) of the Companies Act, 2013, relating to 'vacation of office of director'. We also observe that Mr. K. C.Uebel was re-appointed as a Director at the Annual General Meeting of the Company held on 10th August, 2015. The Company has represented that Mr.Darius J Kakalia was appointed as his Alternate Director on 27th May, 2015, and has attended Board Meetings in his absence.

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
C.P.No.: 10980

Dated : May 30, 2017
Place : Thane

INDEPENDENT AUDITOR'S REPORT

To the Members of HERCULES HOISTS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of HERCULES HOISTS LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and Cash Flow Statement for the year ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate 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 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 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 require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the 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 Board of Directors, as well as evaluating the overall presentation of the 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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at 31st March, 2017 and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.
2. 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, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e. On the basis of the written representations received from the directors as on 31 March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164 (2) of the Act;



- f. With respect to 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 No. 17 (a) to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.
 - iv. The Company had provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management - Refer Note No 37 of the financial statements.

For and on behalf of

M. L. BHUWANIA AND CO LLP

Chartered Accountants

Firm’s Registration No. 101484W/W100197

J. P. Bairagra

Partner

Membership No.12839

Place : Mumbai

Dated : May 30, 2017

Annexure- A referred to in paragraph titled as “Report on other Legal and Regulatory Requirements” of Auditor’s report to the members Hercules Hoists Limited for the year ended 31st March 2017.

On the basis of the records produced to us for our verification / perusal, such checks as we considered appropriate, and in terms of information and explanation given to us on our enquiries, we state that:

- (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 account.
- (iii) (a) During the year, the Company has not granted any loan to companies covered in the register maintained under Section 189 of the Companies Act, 2013. In respect of loan given in earlier year the rate of interest and other terms and conditions are prima facie not prejudicial to the interest of the Company.
- (b) There are stipulation with respect to the repayment of the loan and interest. The parties are regular in repayment of principle and interest due thereon.
- (c) The Company does not have any principal and interest amount overdue for more than 90 days with respect to the loans granted to companies covered in the register maintained under Section 189 of the Companies Act, 2013 as at 31st, March 2017 except Interest of Rs. 3.93 Lakhs.

- (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. Accordingly, clause 3 (v) of the Order is not applicable to the Company.
- (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 except municipal tax of Rs.7,290. According to the information and explanations given to us, undisputed amounts payable were outstanding as at the last day of the financial year for a period of more than six months from the date they became payable Municipal Tax of Rs. 7,290.
- (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:

Name of the Statute	Nature of the Dues	Amount (Rs. in Lakhs)	Financial Year to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax Dues relating to House Property	4.42	2008-09	Commissioner of Income Tax (Appeal)
Central Excise Act, 1944	Demand of Service Tax on Royalty	1.69	1999-00 to 2003-04	Deputy Commissioner of Central Excise & Service Tax
	Demand of Excise Duty on Sales under notification and duty on conference expenses.	72.57	2009-10	Central Excise Appellate Tribunal
	Duty on Sale of Power units & disallowance of Common Input Service Tax Credit	2,11.04	2009-10 to 2015-16	Commissioner of Central Excise
	Disallowance of Common Input Service Tax Credit	1.97	2014-15	Commissioner of Central Excise (Appeal)
	Disallowance of Input Credit	23.86	2008-09 to 2014-15	Additional Commissioner of Central Excise

- (viii) According to the records of the Company examined by us and the 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 institutions and has not issued debentures during the year.
- (ix) The Company did not raise any money by way of initial public offer or further public 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 explanations given by the management, we report that no fraud by the Company or 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 Sec 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 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 and on behalf of

M. L. BHUWANIA AND CO LLP

Chartered Accountants

Firm's Registration No. 101484W/W100197

J. P. Bairagra

Partner

Membership No.12839

Place : Mumbai

Dated : May 30, 2017

Annexure- B referred to in paragraph titled as "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 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('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, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts

and expenditures of the company are being made only in accordance with 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, except financial control with respect to inventory which needs to be reviewed for further strengthening, 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 2017, 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 and on behalf of

M. L. BHUWANIA AND CO LLP
Chartered Accountants
Firm's Registration No. 101484W/W100197

J. P. Bairagra
Partner
Membership No.12839

Place : Mumbai
Dated : May 30, 2017

**BALANCE SHEET AS AT 31.03.2017**

(Amount in Lakhs)

Particulars	Note No.	As at 31.03.2017	As at 31.03.2016
		₹	₹
EQUITY AND LIABILITIES			
Shareholder's funds			
(a) Share Capital	1	3,20.00	3,20.00
(b) Reserve & Surplus	2	190,52.88	184,53.51
Non- current Liabilities			
(a) Deferred tax liabilities (net)	3	3,20.23	3,31.04
(b) Other long- term liabilities	4	41.50	36.00
Current liabilities			
(a) Short - term borrowings	5	-	7,29.76
(b) Trade payables	6	8,57.07	32,70.38
(c) Other current liabilities	7	2,48.70	4,56.63
(d) Short - term provisions	8	51.06	6,81.96
TOTAL		208,91.45	242,78.29
ASSETS			
Non - current Assets			
(a) Fixed assets	9		
(i) Tangible Assets		33,98.34	24,50.49
(ii) Intangible Assets		1,63.24	1,56.15
(iii) Capital work - in - progress		5.61	11.29
(iv) Intangible assets under development		3.54	3.54
(b) Non - current Investment	10	55,45.36	51,39.50
(c) Long - term loans and advances	11	10,77.51	13,68.46
Current Assets			
(a) Inventories	12	32,62.74	47,09.27
(b) Trade receivables	13	26,09.93	38,66.00
(c) Cash & Bank Balances	14	3,28.56	6,47.29
(d) Short- term loans and advances	15	41,36.35	54,60.24
(e) Other current assets	16	3,60.28	4,66.56
TOTAL		208,91.45	242,78.29
Contingent Liabilities and commitments	17		
SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS	1 to 43		
The notes referred above form an integral part of the Balance sheet			

As per our report attached of even date

For **M L BHUWANIA AND CO LLP**
CHARTERED ACCOUNTANTS
 Firm Registration Number : 101484W/W100197

J P BAIRAGRA
PARTNER
 MEMBERSHIP NO. 12839

PLACE : MUMBAI
 DATED : MAY 30, 2017

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

SHEKHAR BAJAJ
CHAIRMAN

H A NEVATIA
WHOLE TIME DIRECTOR

PRAKASH SUBRAMANIAM
PRESIDENT & CEO

VIJAY SINGH
CHIEF FINANCIAL OFFICER

KIRAN MUKADAM
COMPANY SECRETARY

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2017

(Amount in Lakhs)

