

# 61<sup>st</sup>

## ANNUAL REPORT 2022-2023



indef



BAJAJ

### HERCULES HOISTS LIMITED

# FINANCIAL HIGHLIGHTS

(₹ in Lakhs)

Description	2022-23	2021-22	2020-21	2019-20	2018-19
<b>PROFIT &amp; LOSS ACCOUNT</b>					
Gross Sales	15,051.52	10,739.16	7,736.53	8,105.00	9,952.72
<b>Net Sales</b>	<b>15,051.52</b>	<b>10,739.16</b>	<b>7,736.53</b>	<b>8,105.00</b>	<b>9,952.72</b>
Sale of Power Units Generated	25.56	105.45	100.66	194.84	264.12
Other Income	1,768.58	1,598.22	850.13	1,493.27	976.05
<b>Gross Revenue</b>	<b>16,845.66</b>	<b>12,442.84</b>	<b>8,687.32</b>	<b>9,793.11</b>	<b>11,192.89</b>
Cost of Material	8,521.23	6,564.45	4,577.72	4,390.20	5,576.08
Operating & Other Expenses	4,884.51	3,592.08	2,864.38	3,448.89	3,702.49
Interest & Finance Expenses	54.91	0.96	0.89	1.91	-
Depreciation/Amortisation	395.65	247.35	289.25	353.20	301.54
<b>Profit Before tax and exceptional items</b>	<b>2,989.36</b>	<b>2,038.00</b>	<b>955.09</b>	<b>1,598.91</b>	<b>1,612.78</b>
Less-Exceptional Items	(8,622.70)	193.23	-	-	-
<b>Profit Before tax</b>	<b>11,612.06</b>	<b>1,844.77</b>	<b>955.09</b>	<b>1,598.91</b>	<b>1,612.78</b>
Current Tax (Income Tax)	1,138.09	295.24	91.15	167.92	361.61
Deferred Tax	143.26	55.52	87.47	133.07	-29.18
<b>Profit After Tax &amp; Adjustment for earlier Years</b>	<b>10330.71*</b>	<b>1,494.01</b>	<b>776.46</b>	<b>1,297.92</b>	<b>1,280.35</b>
<b>Dividend / Proposed Dividend</b>	<b>960.00</b>	<b>832.00</b>	<b>480.00</b>	<b>576.00</b>	<b>480.00</b>
<b>BALANCE SHEET</b>					
Net Worth	70,665.39	61,900.98	49,440.29	33,724.21	42,677.61
Other Liabilities	608.22	61.00	67.37	65.50	74.78
Deferred Tax Liability (Net)	3,163.40	3,181.64	1,584.02	337.49	685.66
Current Liabilities	2,943.58	2,768.92	1,454.91	1,090.61	1,629.62
<b>Total Equity and Liabilities</b>	<b>77,380.59</b>	<b>67,912.55</b>	<b>52,546.58</b>	<b>35,217.81</b>	<b>45,067.68</b>
Fixed Assets -Gross (including Capital WIP)	4,808.70	4,010.70	4,679.79	4,572.67	4,436.38
Fixed Assets- Net	3,571.69	2,872.20	3,258.35	3,420.85	3,598.81
Investments	59,930.23	51,033.97	40,073.75	20,698.33	29,784.36
Other Assets	185.98	193.50	186.88	224.70	257.33
Current Assets	13,692.69	13,812.88	9,027.61	10,873.95	11,427.18
<b>Total Assets</b>	<b>77,380.59</b>	<b>67,912.55</b>	<b>52,546.58</b>	<b>35,217.81</b>	<b>45,067.68</b>
<b>RATIOS and STATISTICS</b>					
Proprietary Ratio	0.91:1	0.91:1	0.94:1	0.96:1	0.95:1
Debt Equity Ratio	0:1	0:1	0:1	0:1	0:1
Current Ratio	4.65:1	4.99:1	6.20:1	9.97:1	7.01:1
Return on Proprietor's Fund	14.62%	2.41%	1.57%	3.85%	3.00%
Return on Capital Employed	15.67%	2.83%	1.87%	4.69%	3.71%
Operating Expenses Ratio	88.91%	93.66%	94.96%	94.45%	90.82%
Operating Profit Ratio	8.10%	4.06%	1.34%	1.27%	6.23%
Net Profit Ratio	68.52%	13.78%	9.91%	15.64%	12.53%
Dividend Per Share (Rs.)	3.00	2.60	1.50	1.80	1.50
Earning per Equity Share (Rs.)	32.28	4.67	2.43	4.06	4.00
Price Earning Ratio	5.53	29.76	46.01	12.44	28.93
Debtors Turnover Ratio	16.65	12.78	7.98	4.10	4.07
Inventory Turnover Ratio	3.09	2.58	1.60	1.22	1.54
Book Value per Equity Share (Rs.)	220.83	193.44	154.50	105.39	133.37
No. of Equity Shareholders	15,884	16,394	17,052	11,327	11,387
No. of Employees	175	149	132	137	141

1) Proprietary Ratio = (Equity Capital + Reserves & Surplus - Miscellaneous Expenses) / Total Assets

2) Debt Equity Ratio = Debt / Equity

3) Current Ratio = Current Assets / Current Liabilities

4) Return on Proprietor's Funds = Profit After Tax / (Equity Capital + Reserves & Surplus - Miscellaneous Expenses)

5) Return on Capital Employed = Profit Before Interest & Tax / (Equity Capital + Reserves & Surplus+ Non Current Liabilities - Miscellaneous Expenses)

6) Operating Expenses Ratio = (Cost of Material + Operating & Other Expenses) / (Net Sales+windmill income)

7) Operating Profit Ratio= (Profit before Tax-Other Income)/(Net Sales+windmill income)

7) Net Profit Ratio = Profit After Tax / (Net Sales+windmill income)

8) Price Earning Ratio=Market Price Per Share/ Earning Per Share

9) Debtors Turnover Ratio= (Net Sales+Windmill income)/(Average Trade Receivable)

10) Inventory Turnover Ratio= Cost of Materials / Average Inventory

\* Net Profit FY 22-23 Included profit of 8696.16 lakhs on sale of mulund land and loss of Rs. 73.46 lakhs on sale of windmill considered as exceptional item



# HERCULES HOISTS LIMITED

61<sup>st</sup> ANNUAL REPORT 2022-2023

## BOARD OF DIRECTORS

Shekhar Bajaj - *Chairman*  
 H A Nevatia (*Whole-time Director*)  
 Gaurav V Nevatia  
 Shruti Jatia  
 Vandan Shah  
 Nirav Nayan Bajaj

## MANAGEMENT TEAM

Amit Bhalla (*President & CEO*)  
 Vijay Singh (*Chief Financial Officer*)  
 Debi Prasad Padhy (*Senior General Manager-Sales*)

## COMPANY SECRETARY

Kiran Mukadam

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## BANKERS

HDFC Bank

## AUDITORS

Kanu Doshi Associates LLP - *Chartered Accountants*

## COST AUDITORS

Aatish Dhattrak and Associates

## SECRETARIAL AUDITORS

S N Ananthasubramaniam & Co. - *Company Secretaries*

**CIN:** L45400MH1962PLC012385

**Website:** www.indef.com

## ANNUAL GENERAL MEETING

On Wednesday, August 11, 2023 at 4.30 p. m. through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM")

## REGISTERED OFFICE

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

## CORPORATE OFFICE

501-504, Shelton Cubix, Sector 15, Plot 87, CBD Belapur, Navi Mumbai, Thane 400614



## NOTICE

**NOTICE** is hereby given that the **61<sup>st</sup> Annual General Meeting of the Members of Hercules Hoists Limited** will be held through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM") on **Friday, August 11, 2023 at 4.30 PM** to transact the following businesses: -

### Ordinary Business

1. To receive, consider and adopt the audited statement of Profit and Loss account for the year ended March 31, 2023 and the Balance Sheet as at that date and report of Directors and Auditors thereon.
2. To confirm the payment of interim dividend on equity shares and to declare a final dividend on equity shares for the financial year ended March 31, 2023.
3. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special resolution:

**"RESOLVED THAT** Shri Shekhar Bajaj [DIN No. 00089358], who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby appointed as Director.