Particulars No.	Note No.	Year ended 31.03.2017 ₹	Year ended 31.03.2016 ₹
Revenue from operations	18	74,16.45	91,13.55
Other income	19	8,48.72	12,16.47
Total Revenue		82,65.17	103,30.02
Expenses			
Cost of Materials Consumed	20	38,09.60	57,94.08
Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	21	7,53.44	(6,01.72)
Employee benefit expenses	22	9,95.70	10,11.93
Depreciation & amortization expenses	9	2,59.05	2,20.17
Finance Costs	23	22.51	24.58
Other Expenses	24	20,51.47	22,11.90
Total Expenses		78,91.77	86,61.43
Profit before exceptional and extraordinary items & tax		3,73.40	16,69.09
Exceptional Items	25	3,26.62	-
Profit before extraordinary items and tax		7,00.02	16,69.09
Extraordinary Items		-	-
Profit before tax		7,00.02	16,69.09
Tax expenses:			
(1) Current tax			
of Current year		1,85.93	4,33.13
of Earlier years		(27.40)	(6.44)
(2) Deferred tax		(10.80)	(86.53)
(3) Mat Credit		(47.58)	-
		1,00.15	3,40.17
Profit for the period		5,99.87	13,28.92
Earning per equity share:	26		
Face Value Per Share		1.00	1.00
Basic and Diluted Earnings Per Share		1.87	4.15

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS 1 to 43

The notes referred above form an integral part of the Statement of Profit and Loss.

As per our report attached of even date

For M L BHUWANIA AND CO LLP
CHARTERED ACCOUNTANTS
 Firm Registration Number : 101484W/W100197

J P BAIRAGRA
 PARTNER
 MEMBERSHIP NO. 12839

PLACE : MUMBAI
 DATED : MAY 30, 2017

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

SHEKHAR BAJAJ
 CHAIRMAN

H A NEVATIA
 WHOLE TIME DIRECTOR

PRAKASH SUBRAMANIAM
 PRESIDENT & CEO

VIJAY SINGH
 CHIEF FINANCIAL OFFICER

KIRAN MUKADAM
 COMPANY SECRETARY

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2017**

(Amount in Lakhs)

Particulars	2016-17 ₹	2015-16 ₹
A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax & Extraordinary Items	7,00.02	16,69.09
Adjustment for:		
Dividend Received	(41.25)	(3,86.27)
Depreciation /Amortisation	2,59.05	2,20.17
Interest income	(5,58.20)	(6,07.90)
Interest Expenses	21.36	18.02
Bad debts	2.17	24.68
Allowance for Bad Debts	2,84.75	1,53.19
Provision for Liquidated Damages (Net)	3.77	1.08
Provision For Incentive/Warranty/Liquidated Damages (Net)	16.38	1.49
(Profit)/Loss on Sale of Long Term Investments (Net)	(2,40.35)	-
(Profit)/Loss on Sale of Assets/Discarded Assets (Net)	1.51	1.23
Excess Provision written back (Net)	(86.27)	(23.84)
Sundry balance written back (Net)	(67.77)	(9.60)
Exchange Rate Fluctuation (Net)	6.73	(4.00)
	(3,98.11)	(6,11.76)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	3,01.92	10,57.33
ADJUSTMENTS FOR WORKING CAPITAL CHANGES :		
Long Term Loans & Advances	3,00.55	(1,62.91)
Short Term Loans & Advances	3,39.70	(1,74.69)
Other Current Assets	1,66.90	(1,59.97)
Trade Receivables	10,11.44	(6,97.44)
Inventories	14,46.53	(15,24.98)
Trade Payables	(23,17.00)	13,31.85
Short Term Provisions	(48.40)	0.88
Other Long Term Liabilities	5.50	(3.00)
Other Current Liabilities	(2,03.71)	56.17
	7,01.49	(13,34.10)
Cash Generated from Operations	10,03.40	(2,76.77)
Direct Taxes paid	2,15.48	(1,02.18)
NET CASH FROM OPERATING ACTIVITIES	12,18.88	(3,78.95)
B) CASH FLOW FROM INVESTING ACTIVITIES		
Loan (given)/ returned	10,25.00	3,32.83
Purchase of Fixed Assets including Capital Work in Progress	(12,96.53)	(1,99.21)
Sale of Fixed Assets	3.58	5.67
Purchase of Non Current Investments	(13,66.66)	(7,77.09)
Sale of Non Current Investments	12,01.16	-
Interest Received	4,96.17	5,90.77
Dividend Received	41.25	3,86.27
	1,03.96	3,39.23
NET CASH USED IN INVESTING ACTIVITY	1,03.96	3,39.23

C) CASH FLOW FROM FINANCING ACTIVITIES

Net (Decrease)/ Increase in Short Term Borrowings	(7,29.76)	7,29.76
Interest paid	(21.52)	(17.85)
Dividend Paid (Inclusive of Dividend Distribution Tax)	(5,77.72)	(5,77.72)
	(13,29.00)	1,34.19
NET CASH USED IN FINANCING ACTIVITY	(13,29.00)	1,34.19
NET CHANGES IN CASH & CASH EQUIVALENTS(A+B+C)	(6.16)	94.47
OPENING BALANCE OF CASH & CASH EQUIVALENTS	1,34.73	40.26
CLOSING BALANCE OF CASH & CASH EQUIVALENTS	1,28.58	1,34.73
	(6.16)	94.47

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

- 1 Cash and Cash Equivalents Includes: (Refer Note No 14)

Cash in hand	2.35	5.57
Balance with scheduled banks		
- In Current Account	1,26.23	1,29.16
	1,28.58	1,34.73

- 2 Interest received on delayed payments from dealers of Rs. 1,54.24 Lakhs (Previous Year Rs. 1,83.80 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 attached of even date

For **M L BHUWANIA AND CO LLP**
CHARTERED ACCOUNTANTS
Firm Registration Number : 101484W/W100197

J P BAIRAGRA
PARTNER
MEMBERSHIP NO. 12839

PLACE : MUMBAI
DATED : MAY 30, 2017

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

SHEKHAR BAJAJ
CHAIRMAN

H A NEVATIA
WHOLE TIME DIRECTOR

PRAKASH SUBRAMANIAM
PRESIDENT & CEO

VIJAY SINGH
CHIEF FINANCIAL OFFICER

KIRAN MUKADAM
COMPANY SECRETARY

**SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS****1 SHARE CAPITAL**

(Amount in Lakhs)

Particulars	As at 31.03.2017	As at 31.03.2016
Authorized Share Capital		
40,000,000 Equity shares, Re. 1/- par value (Previous Year 40,000,000 equity shares Re. 1/- par value)	4,00.00	4,00.00
	4,00.00	4,00.00
Issued, Subscribed and Fully Paid Up Shares		
32,000,000 Equity shares, Re. 1/- par value fully paid up (Previous Year 32,000,000 equity shares Re. 1/- par value)	3,20.00	3,20.00
Total Issued, Subscribed and Fully Paid Up Share Capital	3,20.00	3,20.00

Note No 1.1 The reconciliation of the number of shares outstanding at the beginning and at the end of reporting period 31-03-2017 :

Particulars	As at 31.03.2017		As at 31.03.2016	
	No. of Shares	₹	No. of Shares	₹
Number of shares at the beginning	32,000,000	3,20.00	32,000,000	3,20.00
Add: Shares issued during the year	-	-	-	-
Less : Shares bought back (if any)	-	-	-	-
Number of shares at the end	32,000,000	3,20.00	32,000,000	3,20.00

Note No 1.2: 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 1.3 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 1.4 The details of shareholders holding more than 5% shares in the company :

Name of the shareholders	As at 31.03.2017		As at 31.03.2016	
	No. of shares held	% held As at	No. of Shares	% held As at
Bajaj Holdings & Investment Ltd.	6,251,040	19.53	6,251,040	19.53
Jamnallal Sons Pvt. Ltd.	4,151,680	12.97	4,151,680	12.97
Mrs. Sunaina Kejriwal	1,990,480	6.22	1,990,480	6.22
Bajaj Sevashram Pvt. Ltd.	1,868,000	5.84	1,868,000	5.84
Mr. Anant Bajaj	1,664,000	5.20	1,664,000	5.20

Note No 1.5: The Board of Directors have recommended a dividend of Re. 1.00 (Previous Year Rs. 1.50) per share for the financial year ending 31st March, 2017 as final dividend.

2 RESERVE & SURPLUS

(Amount in Lakhs)

Particulars	As at 31.03.2017	As at 31.03.2016
Capital reserve		
At the beginning and at the end of the year	5.14	5.14
General reserve		
Opening Balance (As per the last Balance sheet)	170,95.11	165,95.11
Add: Transferred from surplus	-	5,00.00
	170,95.11	170,95.11
Surplus - Opening balance	13,52.76	11,01.55
Add: Net profit after tax transferred from statement of profit & loss	5,99.87	13,28.92
	19,52.63	24,30.48
Amount available for appropriation		
Less : Appropriations		
Proposed Dividend	-	4,80.00
Dividend Tax	-	97.72
Amount transferred to general reserve	-	5,00.00
Surplus Closing Balance	19,52.63	13,52.76
	190,52.88	184,53.51

3 DEFERRED TAX LIABILITIES (NET)

Particulars	As at 31.03.2017	As at 31.03.2016
Deferred tax liabilities		
On account of difference in depreciation as per books and Income Tax	5,32.99	4,62.98
	5,32.99	4,62.98
Less : Deferred tax assets		
On account of Expenses allowable under income tax on payment basis	10.76	12.78
On account of Provision for warranty	4.74	5.15
On account of Allowance for Bad & Doubtful Debts	1,97.26	2,12.76
	3,20.23	1,14.01
	3,20.23	3,31.04

4 OTHER LONG - TERM LIABILITIES

Particulars	As at 31.03.2017	As at 31.03.2016
Others		
Deposits	41.50	36.00
	41.50	36.00


5 SHORT- TERM BORROWINGS

(Amount in Lakhs)

Particulars	As at 31.03.2017	As at 31.03.2016
Secured (Refer Note No. 5.1)		
From Bank		
Cash Credit	-	5,07.26
Buyers Credit	-	2,22.51
	-	7,29.76

Note No 5.1 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.

6 TRADE PAYABLES

Particulars	As at 31.03.2017	As at 31.03.2016
Sundry Creditors for Goods (Refer Note No. 6.1)	5,93.57	27,17.15
Sundry Creditors for Expenses (Refer Note No. 6.1)	2,63.50	5,53.23
	8,57.07	32,70.38

Note No. 6.1

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.

7 OTHER CURRENT LIABILITIES

Particulars	As at 31.03.2017	As at 31.03.2016
Interest accrued but not due on borrowings	-	0.16
Unpaid Dividends	1,20.48	1,07.93
Advances From Customers	72.01	36.86
Sundry Creditors for Capital Goods	1.14	16.73
Other Liabilities		-
Statutory Liabilities	44.12	1,61.13
Others	10.94	1,33.83
	2,48.70	4,56.63

8 SHORT TERM PROVISIONS

Particulars	As at 31.03.2017	As at 31.03.2016
Provision for Employee Benefits		
For Leave Eancellation	-	7.58
Other Provisions		
Proposed Dividend	-	4,80.00
Corporate Dividend Tax	-	97.72
Other Provisions (Refer Note No.36)	51.06	96.66
	51.06	6,81.96

9 FIXED ASSETS

(Amount in Lakhs)

Assets	Gross Block			Depreciation / Amortisation			Net Block			
	As at 01.04.2016	Additions	Deduction / Adjustments	As at 31.03.2017	Upto 01.04.2016	For the year	Deductions/ Adjustments	Upto 31.03.2017	As on 31.03.2017	As on 31.03.2016
TANGIBLE ASSETS										
Freehold Land	73.95	-	-	73.95	-	-	-	-	73.95	73.95
Leasehold Land	15.00	-	-	15.00	4.22	0.49	-	4.71	10.29	10.78
Buildings (Refer Note No 9.1)	10,55.82	9,79.24	-	20,35.05	3,45.30	41.79	-	3,87.09	16,47.97	7,10.52
Windmill Plant	23,12.53	-	-	23,12.53	12,02.79	86.49	-	12,89.28	10,23.25	11,09.74
Plant & Machinery	5,34.56	1,27.07	-	6,61.64	3,57.79	18.03	-	3,75.82	2,85.82	1,76.78
Computers	72.45	13.35	1.04	84.76	47.82	10.61	0.99	57.44	27.32	24.63
Jigs & Fixtures	75.31	0.33	-	75.63	67.52	1.01	-	68.53	7.11	7.79
Factory Fixtures	1,26.94	3.53	-	1,29.87	42.32	8.51	-	50.83	79.04	84.02
Machine Accessories	3.29	-	-	3.29	2.10	0.08	-	2.18	1.10	1.18
Dies & Patterns	33.74	17.63	-	51.37	3.40	2.31	-	5.71	45.66	30.34
Electrical Installations	1,42.67	-	0.32	1,42.36	76.82	16.15	0.30	92.67	49.69	65.85
Furniture & Fixtures	1,09.78	10.47	-	1,20.24	55.51	9.19	-	64.70	55.55	54.27
Office Equipments	60.42	7.97	1.48	66.91	31.84	8.21	1.40	38.65	28.26	28.57
Vehicles	1,01.70	7.73	15.35	94.07	29.63	11.49	10.40	30.71	63.36	72.07
TOTAL TANGIBLE ASSETS	47,17.54	11,67.30	18.19	58,66.65	22,67.05	2,14.36	13.10	24,68.31	33,98.34	24,50.49
Previous Year	46,81.89	1,34.30	98.66	47,17.54	21,68.15	1,90.66	91.76	22,67.05	24,50.49	-
INTANGIBLE ASSETS										
Computer Software	2,28.89	51.78	-	2,80.67	72.74	44.69	-	1,17.43	1,63.24	1,56.15
Technical Know-How	6.44	-	-	6.44	6.44	-	-	6.44	-	-
TOTAL INTANGIBLE ASSETS	2,35.33	51.78	-	2,87.11	79.18	44.69	-	1,23.87	1,63.24	1,56.15
Previous Year	61.10	1,79.32	5.09	2,35.33	54.75	29.52	5.09	79.18	1,56.15	-
GROSS TOTAL	49,52.87	12,19.08	18.19	61,53.76	23,46.23	2,59.05	13.10	25,92.18	35,61.58	26,06.65
Gross Total Previous Year	47,42.99	3,13.62	1,03.74	49,52.87	22,22.90	2,20.17	96.84	23,46.23	26,06.65	-
CAPITAL WORK - IN - PROGRESS- TANGIBLE ASSETS										
CURRENT YEAR	11.29	5.61	11.29	5.61	-	-	-	-	5.61	11.29
PREVIOUS YEAR	12.60	11.29	12.60	11.29	-	-	-	-	11.29	-
INTANGIBLE ASSETS UNDER DEVELOPMENT										
CURRENT YEAR	3.54	-	-	3.54	-	-	-	-	3.54	3.54
PREVIOUS YEAR	1,51.41	-	1,47.87	3.54	-	-	-	-	3.54	-