**RESOLVED FURTHER THAT** pursuant to Regulation 17(1A) of SEBI (LODR) Regulations, 2015, (including any statutory modification(s) or enactment(s) thereof), the continuation of the directorship till the 63rd Annual General Meeting of Shri Shekar Bajaj [DIN00089358] as Chairman and Non-Executive Director of the company, after attaining the age of seventy-five (75) years, be and is hereby approved.

**RESOLVED FURTHER THAT** the Board of Directors of the company be and are hereby authorized to do all the acts, deeds and things which are necessary for the continuation of the appointment of aforesaid person as Chairman and Non-Executive Director of the company."

### Special Business

4. 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, remuneration of Rs. 52,000/- plus applicable tax, reimbursement of out-of-pocket expenses payable to the M/s, Aatish Dhatrak & Associates, appointed as cost auditor by the Board of Directors of the Company, for the financial year 2023-24, be and are hereby ratified and confirmed.

5. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution-

**"RESOLVED THAT** Smt Neelima Bajaj Swamy [DIN No. 03120441], who was appointed by the Board of Directors as an Additional Director(Non-Executive) of the Company effective from July 11, 2023 and who holds office upto the date of this Annual General Meeting in terms of section 161 of the Companies Act 2013 and who is eligible for appointment and has consented to act as Director of the Company and in respect of whom the Company has received a notice in writing from a member under section 160 of the Companies Act 2013 proposing her candidature for the office of a Director of the Company, as recommended by the Nomination and Remuneration Committee be and is hereby appointed a Director of the Company liable to retire by rotation".

6. 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 Section 149 and 152 of the Companies Act, 2013 and the Rules thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, Shri K J Mallya [DIN No. 00094057] who was appointed as an Additional Director of the Company with effect from July 11, 2023 by the Board of Directors of the Company pursuant to section 161 of the Companies Act, 2013 and who holds office upto the date of this Annual General Meeting and in respect of whom, the Company has received a notice from a member under section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, as recommended by the Nomination and Remuneration Committee, be and is hereby confirmed as an Independent Director of the Company at the ensuing Annual General Meeting, to hold office for five consecutive years with effect from the date of his appointment, not liable to retire by rotation and on such terms and conditions & in the manner set out in Schedule IV to the Companies Act, 2013."

### NOTES:

1. Pursuant to previous general circulars and latest general circular no. 10/2022 and 11/2022 dated 28/12/2022 (collectively referred to as "MCA Circulars") issued by the Ministry of Corporate Affairs ("MCA") and circular No. SEBI/HO/CFD/PoD-2/PCIR/2023/4 dated 05/01/2023 plus earlier circulars, issued by the Securities and Exchange Board of India (collectively

referred to as “SEBI Circulars”) permitted the holding of the annual general meeting (“AGM”) through VC / OAVM, without the physical presence of the members. In compliance with the provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), MCA Circulars and SEBI Circulars, the AGM of the Company is being held through VC / OAVM which does not require physical presence of members at a common venue. The proceedings of the AGM will be deemed to be conducted at the registered office of the Company which shall be the deemed venue of the AGM.

2. A member is entitled to attend, and to vote, to appoint a proxy in his/her place to attend the meetings. Since this AGM is being held pursuant to the MCA Circulars/ SEBI Circulars through VC/ OAVM, therefore, the requirement of physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for this AGM and hence, proxy form and attendance slip are not annexed to this Notice.
3. Institutional / Corporate Shareholders (i.e., other than individual/ HUF, NRI etc.) are required to send a scanned copy of respective Board resolution or authorization, authorizing its representative(s) to attend this AGM through VC/ OAVM on its behalf and to vote through remote e-voting.
4. The register of members and the share transfer books of the company will remain closed from August 5, 2023 to August 11, 2023 both days inclusive.
5. Subject to prior approvals, the payment of dividend, will be made after August 11, 2023 conditional upon the deduction or withholding of applicable taxes at source.
6. Since this AGM will be held through VC/OVAM, the route map is not required to be annexed to this Notice.
7. Members holding shares physically are requested to notify the Company of any address change on immediate basis.
8. Members desirous of asking any questions during this AGM are requested to send in their questions at the email id: ksm@indef.com, while ensuring that the Company is in receipt of said questions at least 10 days before this AGM, so that the same can be suitably replied.
9. In compliance with the aforesaid MCA circulars and SEBI circulars, the notice of AGM along with the Annual Report is being sent through electronic mode only, to those members whose email addresses are registered with the Company/ depositories. Members may note that the notice and annual report 2022-23 will also be available on the Company’s website www.indef.com and stock exchange websites i.e. www.bseindia.com and www.nseindia.com. The Company has issued a public notice by way of advertisement with required details of 61st AGM, for information of the members.
10. 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 AGM. Members seeking to inspect such documents can send an email to: ksm@indef.com
11. Pursuant to Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management & Administration) Rules, 2014, the Company is providing e-voting facility to all members to enable them to cast their votes electronically on all resolutions set forth in this notice.
12. The Company may send various notices/documents to through electronic mode to the registered email addresses of shareholders. Accordingly, members are requested to intimate/update their email addresses to the Company’s registrar and share transfer agent. Please note that as a member of the Company, you may request to receive a physical copy of the said documents in accordance with the provisions of the Companies Act, 2013.

**Explanatory Statements under the Companies Act, 2013 and SEBI (LODR) Regulations 2015:**

**Item No. 3**

Shri Shekhar Bajaj, Chairman of the Company who turned aged 75 years on June 8, 2023, is due for retirement by rotation at AGM to be held in August 2023.

Pursuant to Regulation 17(1A) of SEBI (LODR) Regulations, 2015, a listed entity shall appoint a person or continue the directorship of any person who has attained the age of seventy-five years, as a non-executive director, only on obtaining approval of the shareholders by way of a special resolution.

The Board of Directors are of the opinion that considering his immense experience in the industry and his leadership qualities, his continuation as Chairman & Non-Executive Director will be of great benefit to and in the interest of the Company. Accordingly, approval of the shareholders is therefore being sought by way of special resolution to continue the directorship of Shri Shekar Bajaj as Chairman and Non-Executive Director of the Company.



None of the Directors, Key Managerial Personnel, and their relatives other than Shri Shekar Bajaj are concerned or interested in the said Resolution.