Note No. 9.1 Buildings - Building includes Rs. 0.04 L (Previous Year Rs.Nil) being the face value of investment in shares of Co-operative Premises Society.


10 NON CURRENT INVESTMENT

(Amount in Lakhs)

Particulars	As at 31.03.2017			As at 31.03.2016	
	Face Value	Qty	₹	Qty	₹
Non Trade Investments					
Quoted					
Equity Instruments					
Bajaj Holdings & Investment Ltd.	10	286,094	10,32.25	286,094	10,32.25
Bajaj Auto Ltd.	10	182,590	2,06.63	182,590	2,06.63
Bajaj Finserv Ltd.	5	92,063	69.97	92,063	69.97
Bajaj Electricals Ltd.	2	554,937	10,19.10	554,937	10,19.10
Total Value of Quoted Investments (Refer Note No.10.1)			23,27.95		23,27.95
Unquoted					
Mutual Funds					
SBI Magnum Income Fund	10	-	-	982,578.88	300.00
IDFC Dynamic Bond Fund	10	-	-	3,461,921.94	505.94
IDFC Prudential Short Term Plan - Growth	10	-	-	340,931.56	100.00
HDFC Liquid Fund	1000	-	-	5,326.27	54.32
SBI Short Term Debt Fund	100	1,413,608.74	2,10.00	1,413,608.74	2,10.00
TATA Short Term Bond Fund	10	676,943.41	1,65.00	676,943.41	1,65.00
HDFC FMP 1135D	10	1,500,000.00	1,50.00	1,500,000.00	1,50.00
Kotak Equity Arbitrage	10	792,260.32	85.37	745,090.96	80.31
UTI MF FMP Collection Series XXI *	10	1,770,000.00	1,77.00	1,770,000.00	1,77.00
UTI MF FMP Collection *	10	2,000,000.00	2,00.00	2,000,000.00	2,00.00
UTI Fixed Term Income Fund Series XXII *	10	300,000.00	30.00	300,000.00	30.00
Sundaram Flexible Fund	10	254,218.76	50.00	254,218.76	50.00
SBI MF Debt Funds Series B-23 *	10	1,500,000.00	1,50.00	1,500,000.00	1,50.00
Reliance Short Term Fund	10	187,197.21	50.00	187,197.21	50.00
SBI Debt Fund Series B-16 *	10	600,000.00	60.00	600,000.00	60.00
HDFC NFO Collection	10	1,500,000.00	1,50.00	1,500,000.00	1,50.00
ICICI Prudential Short Term Plan	10	1,220,415.10	3,00.00	1,220,415.10	3,00.00
IDFC Arbitrage Fund Collection	10	659,782.53	84.04	620,858.10	78.99
HDFC Corporate Debt Opportunity Fund	10	2,024,654.06	2,60.00	-	-
HDFC FMP 1178D	10	1,500,000.00	1,50.00	-	-
HDFC PSU Debt Fund	10	764,397.43	1,00.00	-	-
ICICI Prudential Income Opportunities Fund	10	439,411.72	1,00.00	-	-
ICICI Prudential Long Term Plan	10	370,771.35	75.00	-	-
Kotak Flexi Debt Regular Plan	10	721,653.45	1,50.00	-	-
Kotak Medium Term Fund	10	1,555,948.00	2,00.00	-	-
Reliance Corporate Bond Fund	10	384,057.03	50.00	-	-
Reliance Short Term Fund	10	198,579.34	61.00	-	-
Sundaram Flexible Fund	10	437,290.37	1,00.00	-	-
UTI Fixed Term Income Fund Series Xxvi-iii	10	1,100,000.00	1,10.00	-	-
Total Value of Unquoted Investments			32,17.41		28,11.55
Total of Long Term Investments			55,45.36		51,39.50
Less: Provision for Diminution in the value of Investment			-		-
Net Value of Investment			55,45.36		51,39.50

* These Investments have been pledged towards Short Term Borrowings.

Note No 10.1: Aggregate market value of Quoted Investments Rs. 168,37.95 Lakhs (Previous Year Rs. 111,97.98 Lakhs.)


15 SHORT TERM LOANS & ADVANCES

(Amount in Lakhs)

Particulars	As at 31.03.2017	As at 31.03.2016
(Unsecured, Considered Good, unless specified otherwise)		
Deposits	46.73	28.19
Loans and Advances to Related Parties		
Deposit with Companies (Refer Note No 15.1)	1,67.17	8,37.17
Other Loans & Advances		
Advance recoverable in cash or kind for value to be received	56.40	29.16
Loan to Companies (Refer Note No 15.1)	24,25.00	27,80.00
Sales Tax Advance/Refund	3,72.73	2,08.58
Advance Tax	6,12.69	8,81.18
Balance with Central Excise	1,08.37	1,40.03
Loan and Advances to employees	6.58	6.54
Advance to suppliers and service providers	3,40.68	5,49.39
	41,36.35	54,60.24

Note No.15.1: The Company has surplus fund and hence has given loan to companies/placed deposit which is payable on demand and has 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.