**Item No. 4**

Upon the recommendation of the audit committee, Company's Board of Directors approved the appointment and remuneration of M/s, Aatish Dhattrak & Associates, appointed as Cost Auditors to conduct the audit of the cost records of the Company for the financial year 2023-24. 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 appointed 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. 4 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. 5**

The Board of Directors of the Company (based on the recommendation of Nomination & Remuneration Committee) appointed Smt Neelima Bajaj Swamy as an Additional Director (Non-Executive) of the Company with effect from July 11, 2023 pursuant to the provisions of Section 161 (1) of the Act and the Articles of Association of the Company and she is eligible to be appointed as a Director, liable to retire by rotation, of the Company. The Company has received notice in writing from a member under section 160 of the act proposing her candidature as a Director. Her detailed profile is given under the head "Corporate Governance". The Board recommends passing of ordinary resolution's as set out in item no. 5.

None of the Directors, Key Managerial Personnel and relatives thereof are concerned or interested in the said Resolution except Shri Shekhar Bajaj

**Item No. 6**

The Board of Directors of the Company (based on the recommendation of Nomination & Remuneration Committee) appointed Shri K J Mallya as an Additional Director (Independent) of the Company with effect from July 11, 2023 pursuant to the provisions of Section 161 (1) of the Act and the Articles of Association of the Company. In terms of the provisions of the act, Shri K J Mallya hold office up to the date of the ensuing Annual General Meeting. The Company has received notice in writing from a member under section 160 of the act proposing his candidature as Director. The Company has received a declaration of independence from him under section 149 (6) of the Companies Act, 2013. His detailed profile is given under the head "Corporate Governance". The Board recommends passing of special resolution's as set out in item no. 6.

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

**On behalf of the Board of Directors**

**Dated : 11/07/2023**  
**Place : Mumbai**

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

## VOTING THROUGH ELECTRONIC MEANS

- I) 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 its members with 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 Link Intime India Private Limited (Link Intime).
- II) The facility for voting through e-voting shall be made available at the AGM and the members attending the meeting through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM"), who have not cast their vote by remote e-voting shall be able to exercise their right at AGM.
- III) The members who have cast their vote by e-voting prior to the AGM may also attend the AGM through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM"), but shall not be entitled to cast their vote again.
- IV) The e-voting period commences on August 8, 2023 (9:00 am) and ends on August 10, 2023 (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 4, 2023 may cast their vote by e-voting. The e-voting module shall be disabled by Link Intime for voting thereafter.
- V) As per the SEBI circular dated December 9, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

### A) Login method for individual shareholders holding securities in demat mode is given below:

1. Individual shareholders holding securities in demat mode with NSDL
  - a. Existing IDeAS user can visit the e-Services website of NSDL viz... <https://eservices.nsdl.com> either on a personal computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be re-directed to "InstaVote" website for casting your vote during the remote e-Voting period.
  - b. If you are not registered for IDeAS e-Services, option to register is available at <https://eservices.nsdl.com> Select "Register Online for IDeAS Portal" or click at <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>
  - c. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://eservices.nsdl.com> either on a personal computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.
2. Individual Shareholders holding securities in demat mode with CDSL
  - a. Existing users who have opted for Easi / Easiest, can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <https://web.cdslindia.com/myeasi/home/login> or [www.cdslindia.com](http://www.cdslindia.com) and click on New System Myeasi.
  - b. After successful login of Easi/Easiest the user will be able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.
  - c. If the user is not registered for Easi/Easiest, option to register is available at <https://web.cdslindia.com/myeasi/Registration/EasiRegistration>.
  - d. Alternatively, the user can directly access e-Voting page by providing demat account number and PAN No. from a link in [www.cdslindia.com](http://www.cdslindia.com) home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.



- Individual Shareholders (holding securities in demat mode) login through their depository participants

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to “InstaVote” website for casting your vote during the remote e-Voting period.

**B) Login method for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode is given below:**

Individual Shareholders of the company, holding shares in physical form / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

- Open the internet browser and launch the URL: <https://instavote.linkintime.co.in>
- Click on “**Sign Up**” under ‘**SHARE HOLDER**’ tab and register with your following details: -

**A. User ID:**

Shareholders holding shares in physical form shall provide Event No + Folio Number registered with the Company. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.

**B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

**C. DOB/DOI:** Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

**D. Bank Account Number:** Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

- Shareholders holding shares in **physical form** but have not recorded ‘C’ and ‘D’, shall provide their Folio number in ‘D’ above
- Shareholders holding shares in **NSDL form**, shall provide ‘D’ above

**E.** Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter).

**F.** Click “confirm” (Your password is now generated).

- Click on ‘Login’ under ‘**SHARE HOLDER**’ tab.
- Enter your User ID, Password, and Image Verification (CAPTCHA) Code and click on ‘**Submit**’.
- After successful login, you will be able to see the notification for e-voting. Select ‘**View**’ icon.
- E-voting page will appear.
- Refer the Resolution description and cast your vote by selecting your desired option ‘**Favour / Against**’ (If you wish to view the entire Resolution details, click on the ‘**View Resolution**’ file link).
- After selecting the desired option i.e. Favour / Against, click on ‘**Submit**’. A confirmation box will be displayed. If you wish to confirm your vote, click on ‘**Yes**’, else to change your vote, click on ‘No’ and accordingly modify your vote.

**C) Guidelines for Institutional shareholders:**

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as ‘**Custodian / Mutual Fund / Corporate Body**’. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the ‘**Custodian / Mutual Fund / Corporate Body**’ login for the Scrutinizer to verify the same.

**D) Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders:**

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or contact on: - Tel: 022 – 4918 6000.



**E) Helpdesk for Individual Shareholders holding securities in demat mode:**

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
<b>Individual Shareholders holding securities in demat mode with NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
<b>Individual Shareholders holding securities in demat mode with CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 22- 23058542-43.

**F) Individual Shareholders holding securities in Physical mode has forgotten the password:**

If an Individual Shareholders holding securities in Physical mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- Click on 'Login' under 'SHARE HOLDER' tab and further Click 'forgot password?'
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain minimum 8 characters, at least one special character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter.

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company

**G) Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:**

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

**H) Other:**

- 1) 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 4, 2023
- 2) 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.
- 3) The Scrutinizer (M/s S N Ananthasubramaniam & Co., Practising Company Secretary, Thane) shall make, not later than two 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.
- 4) The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company and on the website of Link Intime 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 11, 2023.



**Process and manner for attending the Annual General Meeting through InstaMeet**

1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in> Select the “Company” and ‘Event Date’ and register with your following details: -

**A. Demat Account No. or Folio No:** Enter your 16-digit Demat Account No. or Folio No

- Shareholders/ members holding shares in **CDSL Demat Account shall provide 16 Digit Beneficiary ID**
- Shareholders/ members holding shares in **NSDL Demat Account shall provide 8 Character DP ID followed by 8 Digit Client ID**
- Shareholders/ members holding shares in **physical form shall provide** Folio Number registered with the Company

**B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/Company, shall use the sequence number provided to you, if applicable.

**C. Mobile No.:** Enter your mobile number.

**D. Email ID:** Enter your email id, as recorded with your DP/Company.

Click “Go to Meeting” (You are now registered for InstaMeet and your attendance is marked for the meeting).

2. **Instructions for Shareholders/ Members to Speak during the Annual General Meeting through InstaMeet**

1. Shareholders who would like to speak during the meeting must register their request 3 days in advance with the company on the [ksm@indef.com](mailto:ksm@indef.com) created for the general meeting.
  2. Shareholders will get confirmation on first cum first served basis depending upon the provision made by the Company.
  3. Shareholders will receive “speaking serial number” once they mark attendance for the meeting.
  4. Other shareholder may ask questions to the panelist, via active chat-board during the meeting.
  5. Please remember speaking serial number and start your conversation with panelist by switching on video mode and audio of your device
  6. Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.
3. Shareholders/ Members are encouraged to join the meeting through tablets/ laptops connected through broadband for better experience. Shareholders/ Members are required to use internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.
  4. Please note that Shareholders/ Members connecting from mobile devices or tablets or through laptops connecting via mobile hotspot may experience audio/visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
  5. In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in) or contact on: - Tel: 022-49186175.
  6. For a smooth experience of viewing the AGM proceedings of Link Intime India Pvt. Ltd. InstaMEET, shareholders/ members who are registered as speakers for the event are requested to download and install the Webex application. Please download and install the Webex application by clicking on the link <https://www.webex.com/downloads.html/>. If you have already installed the Webex application on your device, join the meeting by clicking on Join Now. If Webex application is not installed, a new page will appear giving you an option to either Add Webex to chrome or Run a temporary application. Click on Run a temporary application, an exe file will be downloaded. Click on this exe file to run the application and join the meeting by clicking on Join Now

**7. Instructions for Shareholders/ Members to Vote during the Annual General Meeting through InstaMeet**

Once the electronic voting is activated by the scrutinizer/ moderator during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting "Cast your vote"
2. Enter your 16-digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.
3. After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
4. Cast your vote by selecting appropriate option i.e., "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
5. After selecting the appropriate option i.e., Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently

Note: Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through remote e-voting prior to the annual general meeting will be eligible to attend/ participate in the annual general meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

## DIRECTORS' REPORT

Dear Members,

We present our **61<sup>st</sup> Annual Report** together with the Audited Financial Statements for the year ended March 31, 2023:

### 1. Financial Results

(Rs. in Lakhs)

Financial Results	As on March 31, 2023	As on March 31, 2022
Revenue from Operations	<b>15,077.08</b>	10,844.62
Other Income	<b>1,768.58</b>	1,598.22
Total Income	<b>16,845.66</b>	12,442.84
Profit before Finance Cost & Depreciation	<b>3,439.92</b>	2,286.31
Less- Finance Cost	<b>54.91</b>	0.96
Less-Depreciation	<b>395.65</b>	247.35
Profit before taxes and exceptional items	<b>2,989.36</b>	2,038.00
Profit before taxes after exceptional items*	<b>11,612.06</b>	1,844.77
Provision for Taxation for the year (including Deferred tax and earlier year's Income-Tax adjustment )	<b>1,281.35</b>	350.75
Profit after Taxes	<b>10,330.71</b>	1,494.01

\* Includes profit of Rs. 8,696.16 Lakhs on sale of mulund land and loss of Rs. 73.46 Lakhs on sale of windmill considered as exceptional item

### 2. Dividend

During the year, the Company announced a final dividend of INR 1.50 per share of value INR 1.00 each, and special dividend of INR 1.00 per share of value INR 1.00 each subject to shareholders approval in the ensuing AGM for the year ended March 31, 2023, which brings the total dividend for the financial year 2022-23 to INR 3.00 [300%] per share, inclusive of interim dividend of INR 0.50 paid in the month of February 2023, against the total dividend of INR 2.60 paid per equity share of value INR 1 each in the previous year.

### 3. Operations

The revenue from operations of Rs. 15,077.08 lakhs is up by 39.03% as compared to the previous year's revenue from operations of Rs. 10,844.62 Lakhs. The profit after tax of Rs. 10,330.71 lakhs, is up by 591.48%, as compared to previous year's net profit of Rs. 1,494.01 lakhs.

The Company places a significant emphasis on the quality and usage of latest technology. The Company has invested in various high-end manufacturing equipment's that ensure consistent high-quality products, services and delivery commitments while ensuring customer centricity.

The aforesaid action at company's end corroborated with China's plus one policy globally, "Make in India", supported by PLI schemes is providing a significant boost to new investments. Moreover, the Union governments focus on increasing capital expenditure in infrastructure and other various sectors along with the surge in private investments for expanding capacities, which have created a favorable environment for growth and development. In spite of global issues on macro-economic and geo-political front, India has confirmed to grow and invest into infrastructure. Even with the higher inflation, the demand for Material Handling Equipment continues to be strong, robust and fairly consistent

The Company has sold one balanced windmill in the second quarter of FY 2022-23.

The Company has completed sale and transfer of Mulund land approximately 8327 square meters [2.05 Acre] situated at 110, Minerva Industrial Estate, Mulund West Mumbai 400080, through Memorandum of Understanding (MOU) dated February 2, 2022, and received a lumpsum consideration of Rs. 90 Crore.

### 4. Scheme of Demerger

The scheme of arrangement between Hercules Hoists Limited ('HHL') and Indef Manufacturing Limited ('IML') under section 230-234 and other applicable provisions of the Companies Act, 2013 was approved by the Board of Directors of the Company on September 23, 2022. The scheme envisages transfer of manufacturing business of HHL to its wholly owned subsidiary (WOS), namely IML by way of a demerger in order to segregate the manufacturing business from investment business of HHL. HHL will continue to carry on the investment business post the scheme. Pursuant to the demerger, shares in the ratio of 1:1 will be issued to shareholders of HHL and shares held by HHL in IML will get cancelled thereby replicating mirror shareholding pattern of HHL in IML.

The Company has received “No Objection” to file the draft scheme before National Company Law Tribunal, from BSE on 23th May 2023 and from NSE on 24th May 2023. The Company will file application for sanction of the scheme before National Company Law Tribunal (‘NCLT’) bench in Mumbai.

#### **5. Directors and Key Managerial Personnel-Changes**

As per section 152 (6) of the Companies Act, 2013, Shri Shekhar Bajaj is liable to retire by rotation at the ensuing AGM and being eligible, offer himself for re-appointment.

The Board of Directors had appointed, in their meeting July 11, 2023, on recommendation of Nomination and Remuneration Committee, Smt Neelima Bajaj Swamy as an Additional Director (Non-Executive) and Shri K J Mallya as an Additional Director (Independent) of the Company for term of 5 years. Smt Neelima Bajaj Swamy and Shri K J Mallya holds office till the ensuing Annual General Meeting. The Ordinary Resolution for confirmation of appointment of both as a Director are given in the Notice. The detailed profile of Shri Shekhar Bajaj, Smt Neelima Bajaj Swamy and Shri K J Mallya are given under the head “Corporate Governance”.

The members at the Annual General Meeting held on August 10, 2022 vide special resolution, had approved the re-appointment of Shri H A Nevatia as a whole-time director for the term November 22, 2022 to November 21, 2024.