16 OTHER CURRENT ASSETS

Particulars	As at 31.03.2017		As at 31.03.2016	
Interest Receivable	355.66		2,93.63	
Less: Allowance for Doubtful assets	3.93	3,51.73	3.93	2,89.70
Others		8.55		1,76.86
		3,60.28		4,66.56

17 a) CONTIGENT LIABILITIES :

Particulars	As at 31.03.2017	As at 31.03.2016
Disputed Income Tax Liability	43.47	75.37
Disputed Excise Duty & Service Tax Liability	3,30.24	2,05.97
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	96.61	91.23
	4,70.32	3,84.97

b) COMMITMENTS :

Particulars	As at 31.03.2017	As at 31.03.2016
Estimated Amounts of Contract remaining to be executed on Capital account and not provided for	1,00.35	11.97
	1,00.35	11.97

18 REVENUE FROM OPERATIONS

(Amount in Lakhs)

Particulars	2016-17	2015-16
Sale of Products (Refer Note No 18.1)	82,14.00	100,29.27
Other Operating Revenue		-
Export Duty Drawback	-	0.31
Income from Erection & Commissioning Services	11.03	4.25
Scrap Sales	14.52	49.84
Less : Excise Duty	8,23.09	9,70.10
	74,16.45	91,13.55

Note No 18.1 : Sale of Products**Particulars**

Chain Pulley Blocks, Hoists, Trolleys, Stakers	70,51.54	84,93.85
Spares	5,25.11	5,44.96
Cranes	3,19.04	7,64.97
Sale of Power Units	3,18.30	2,25.48
	82,14.00	100,29.77

19 OTHER INCOME

Particulars	2016-17	2015-16
Interest Income (Refer Note No 19.1)	7,12.44	7,91.70
Dividend income on Long Terms Non-trade investments	41.25	3,86.27
Other non-operating income		-
Sundry Balance Written Back (Net)	67.77	33.44
Cash discount on Purchases of goods	27.26	5.06
	8,48.72	12,16.47

Note No. 19.1 : Break-up of Interest Income

Interest Income from parties	1,54.24	1,83.80
Interest income on other deposits	0.32	0.21
Interest on income tax refund	1,15.91	95.19
Interest on sales tax refund	13.26	10.48
Interest income on deposits with banks	15.65	65.74
Interest income on inter corporate deposits	4,13.06	4,36.28
	7,12.44	7,91.70

24 OTHER EXPENSES

(Amount in Lakhs)

Particulars	2016-17	2015-16
Consumption of Stores and Tools (Refer Note No 33)	16.65	79.40
Manufacturing & Processing charges	1,67.46	1,78.42
Power & Fuel	41.03	48.78
Consumption of Packing Material (including packing Labour charges)	2,03.75	2,39.69
Repairs & Maintenance		
Plant & Machinery	3.80	6.72
Building	19.52	19.28
Others	15.93	24.15
Insurance Charges	10.52	12.09
Rates & Taxes	56.05	96.10
Rent	60.62	55.24
Erection and Commissioning Charges	7.21	3.15
Carriage outwards (Net)	2,32.54	2,58.45
Advertisement & Sales Promotion	44.18	94.78
Discounts & Commission on sales	1,21.03	1,90.30
Payment to Statutory Auditor (Refer Note No. 24.1)	9.50	9.29
Legal & Professional	2,03.46	1,57.23
Directors' Fees	17.80	15.50
Directors' Remuneration	3.00	3.00
Loss on Sale of Fixed Assets (Net)	1.51	1.23
Exchange Rate Fluctuation (Net)	24.64	4.80
Bad Debts	2.17	64.62
Less: Allowance for Doubtful Debts Written Back	-	39.94
Allowance for Doubtful Debts	2,84.75	1,53.19
Windmill Expenses	1,30.21	75.36
CSR Expenditure	50.00	-
Miscellaneous expenses	3,24.13	4,61.08
	20,51.47	22,11.90

**Note No. 24.1 Payment to Statutory Auditors**

(Amount in Lakhs)

(A) Statutory Auditors

Particulars	2016-17	2015-16
As Auditors :		
Audit Fees (including Limited Review)	6.50	6.45
Tax Audit Fees	1.20	1.20
VAT Audit Fees	0.60	0.60
Towards Service Tax *	1.25	1.20
	9.55	9.45
In Other Capacity :		
Certification	0.04	0.15
Other Matter	0.10	-
Out of pocket expenses	0.58	0.50
Towards Service Tax *	0.02	0.02
	0.74	0.67
	10.28	10.11

(B) Payment to Cost Auditors

Audit Fees	0.42	0.35
Out of pocket expenses	0.02	-
Towards Service tax *	0.06	0.05
	0.50	0.40
Total Auditors Remuneration	(A + B)	
	10.78	10.51

* **Note:** Out of above service tax credit of Rs. 1.28 Lakhs (Previous Year Rs. 1.22 Lakhs) has been taken and the same has not been debited to Statement of Profit & Loss.

25 EXCEPTIONAL ITEMS

Particulars	2016-17	2015-16
Profit on sale of Long Term Non Trade Investments (Net)	2,40.35	-
Provision no longer required, written back	86.27	-
	3,26.62	-

26 EARNING PER SHARE (EPS)

Particulars	2016-17	2015-16
(A) Profit attributable to Equity Shareholders (Rs.)	5,99.87	13,28.92
(B) No. of Equity Share outstanding during the year.	3,20.00	3,20.00
(C) Face Value of each Equity Share (Rs.)	1.00	1.00
(D) Basic & Diluted earning per Share (Rs.)	1.87	4.15

27 C.I.F. VALUE OF IMPORTS (EXCLUDING IMPORTED MATERIALS PURCHASED LOCALLY)

Particulars	2016-17	2015-16
Raw Materials & Components	7,69.60	7,93.23

28 REMITTANCE IN FOREIGN CURRENCIES ON ACCOUNT OF DIVIDEND TO NON-RESIDENT SHAREHOLDER

(Amount in Lakhs)

Particulars	2016-17	2015-16
Number of Shareholder	1.00	1.00
Number of Shares	16,00,000	16,00,000
Amount remitted (in Rs.)	24.00	24.00
Financial Year	2015-16	2014-15
Nature of Dividend	Annual	Annual

29 EXPENDITURE IN FOREIGN CURRENCIES

Particulars	2016-17	2015-16
Travelling Expenses	-	5.13
Interest Expenses	3.15	0.16
Others	-	4.17

30 EARNINGS IN FOREIGN CURRENCIES

Particulars	2016-17	2015-16
Exports (on F.O.B. Basis)	5.03	48.15
Freight	-	3.22

31 RELATED PARTY DISCLOSURE

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

S.No.	Related Parties	Nature of Relationship
(i)	Bajaj Electricals Limited	Shri Shekhar Bajaj is Chairman & Managing Director & Member
(ii)	Hind Musafir Agency Ltd.	Shri Shekhar Bajaj is Chairman & Member
(iii)	Hindustan Housing Co. Ltd.	Shri Shekhar Bajaj is Member and Shri Vinay Mehrotra is a Director
(iv)	Bajaj Finance Limited	Shri Niraj Bajaj (Brother of Shri Shekhar Bajaj) is a Director.
(v)	Hind Lamps Limited	Shri Shekhar Bajaj is Chairman & Member
(vi)	Bajaj Allianz General Insurance Co. Ltd.	Shri Niraj Bajaj (Brother of Shri Shekhar Bajaj) is a Director.
(vii)	Bajaj International Pvt. Ltd.	Shri Shekhar Bajaj is Chairman
(viii)	Shri Shekhar Bajaj	Chairman (Key Management Personnel)
(ix)	Shri H.A. Nevatia	Whole Time Director (Key Management Personnel)
(x)	Shri Prakash Subramaniam	President & CEO (Key Management Personnel)

b) Details of Transactions and Balances during the year with related parties at the year end. (Amount in Lakhs)