#### **6. Independent Directors**

The independent directors have submitted the declaration of independence, as required pursuant to section 149(7) of the Companies Act, 2013. In the opinion of the Board, the independent directors, fulfil the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the Listing Regulations. The independent directors have also confirmed that they have complied with the company’s code of business conduct & ethics. All independent directors of the company have valid registration in the independent director’s databank of Indian Institute of Corporate Affairs as required under Rule 6(1) of the Companies (Appointment and Qualification of Director) Fifth Amendment Rules, 2019. The terms and conditions of appointment including the code of conduct and the duties of independent directors as laid down in the Companies Act, 2013, are placed on the website of the Company. The details of familiarization programme for the independent directors are explained in the Corporate Governance Report.

#### **7. Auditors**

##### **A) Statutory Auditors**

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules made thereunder, the auditors of the Company, M/s. Kanu Doshi Associates LLP, Chartered Accountants, Mumbai were appointed as Statutory Auditors of the Company for a period of five consecutive years at the Annual General Meeting (AGM) of the Members held August 10, 2022. The statutory auditors of the Company shall hold office from the conclusion of the 60th AGM of the Company till the conclusion of the 65th AGM. The audit report for FY 2022-23 is unmodified, i.e., it does not contain any qualification, reservation, or adverse remark.

##### **B) Cost Auditors**

Pursuant to Section 148 of the Companies Act, 2013 and rules made thereunder, the Board A Directors had on the recommendation of the audit committee, appointed M/s. Aatish Dhattrak & Associates, as a Cost Auditor, to audit the cost accounts of the Company for the financial year 2023-24 at a remuneration of Rs. 52,000/-plus applicable tax, reimbursement of out-of-pocket expenses, subject to ratification by the shareholders at ensuing AGM. Accordingly, a resolution seeking Members’ ratification for the remuneration payable to Cost Auditors is given in the notice. The Company is in compliance with maintenance of cost records as specified by the Central Government under section 148 (1) of the Companies Act, 2013, and Rule 8(5)(ix) of Companies (Accounts) Rules]. There is no audit qualification for the cost audit report for the year ended March 31, 2022, under review.

##### **C) Secretarial Auditors**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the rule made thereunder, the Company has appointed M/s. S N Ananthasubramaniam & Co, as Company Secretaries, to undertake the secretarial audit of the Company. The secretarial audit report is annexed herewith as “Annexure C”. There is no secretarial audit qualification for the year ended March 31, 2023, under review. The Company is following the applicable secretarial standards.

#### **8. Significant and 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.

**9. Internal Control System and Financial Reporting**

The Company's internal control system is commensurate with its size, scale, and complexities of its operations. The internal and operational audit is entrusted to M/s. Deloitte Touche Tohmatsu India LLP. The audit committee of the Board of Directors periodically reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same. The Company has policies and procedure in place for reliable financial reporting.

**10. 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.

**11. Presentation of Financial Results**

The financial results of the Company for the year ended March 31, 2023 have been disclosed as per Schedule III of the Companies Act, 2013.

The financial statements for the year ended March 31, 2023 were prepared in accordance with the Accounting Standards notified under Companies (Accounting Standard) Rules 2006 as amended and other relevant provisions of the Companies Act, 2013.

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

**12. Risk Management Policy**

Risk management is embedded in your Company's operating framework. The risk management framework is reviewed by the Board and the audit committee. Information on the development and implementation of a risk management framework for the Company is given under management discussion and analysis.

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

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

**14. 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 an on- 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.

**15. 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 posted on the website of the Company.

**16. 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.

**17. 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.

**18. Business Responsibility and Sustainability Report**

As per SEBI's circular no. SEBI/HO/CFD/CMD-2/P/CIR/2021/562M dated 10 May 2021, the top 1,000 listed companies in India are mandated to submit a Business Responsibility and Sustainability Report (BRSR) as part of their annual reports to the stock exchanges. However, as of March 31, 2022 and March 31, 2023, Hercules Hoists Limited is not covered under the top 1,000 companies based on market capitalization, and therefore, a BRSR is not included in our Annual Report. Nonetheless, as a responsible corporate citizen, we remain committed to ensure that our business operations adhere to the highest standards of ethical and sustainable practices.

**19. 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. The details of remuneration of directors, key managerial personnel and details of employee who was in receipt of remuneration more than Rs. 102 lakh per annum in the current financial year are given in note No. 45 to the Financial Statements and Corporate Governance Report.

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.

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

Details of loans, guarantees and investments, if any covered under the provisions of Section 186 of the Companies Act, 2013 are given in note No. 8, 13, 18 and 32a to the financial statements.

**21. 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.

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

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

**23. Related Party Transactions**

All transactions entered with related parties for the year under review were on arm's length basis and thus a disclosure in Form AOC-2 in terms of Section 134 of the Companies Act, 2013 is not required. 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. All related party transactions are mentioned in the notes to the accounts. All related party transactions are placed before the audit committee for approval. Omnibus approval was obtained on a yearly basis for transactions which are of repetitive nature. Transactions entered into pursuant to omnibus approval are verified and a statement giving details of all related party transactions are placed before the audit committee and the Board for review and approval on a quarterly basis. The policy on related party transactions as approved by the board is placed on the Company's website [www.indef.com/investor](http://www.indef.com/investor)

**24. 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. As part of the compliance under this policy, the workforce at the company was also trained towards appropriate behavior at workplace.

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

The information on conservation of energy, technology absorption, foreign exchange earnings 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.

**26. Annual Return**

As required under Section 134(3)(a) of the Companies Act, 2013 and as per Companies (Management and Administration) Amendment Rules 2022, annual return for 2021-22 in the prescribed Form MGT 7 is put up on the Company's website – [www.indef.com/investor](http://www.indef.com/investor)

**27. Industrial Relations**

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

Company's 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 : 26/05/2023  
Place : Mumbai

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

**ANNEXURE A**

Information furnished, 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 Companies Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)-** There were no such transactions.

**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		2022-23	2021-22
(a) Electricity Purchased	Units	3,11,451	2,49,502
	Total Amount (Rs. in lakhs)	29.82	28.12
	Rate/Unit (Rs. in Lakhs)	9.58	11.27
(b) Own Generation Electricity	Units	6,600	5,400
	Units per litre of Diesel Oil	3.24	2.62
	Diesel Cost (Rs. in Lakhs)	6.23	5.03
	Rate/Unit (Rs.)	26.70	35.59
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 Company's design and development team has played a critical role in enhancing the quality and design of our products. The Company places great importance on continuous improvement in design, production, sourcing, and quality management processes, which is reflected in its key result areas. Throughout the year, the company has upgraded its products to meet the changing needs of its customers and remain ahead of the competition. Additionally, the Company has taken measures to increase the level of standardization in its products to capitalize on the benefits it provides.

**C. Foreign Exchange Earnings & Outgoings****(Rs. in Lakhs)**

Particulars	2022-23	2021-22
Foreign Exchange Earnings	624.66	52.86

Particulars	2022-23	2021-22
Foreign Exchange Outgo	665.93	598.20

**III) Annual Report on CSR Activities for the financial year ended March 31, 2023:****1. Brief outline on CSR Policy of the Company**

The Corporate Social responsibility (CSR) activities of Bajaj Group are guided by the vision and philosophy of its Founding Father, late Shri Jamnalalji Bajaj, who embodied the concept of trusteeship in business and common good, and laid the foundation for ethical, value-based and transparent functioning. The objective of CSR policy of the Company 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. CSR policy gives an overview of the projects or programmes which are proposed to be undertaken by the Company in the coming years.

**2. Composition of the CSR Committee:**

SN	Name of Director	Nature of Directorship	Number of meetings of CSR Committee held and attended during the year
1	Shri Shekhar Bajaj	Non-Executive Director and Chairman of the CSR Committee	1
2	Shri H A Nevatia	Executive Director and Member of the CSR Committee	1
3	Smt Shruti Jatia	Non-Executive & Independent Director and Member of the CSR Committee	1

3. The Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company: [www.indef.com/investor](http://www.indef.com/investor)
4. The details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (CSR Policy) Rules, 2014, if applicable (attach the report): **Not Applicable**
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: **Not Applicable**
6. Average net profit of the company as per section 135(5): **Rs. 990.12 Lakhs**
7. (a) Two percent of average net profit of the company as per section 135(5): **Rs. 19.80 Lakhs**  
 (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **NIL**  
 (c) Amount required to be set off for the financial year: **NIL**  
 (d) Total CSR obligation for the financial year (7a+7b+7c): **Rs. 19.80 Lakhs**



8. (a) CSR amount spent or unspent for the financial year:

(Rs. in Lakhs)

Total Amount Spent in the Financial Year. (Rs. in lakhs)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
Rs. 103.31	NA	NA	NA	NA	NA

(b) Details of CSR amount spent against ongoing projects for the financial year:

SN	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area	Location of the project (State and District)	Amount spent (Rs. in Lakhs).	Mode of implementation	Mode of implementation - Through implementing Agency Name and CSR registration number
1	Swami Vivekananda School Khalapur Project	Promoting education activities	Yes	Place: Khalapur Taluka: Khalapur District: Raigad State: Maharashtra	19.75	Indirect	Hercules Hoists Charitable Trust (CSR00001938)
2	Tobacco Rehabilitation & Control	Promoting preventive health care	Yes	Place: Khopoli Taluka: Khalapur District: Raigad State: Maharashtra	5.00	Indirect	Hercules Hoists Charitable Trust (CSR00001938)

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

SN	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area	Location of the project (State and District)	Amount spent (Rs. in Lakhs).	Mode of implementation	Mode of implementation - Through implementing Agency Name and CSR registration number
1	Cardiac Ambulance	Hospital support facilities	Yes	Place: Khopoli Taluka: Khalapur District: Raigad State: Maharashtra	29.37	Indirect	Hercules Hoists Charitable Trust (CSR0001938)
2	Apta Schools	Promoting education activities	Yes	Place: Apta Taluka: Panvel District: Raigad State: Maharashtra	11.45		
3	Dhamani Water Tank	Rural development project	Yes	Place: Dhamani Taluka: Khalapur District: Raigad State: Maharashtra	29.00		

(d) Amount spent in Administrative Overheads: **Rs. 0.24 Lakhs**

(e) Amount spent on Impact Assessment, if applicable = **Not Applicable**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) = **Rs. 103.31 lakhs**

(g) Excess amount for set off, if any: **5.82 lakhs**

*As per Board decision, the excess amount of Rs. 77.69 Lakhs fully adjusted against old carried forward unspent CSR amount for FY 2015-16 and 2016-17 and the previous carried forward balance for FY 2014-15 to 2016-17 is NIL now.*

9. (a) Details of Unspent CSR amount for the preceding three financial years: **Not Applicable**

(b) Details of CSR amount spent in the FY for ongoing projects of the preceding financial year(s):

SN	Name of the Project	Item from the list of activities in schedule VII to the Act.	Financial Year in which the project was commenced	Project Duration	Total amount allocated for the project (Rs. in lakhs)	Amount spent on the project in the reporting Financial Year (Rs. in lakh)	Cumulative amount spent at the end of reporting Financial Year (Rs. in lakh)	Status of the project - Completed / Ongoing
1	Happy School Project- Sumnagal School	Promoting education activities	2021-22	2 years	25.38	9.50	25.38	Completed

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).

Date of creation or acquisition of the capital asset(s)	Amount of CSR spent for creation or acquisition of capital asset (Rs. in Lakhs)	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	Details of the capital asset(s) created or acquired (including complete address and location of the capital asset)
02-11-2022	Rs. 29.37	Sahajseva Foundation Khopoli	Fully equipped cardiac ambulance
01-07-2022	Rs. 29.00	Kumbhivali Grampanchayat	Water Tank, 80000 Liter
31-03-2023	Rs. 3.33	Tata Memorial Trust	Equipments for tobacco rehabilitation centre project including laptop, audio visual protection system with screen and smoke check equipments.

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):  
**Not Applicable**

**Shekhar Bajaj**

Chairman of CSR Committee  
(00089358)

**H A Nevatia**

Whole-Time Director  
(00066955)

**Amit Bhalla**

President & CEO

## ANNEXURE B

Form No. MR-3

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2023

[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, 2023**, 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, 2023, according to the provisions of:



- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings – **Not Applicable as there was no reportable event during the period under review;**
- (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, 2018 – **Not Applicable as there was no reportable event during the period under review;**
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021 – **Not Applicable as the Company has not made any offer of its shares to its employees during the period under review;**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 – **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, 2021 – **Not applicable as the Company has not delisted its equity shares from any Stock Exchange during the financial year under review;** and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 – **Not applicable as the Company has not bought back any of its securities during the financial year under review.**
  - (i) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (vi) The Management has informed that there are no laws which are specifically applicable to the Company.

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

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

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

**We further report that: -**

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors including an Independent Woman Director. There were no changes in the composition of the Board of Directors that took place during the period under review.
- Adequate notice is given to all Directors to schedule the Board and Committee 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 for meaningful participation at the meeting.
- All decisions of the Board and Committee thereof were carried through with requisite majority.

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

**We further report that** during the financial year ended 31st March, 2023, there were following major events having a major bearing on Company's affairs in pursuance of the above-referred laws, rules, regulations, guidelines, standards, etc., as:

- (i) Indef Manufacturing Limited, a wholly owned subsidiary was incorporated on 12th September, 2022 pursuant to the approval of the Board of Directors vide circular resolution dated 19th July, 2022.
- (ii) Subject to the approval of NCLT, Shareholders and Creditors, the Board of Directors of the Company at their meeting held on 23rd September, 2022 approved the Scheme of Arrangement between the Company and Indef Manufacturing Limited ("Resulting Company") and their respective shareholders and creditors under Sections 230 to 232 read with Section 52 and other applicable provisions of the Companies Act, 2013, ("Scheme") which inter alia, provides for demerger, transfer

and vesting of the Demerged Undertaking (as defined in the Scheme) from the Company into the Resulting Company on a going concern basis. Pursuant to the scheme, the Manufacturing, sales, service, distribution, and marketing of mechanical hoists, electric chains hoists, wire rope hoists and other material handling equipment's will be undertaken by Resulting Company. The Scheme is filed with the Stock Exchanges on October 7, 2022 for their approval.

This Report is to be read with our letter of even date which is annexed as **Annexure – A** hereto and forms an integral part of this report.