S.No.	Related Parties	Nature of Transactions during the year	2016-17	2015-16
(i)	Bajaj Electricals Limited	Payable against Reimbursement of Expense	-	0.08
(ii)	Bajaj International Pvt. Ltd.	Reimbursement of Expenses	0.09	0.12
		Payment towards Expenses	0.22	0.02
		(Advance)/Payable against Reimbursement of Expenses	(0.03)	0.03



(iii)	Hind Lamps Limited	Interest Receivable	3.93	3.93
(iv)	Hind Musafir Agency Ltd.	Purchase of Travel Tickets	45.36	1,09.07
		Payment against Purchases of Travel Tickets	9.41	1,28.12
		(Advance)/Payable against Purchases of Travel Tickets	3.77	(32.17)
(v)	Hindustan Housing Co. Ltd.	Office Maintenance Charges	3.61	3.69
		Payment-Office Maintenance Charges	3.96	2.46
		Payable-Office Maintenance Charges	0.96	1.32
(vi)	Bajaj Allianz General Insurance co. Ltd.	Payment towards Insurance Premiums	13.00	37.69
		(Advance)/Payable against Insurance Premium	(0.28)	0.37
(vii)	Bajaj Finance Limited	Investment in Fixed Deposit	1,67.17	8,37.17
(viii)	Shri H. A. Nevatia	Remuneration Paid (including Other benefits)	4.31	4.17
(ix)	Shri Prakash Subramaniam	Remuneration Paid (including Other benefits)	89.59	86.94
		Remuneration Payable	-	25.00

32 SEGMENT REPORTING
SEGMENT INFORMATION FOR THE YEAR ENDED 31.03.2017

Information about primary business segment

(Amount in Lakhs)

Particulars	2016-17				Total	2015-16			Total
	Segments			Total		Segments			
	Material Handling Equipment	Windmill Power	Unallocated			Material Handling Equipment	Windmill Power	Unallocated	
	₹	₹	₹			₹	₹	₹	
Revenue									
Segment Revenue	70,98.15	3,18.30	-	74,16.45	88,88.07	2,25.48	-	91,13.55	
Result									
Segment Results	(1,44.48)	1,27.13	-	(17.35)	6,38.64	89.15	-	7,27.78	
Add: Unallocated Corporate Income net of Unallocated corporate expenses	-	-	7,39.89	7,39.89	-	-	9,65.88	9,65.88	
Less: Interest (Net)	-	-	(22.51)	(22.51)	-	-	(24.58)	(24.58)	
Less: Extra ordinary items	-	-	-	-	-	-	-	-	
Profit Before Tax	(1,44.48)	1,27.13	7,17.38	7,00.02	6,38.64	89.15	9,41.31	16,69.09	
Less: Provision for Tax (Net of Deferred Tax)	-	-	(1,27.55)	(1,27.55)	-	-	(3,46.60)	(3,46.60)	
Net Profit After Tax & Before Prior Period Adjustments	(1,44.48)	1,27.13	5,89.83	5,72.48	6,38.64	89.15	5,94.70	13,22.49	
Add : Prior Period Tax Adjustments	-	-	27.40	27.40	-	-	6.44	6.44	
Net Profit After Prior Period Adjustments	(1,44.48)	1,27.13	6,17.22	5,99.87	6,38.64	89.15	6,01.14	13,28.92	
Other Information									
Segment Assets	99,68.29	12,20.48	97,02.68	208,91.45	118,01.59	14,95.51	109,81.68	242,78.79	
Segment Liabilities	10,33.73	0.36	4,84.47	15,18.57	35,76.47	23.75	19,05.56	55,05.78	
Capital Expenditure	12,19.08	-	-	12,19.08	3,13.62	-	-	3,13.62	
Depreciation / Amortisation	1,72.07	86.98	-	2,59.05	1,33.19	86.98	-	2,20.17	

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.

33 IMPORTED AND INDIGENOUS RAW-MATERIALS & COMPONENTS AND SPARE PARTS CONSUMPTION:

(Amount in Lakhs)

Sr.	Particulars	2016-17				2015-16			
		Raw-materials & Components		Spare Parts		Raw-materials & Components		Spare Parts	
		Value ₹	%	Value ₹	%	Value ₹	%	Value ₹	%
(i)	Imported (Excluding imported material purchased locally)	8,76.03	23.00 %	-	-	4,90.34	8.46 %	-	-
(ii)	Indigenous	29,33.57	77.00%	16.65	100.00 %	53,03.73	91.54 %	79.40	100.00 %
	Total	38,09.60	100.00 %	16.65	100.00 %	57,94.08	100.00 %	79.40	100.00 %

The above figures have been ascertained on the basis of opening stock plus purchases less closing stock and therefore, include the adjustment of excesses and shortages ascertained on physical count, write off of unserviceable items, etc.

34 EMPLOYEE BENEFITS

As per Accounting Standard 15 "Employee Benefits", the disclosures of Employee benefits as defined in the said Accounting Standards are given below :

Defined Contribution Plan

Contribution to Defined Contribution Plan, recognised as an expense for the year are as under :

Particulars	2016-17	2015-16
Employer's Contribution to Provident Fund	34.41	31.44
Employer's Contribution to Superannuation Fund	11.00	11.13

Defined Benefit Plan

Gratuity and Leave encashment which are defined benefits plan which are accrued based on actuarial valuation as at balance sheet date by an independent actuary. 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.

Sr. No.	Particulars	2016-17		2015-16	
		Leave Encashment	Gratuity	Leave Encashment	Gratuity
		₹	₹	₹	₹
I	Assumptions				
(a)	Discount Rate	8.00%	8.00%	8.00%	8.00%
(b)	Salary Escalation	5.00%	5.00%	5.00%	5.00%
II	Changes in present value of obligations				
(a)	Present value of obligations as at the beginning of year	44.82	66.81	47.17	69.88
(b)	Interest cost	3.59	5.34	3.77	5.59
(c)	Current Service Cost	10.79	8.68	7.35	7.66
(d)	Benefits Paid	(14.68)	(11.60)	(23.55)	(21.60)
(e)	Actuarial gain on obligations	3.93	4.34	10.07	5.27
(f)	Present value of obligations as at the end of year	48.45	73.57	44.82	66.81



(Amount in Lakhs)