**For S. N. ANANTHASUBRAMANIAN & CO.**  
**Company Secretaries**  
**Firm Registration No. P1991MH040400**  
**Peer Review Cert. No.: 606/2019**

**Malati Kumar**  
**Partner**  
**ACS : 15508**  
**COP No. : 10980**  
**Date : 19th May, 2023**  
**Place : Thane**

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

Annexure – A

Our Secretarial Audit Report for the Financial Year ended 31st March, 2023 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 have conducted the Audit as per the applicable Auditing Standards issued by the Institute of Company Secretaries of India.
4. 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.
5. Wherever required, we have obtained reasonable assurance about whether the statements prepared, documents or Records, in relation to Secretarial Audit, maintained by the Auditee, are free from misstatement.
6. Wherever required, we have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events, etc.

**Disclaimer**

7. 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.
8. 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**  
**ICSI Unique Code P1991MH040400**  
**Peer Review Cert. No.: 606/2019**

**Malati Kumar**  
**Partner**  
**ACS : 15508**  
**COP No. : 10980**  
**ICSI UDIN: A015508E000339832**  
**Date : 19th May, 2023**  
**Place : Thane**

## MANAGEMENT DISCUSSION AND ANALYSIS

### Industry Structure and Development:

Material handling equipment facilitates the movement, storage, and control of products & materials across their entire lifecycle, from manufacturing, warehousing, distribution, to disposal processes. The Company offers the entire gamut of solutions for overhead material handling including lifting, moving, and storing. The products and solutions offered by the Company cover mechanical hoists (chain pulley blocks, ratchet lever hoists, pulling & lifting machines), electric chain hoists, electric wire rope hoists, cranes (hoist one track crane, electric overhead travelling crane, light profile, jib cranes), storage and retrieval solutions including floor operated stackers, roll out racks, winches and manipulators etc. through its trusted and well-known brands of 'Bajaj Indef', 'iStacker', 'iCrane' and 'Stier'.

The Company provides capital equipment and solutions that are utilized in a variety of industrial verticals, including automotive and auto ancillary, energy and power, infrastructure, heavy and light engineering, steel and metals, chemicals and petrochemicals, logistics, textile and food processing. Company's products are used by organizations of all sizes, ranging from large companies to independent contractors and are applicable to both private and public sectors. The Company has two production facilities, located in Khalapur in District Raigad, Maharashtra and Chakan in District Pune, Maharashtra, where it manufactures its products and solutions.

The Company places a strong emphasis on utilizing the latest technology and maintaining a high standard of quality. As evidence of this commitment, its quality systems have been certified to meet the ISO 9001:2015 at its our Khalapur and Chakan plants and ISO 14001:2015, and ISO 45001:2018 standards at its Khalapur plant. Additionally, its products Chain pulley blocks, electric chain hoists, and wire rope hoists are certified to meet ISI and CE standards. To ensure consistent high-quality production, the Company has invested in various high-end manufacturing equipment. It also works with a network of suppliers and vendors to source components and materials, and continuously strives to improve the quality and capabilities of its supply chain partners. The Company takes pride in its dedication to excellence and the ongoing pursuit of technological advancements to meet the needs and expectations of its customers.

The Company has established a robust distribution and service network across India through our Authorized Business Partners (ABPs) and sub-dealers. To further expand its customer reach for its our solution business, it has set up direct sales offices in Mumbai, Pune, Delhi, Chennai and Kolkata. To ensure that its customers receive excellent after-sales support, the Company has a dedicated team of service engineers who are equipped with the latest tools and technology. The Company, on a regular basis, organizes training sessions for all its ABPs, which help them to better understand products and provide efficient and effective after-sales support to its customers. It believes that that customer satisfaction is the key to its success, and it will continue to invest in its service network and training programs to meet and exceed its customers' expectations.

### Opportunities and Threats:

#### Intrinsic Factors

The Company has recognized the importance of its brand value and has taken steps to enhance it through a rebranding effort that incorporates the Bajaj Group's legacy of 96 years. By symbolizing the Company's strong foundation and long-term vision, and emphasizing its commitment to integrity, honesty, and transparency, the new logo for Bajaj Indef can help to reinforce the Company's reputation for reliability and continuity. Its products are designed to improve productivity and safety while maintaining a low cost of ownership throughout the entire lifecycle of the product. It is committed to leveraging its service strengths through its business partners to provide high-end products and solutions. To expand its market reach in the digital space, it is investing in market research and digital marketing.

The Company believes that its continued investment in technological improvements both in-house and with external technology partners will enable it to consolidate and strengthen its market position, both domestically and internationally.

#### Extrinsic Factors

The industrial and infrastructure developments have been playing a vital role in the Indian economy. Growing investments in the infrastructure sector and other strategic initiatives of the Government, are likely to boost the capital goods, logistics, warehousing, and construction sector in the country, in turn, boosting the demand for material handling equipment in the country. The Company has been agile enough to adapt to such changing environments over the past years and has shown that it can handle such disruptions. The Company is also working towards reducing its import dependence and strengthening its local supply chain. The material handling industry is also expected to gain from robust demand from resource heavy industries like steel, cement, automobile & auto ancillaries, tire, power, minerals, other infrastructure sector, food processing, pharma, chemicals, irrigation etc.

**Financial Review / Segment wise Performance:**

(Rs. in lakhs)

Particulars	FY 2022-23	FY 2021-22	Growth %
Revenue from operations/ segment performance	15,077.08	10,844.62	39.03%
Material Handling Equipment	15,051.52	10,739.16	40.16%
Windmill	25.56	105.45	(75.76%)
Earnings before interest, tax, depreciation, and amortization [EBITDA]	3,439.92	2,286.31	50.46%
Profit after Tax [PAT]	10,330.71*	1,494.01	591.48%

\* Includes profit of Rs. 8,696.16 Lakhs on sale of mulund land and loss of Rs. 73.46 Lakhs on sale of windmill.

The revenue from operations of Rs. 15,077.08 lakhs is up by 39.03% as compared to the previous year's revenue from operations of Rs. 10,844.62 Lakhs. The profit after tax of Rs. 10,330.71 lakhs, is up by 591.48%, as compared to previous year's net profit of Rs. 1,494.01 lakhs.

**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 audit committee and the Board reviews the performance of the audit and the adequacy of internal control systems and compliance with regulatory guidelines. The Company's management takes corrective actions based on recommendations received from internal auditor and the audit committee.

**Risks and Concerns:**

Every business has an inherent element of uncertainties owing to uncertain factors and risk mitigation and management is critical for the success of the enterprise. The Company has a Risk Assessment and Management Policy, wherein the Company has identified key risks including market information (product, price and competition), competition risk (competition from Chinese, European, local organized and un-organized sector), employee risk (health and retention), supply chain impact (disruptions in raw commodities and SME vendors) and credit risk (recovery of outstanding dues). Risk mitigation and management steps are regularly undertaken, and reports are placed before the audit committee meetings and Board meetings. This enables the Company to proactively manage risks and make informed decisions that help it achieve its business objectives.

**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. In 2022-23, there was demand from capex industry and positive vibes from Government towards capex investment. With a customer-centric approach, the Company is focused on becoming more competitive in the market. The Company is dedicated to putting its our customers at the center of its operations. To remain competitive in the market, the Company is continuously working to enhance its supply chain efficiency, optimize costs and refine its product portfolio. The Company is also investing to expand its domestic and export market reach. By prioritizing its customers and committing to ongoing innovations, the Company is confident that it can continue to move forward in the path of growth and success .