Sr.No.	Particulars	2016-17		2015-16	
		Leave Encashment	Gratuity	Leave Encashment	Gratuity
		₹	₹	₹	₹
III	Changes in the fair value of plan assets				
(a)	Fair value of plan assets at the beginning of year	37.24	69.09	33.21	69.81
(b)	Expected return on plan assets	4.38	6.47	3.75	6.04
(c)	Contributions	22.07	12.34	23.82	14.83
(d)	Benefits paid	(14.68)	(11.60)	(23.55)	(21.60)
(e)	Actuarial gain on Plan assets	-	-	-	-
(f)	Fair value of plan assets at the end of year	49.00	76.30	37.24	69.09
IV	Fair value of plan assets				
(a)	Fair value of plan assets at the beginning of year	36.24	69.09	33.21	69.81
(b)	Actual return on plan assets	4.38	6.47	3.75	6.04
(c)	Contributions	22.07	12.34	23.82	14.83
(d)	Benefits Paid	(14.68)	(11.60)	(23.55)	(21.60)
(e)	Fair value of plan assets at the end of year	49.00	76.30	37.24	69.09
(f)	Funded status	0.55	2.72	(7.58)	2.28
(g)	Excess of Actual over estimated return on plan assets	-	-	-	-
V	Actuarial Gain/Loss recognized				
(a)	Actuarial gain for the year -Obligation	(3.93)	(4.34)	(10.07)	(5.27)
(b)	Actuarial gain for the year - plan assets	-	-	-	-
(c)	Total gain for the year	3.93	4.34	10.07	5.27
(d)	Actuarial gain recognized in the year	3.93	4.34	10.07	5.27
VI	The amounts to be recognized in the balance sheet and statements of Profit and Loss				
(a)	Present value of obligations as at the end of the year	48.45	73.57	44.82	66.81
(b)	Fair value of plan assets as at the end of the year	49.00	76.30	37.24	69.09
(c)	Funded status	0.55	2.72	(7.58)	2.28
(d)	Net (liability) / asset recognized in balance sheet	0.55	2.72	(7.58)	2.28
VII	Expenses Recognised in statement of Profit & Loss				
(a)	Current Service cost	10.79	8.68	7.35	7.66
(b)	Interest Cost	3.59	5.34	3.77	5.59
(c)	Expected return on plan assets	(4.38)	(6.47)	(3.75)	(6.04)
(d)	Net Actuarial gain recognised in the year	3.93	4.34	10.07	5.27
(e)	Expenses recognised in statement of Profit & Loss Account	13.93	11.90	17.44	12.48

Note : The above information have been given based on information provided by the Life Insurance Corporation of India.

35 DERIVATIVES

(Amount in Lakhs)

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 :

Particulars	As on 31.03.2017		As on 31.03.2016		Foreign Currency
	Amount in Foreign Currency	₹	Amount in Foreign Currency	₹	
Receivables	130	0.10	130	0.12	GBP
	3,112	2.11	1,890	1.52	EURO
	74,067	47.63	38,201	25.09	USD

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

Particulars	As on 31.03.2017		As on 31.03.2016		Foreign Currency
	Amount in Foreign Currency	₹	Amount in Foreign Currency	₹	
Payables	38,718	27.06	169,438	128.25	EURO
	27,911	18.22	206,057	137.40	USD

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

Note No.	Provision Related to	Opening Balance	Additions	Utilisation	Reversal	Closing Balance
1.	Warranty	14.89	16.38	17.60	-	13.67
2.	Liquidated Damages	42.78	3.77	-	9.16	37.39
3.	Incentive to Management Staff	39.00	-	27.00	12.00	-
	TOTAL	96.66	20.16	44.60	21.16	51.06

Note :

- 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 management staff based on their performance.

37 **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:

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

38 ASSETS TAKEN ON LEASE:

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 60.62 Lakhs (Previous Year Rs. 55.23 Lakhs) are charged as Rent and shown under the Note No. 25 "Other Expenses". These leasing arrangements, which are cancelable, range between 11 months to 5 years and are usually renewable by mutual consent at mutually agreed terms and conditions.



- 39 Balance of Trade Receivable includes Rs. 7,58.41 Lakhs (Previous Year Rs. 9,23.89 Lakhs) which are overdue for which no provision has been made in the accounts as the Management is hopeful of recovery.
- 40 Unauthorised price increases of about Rs 2,00 Lakhs may have been given to certain identified suppliers during earlier years. The services of the concerned employees have been terminated. Part payments to the concerned suppliers have been held back and purchases have been accounted for at invoiced values. Pending investigation and establishment of the excess price paid, the impact if any on the Statement of Profit and Loss and consequential impact on the Reserves & Liabilities could not be ascertained.
- 41 Balances of Trade Receivables, Trade Payables and Loans and Advances are subject to confirmation and consequential adjustment, if any.

42 SIGNIFICANT ACCOUNTING POLICIES**(A) Basis of Preparation of Financial Statement**

The Financial Statements have been prepared under the historical cost convention on an accrual basis and comply in all material aspects with the mandatory accounting standards and the provisions of the Companies Act, 2013.

(B) Use of Estimates

The presentation and preparation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of revenues and expenses during the reporting year. Difference between the actual result and the estimates are recognized in the year in which the results are known / materialized.

(C) 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 is arrived at estimated cost.
- (iii) Scrap is valued at net realisable value.

(D) Cash And Cash Equivalents

Cash and Cash equivalents for the purpose of cash flow statements comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

(E) Revenue Recognition**Sale & Sale of Services**

- (i) Sales are recognised when goods are supplied and are recorded inclusive of Excise Duty and net off Value Added Tax and trade discount.
- (ii) Revenues from Services are recognised as and when services are rendered.

Other Income

Interest income is recorded on a time proportion basis taking into account the amounts invested and the rate of interest.

Export Benefits

All export benefits other than advance license benefits are accounted for on accrual basis.

Dividends

Dividend income is recognised when the company's right to receive dividend is established by the reporting date.

(F) Fixed Assets & Depreciation / Amortisation

- (i) Fixed assets are stated at cost less accumulated depreciation.
- (ii) The depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.
- (iii) Cost of technical know-how is amortised over a period of six years.

- (iv) 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.
- (v) Leasehold Land is depreciated over the period of the Lease.

(G) Foreign Currency Transaction

- (i) In respect of foreign exchange transaction, the transaction in foreign currency is recorded in rupees by applying the exchange rate prevailing at the time of the transaction. Amount short or excess realised/incurred is transferred to Statement of Profit and Loss.
- (ii) All foreign currency liabilities / assets not covered by forward contracts, are restated at the rates prevailing at the year end and any exchange differences are debited / credited to the Statement of Profit & Loss.

(H) Investments

Long term Investments are stated at cost. Provision for diminution in value of long term investments is made only if such decline is other than temporary in the opinion of the management. Cost of Investment is arrived at on the basis of weighted average cost at the time of sale. Current investment are carried individually, at the lower of cost and fair value.

(I) Employee Benefit

- (i) Short term employee benefits are recognised as an expense at the undiscounted amounts in the Statement of Profit & Loss for the year in which the related service is rendered .
- (ii) Contribution payable to recognised provident fund and superannuation scheme which is defined contribution scheme is charged to Statement of Profit & Loss. Gratuity and Leave encashment which are defined benefits are accrued based on actuarial valuation as at Balance Sheet date by an independent actuary. 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.

(J) Segment Report

- (i) The company identifies primary segment based on the dominant source, nature of risks and returns and the internal organisaiton and mangagement structure. The operating segement 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.

(K) Borrowing Cost

Borrowing cost attributable to the acquisition or construction of qualifying assets is capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale as per Accounting Standard 16 "Borrowing Cost". All other borrowing costs are charged to revenue.

(L) Leases

- (i) Lease rentals in respect of assets acquired under operating leases are charged off to the Statement of Profit and Loss. Lease rentals in respect of assets given under operating leases are credited to the Statement of Profit & Loss.
- (ii) Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases.
- (iii) Leases in which the company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognised in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognised as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc., are recognised immediately in the statement of profit and loss.

(M) Earnings Per Share



Basic earnings per share is computed by dividing net profit or loss for the period attributable to equity shareholders by the weighted average number of shares outstanding during the year. Diluted earnings per share amounts are computed after adjusting the effects of all dilutive potential equity shares except where the results would be anti-dilutive. The numbers of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share, and also the weighted average number of equity shares, which could have been issued on the conversion of all dilutive potential equity shares.

(N) Taxation

- (i) Provision for Income tax is made on the basis of the estimated taxable income for the current accounting period in accordance with the Income- tax Act, 1961 and Revised Income Computation and Disclosure Standards (ICDS) of the Income-tax Act, 1961.
- (ii) The deferred tax for timing differences between the book profits and tax profits for the year is accounted for using the tax rates and laws that have been enacted or substantially enacted as of the balance sheet date. Deferred tax assets arising from timing differences are recognized to the extent there is virtual certainty that these would be realized in future and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

(O) Impairment of Assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the management estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the assets belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed, and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

(P) Provisions and Contingent Liabilities

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

(Q) 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.

- 43 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 attached of even date

For **M L BHUWANIA & CO.**
CHARTERED ACCOUNTANTS
Firm Registration Number : 101484W

J P BAIRAGRA
PARTNER
MEMBERSHIP NO. 12839

PLACE : MUMBAI
DATED : MAY 30, 2017

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

SHEKHAR BAJAJ
CHAIRMAN

H A NEVATIA
WHOLE TIME DIRECTOR

PRAKASH SUBRAMANIAM
PRESIDENT & CEO

VIJAY SINGH
CHIEF FINANCIAL OFFICER

KIRAN MUKADAM
COMPANY SECRETARY



HERCULES HOISTS LIMITED

Regd. Office : Bajaj Bhawan, 2nd 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 **55th** Annual general meeting of the company, to be held on **Wednesday, August 9, 2017 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. _____ 6. _____
 7. _____

Signature of shareholder
Signature of Proxy Holders

Please affix
Re.1/-
Revenue
stamp

Signed this..... day of2017

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, 2nd floor, 226, Jamnalal Bajaj Marg, Nariman Point, Mumbai 400021. CIN: L45400MH1962PLC012385



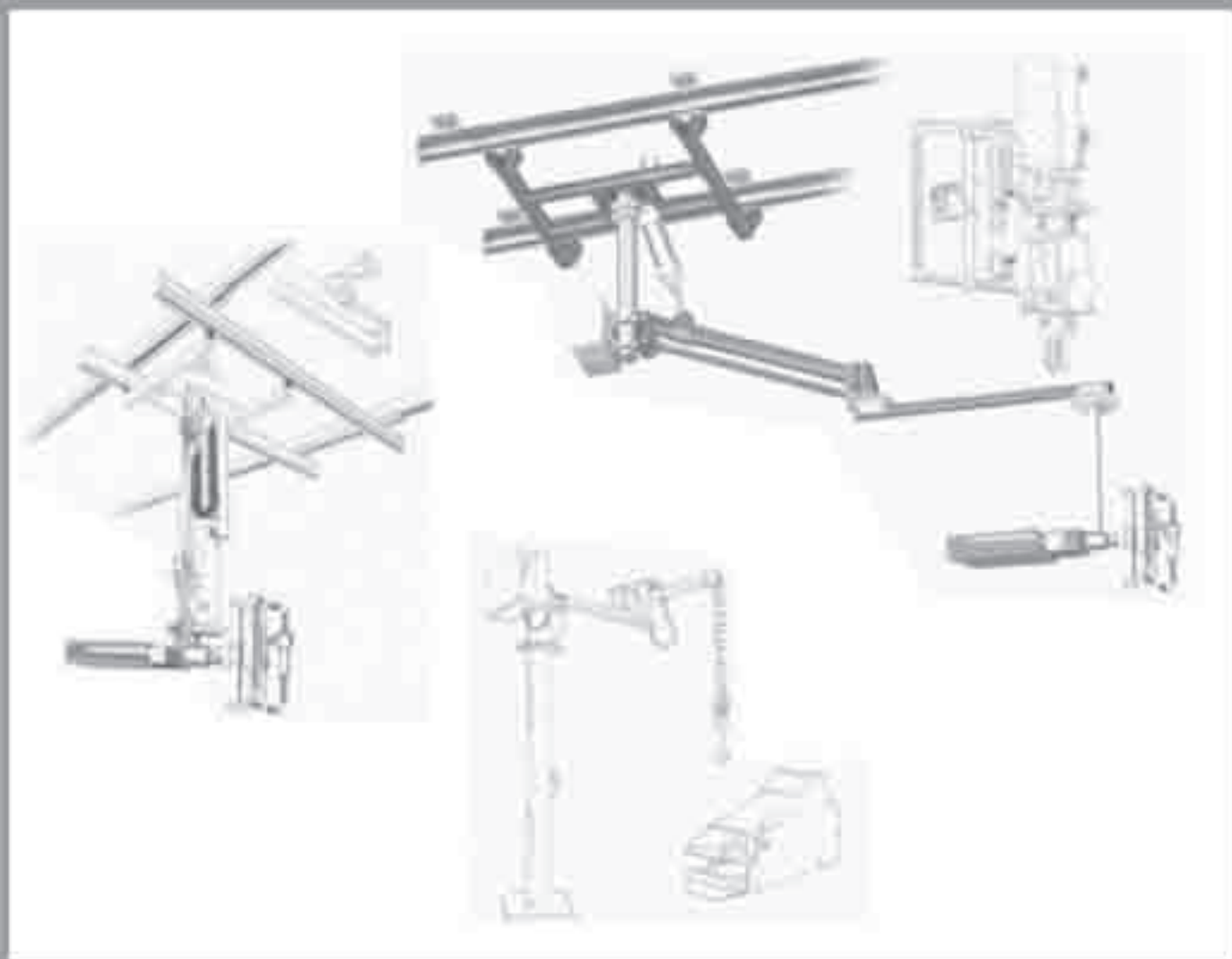
ATTENDANCE SLIP

55th Annual General Meeting on Wednesday, August 9, 2017 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.

indef® **ZASCHE**
manipulators



***Ergonomic manual
material handling***



HERCULES HOISTS LIMITED

Corporate Office : 501 to 504, 5th Floor,
Shelton Cubex, Plot No. 87, Sector 15,
CBD-Belapur, Navi Mumbai 400614 (MH) Tel.: 022-45477300/01/05
E: indef@indef.com • U: www.indef.com
CIN: L45400MH1962PLC012385