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

The Company recognizes that people are the prime assets of an organization and implements initiatives to train and motivate them. The Company continues to focus on attracting and retaining the right talent by giving them the right opportunities. The selected candidates undergo a structured induction program, which gives them a good exposure and become a good contributor in growth of the Company. Industrial relations during the year have been cordial and contributed to mutual development.

**Cautionary Statement:**

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

**For and on behalf of the Board of Directors**

**Dated :26/05/2023**  
**Place : Mumbai**

**Shekhar Bajaj**  
Chairman  
(DIN No. 0089358)

## CORPORATE GOVERNANCE REPORT

### COMPANY'S PHILOSOPHY

The Company's philosophy on corporate governance aims at ethical corporate behavior 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

In compliance with the provisions of the Listing Regulations, the Company has an optimum combination of executive and non-executive directors with a woman independent director. 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. Policy formulation, evaluation of performance and the control functions vest with the Board.

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 31st March 2023		Other directorships	No. of Committee Position held in other Companies.		List of Directorship held in Other Listed Companies and Category of Directorship
			BMs	AGM		Chairman	Member	
Shri Shekhar Bajaj- Chairman	NED (Promoter)	9,06,400	05	Yes	12	1	1	1. Bajaj Electricals Limited (Chairman) 2. Bajaj Holding and Investment Limited (Chairman and NED)
Shri H A Nevatia	ED	1,600	05	Yes	2	-	-	-
Shri Gaurav V Nevatia	NED (ID)	-	05	Yes	1	-	-	-
Smt Shruti Jatia	NED (ID)	-	04	Yes	9	-	-	Control Print Limited (NED and ID)
Shri Vandan Shah	NED (ID)	52,040	05	Yes	5	-	1	Hind Rectifiers Limited (NED and ID)
Shri Nirav Nayan Bajaj	NED	-	05	Yes	3	-	-	-

- NED** – Non-Executive Director; **ED** - Executive Director; **ID**- Independent Director; **BMs**- Board Meetings
- Only audit committee and stakeholders' relationship committee of Listed and Unlisted Public Companies are considered for the purpose of reckoning committee positions.

During the financial year under review, five Board Meetings were held on May 26, 2022, August 10, 2022, September 23, 2022, November 10, 2022 via video conferencing, and physically on February 9, 2023 and the Annual General Meeting of the Company was held on August 10, 2022 via Video Conferencing.

#### Skills / Expertise / Competencies of the Board of Directors

The Board has identified the following core skills/ expertise/ competencies with reference to its business and industry:

- Knowledge of Companies business
- Administration and decision making
- Financial and management Skills
- Technical/ Professional Skills and specialized knowledge in relation to engineering business
- Corporate Governance



The following table shows expertise of each of the Director in the specific functional area:

Name of the Director	Expertise in Specific Functional Area
1. Shri Shekhar Bajaj	Industrialist, business strategy and decision making, corporate management
2. Shri H A Nevatia	Technical and specialized knowledge in relation to engineering business, administration and decision making, and corporate governance
3. Shri Gaurav Nevatia	Financial analysis & management
4. Smt Shruti Jatia	Expert in finance, accounts and human resources management, Corporate Governance
5. Shri Vandan Shah	Industrialist, technical and specialized knowledge in relation to engineering, business administration and decision making
6. Shri Nirav Nayan Bajaj	Technical and specialized knowledge in relation to engineering, business administration and management

### Opinion of the Board

In the opinion of the Board, the independent directors, fulfil the conditions of independence specified in Section 149(6) of the Act and Regulation 16(1)(b) and other applicable provisions of the SEBI Listing Regulations.

### Board Procedure

The Board agenda comprises of relevant information on various matters related to the working of the Company, especially those that require deliberation at the Board level. The Company provides the information as set out in Regulation 17 read with Part A of Schedule II of the Listing Regulations to the Board and the Board committees to the extent it is applicable and relevant. Such information is submitted either as part of the agenda papers in advance of the respective Meetings or by way of presentations and discussions during the 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.

The independent directors, at their separate meeting held on February 9, 2023, assessed the quantity, quality, and timely flow of information between the management and the Board, and found it to be in line with the expectations.

### 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 inter alia performs the functions of review of financial reporting system, internal controls system, discussion on financial results, interaction with statutory and internal auditors, reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process, reviewing the adequacy of internal audit function, to review the functioning of the whistle blower mechanism, scrutiny of inter-corporate loans and investments, recommendation for the appointment of statutory, internal and cost auditors and their remuneration, review of internal audit reports and significant related party transactions. In fulfilling the above role, the audit committee has powers to investigate any activity within its terms of reference, to seek information from employees and to obtain outside legal and professional advice.

The Audit Committee comprised of Shri Gaurav Nevatia, Chairman, Shri H A Nevatia, Shri Vandan Shah and Smt Shruti Jatia, 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 26, 2022, August 10, 2022, September 23, 2022, November 10, 2022 via Video Conferencing and physically on February 9, 2023. All members attended all five meetings except Smt Shruti Jatia attended four meetings. Shri Gaurav Nevatia was present at the Annual General Meeting of the Company held on August 10, 2022, to answer the shareholders' queries, as chairman of the audit committee.

There were no instance for the period under review where the Board has not accepted the recommendation of Audit Committee

### **STAKEHOLDER RELATIONSHIP COMMITTEE**

The stakeholder relationship committee comprised of Shri Shekhar Bajaj, Chairman (Non-Executive Director), Shri Gaurav Nevatia (Independent Director) and Shri Vandan Shah (Independent Director).

The stakeholder relationship committee considered 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 and reviewed measures and initiatives taken for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend / annual reports by the shareholders of the company. During the year, the Company has not received any complaint from a shareholder. As on date of this report, there are no unresolved shareholders complaints. The secretarial department endeavors to resolve the shareholders complaints within prescribed time. During the year under review, the stakeholder relationship committee met on February 9, 2023. All members attended the meeting.

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

CSR committee consists of three members, viz. Shri Shekhar Bajaj, Chairman, Shri H A Nevatia, Whole-time Director, and Smt. Shruti Jatia (Independent Director). The CSR committee provides guidance and monitors various CSR activities to be undertaken by the Company, as per CSR Policy. During the year under review, the CSR committee met on May 26, 2022 via video conferencing. All members attended the meeting.

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

NRC consists of three members, viz. Shri Gaurav Nevatia, Shri Vandan Shah, Chairman and Smt. Shruti Jatia. All members of the NRC are non-executive independent directors.

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 including

- To help the Board in determining the appropriate size, diversity and composition of the Board,
- To recommend to the Board appointment/re-appointment and removal, recommend remuneration of directors and senior management,
- To frame criteria for determining qualifications, positive attributes, and independence of Directors,
- To create an evaluation framework for independent directors and the Board
- To assist in developing a succession plan for the Board and senior management;
- to assist the Board in fulfilling responsibilities entrusted from time-to-time;

During the year under review, NRC met on May 26, 2022 via video conferencing and February 9, 2023 through physically. All members attended both meetings except Smt Shruti Jatia attended one meeting.

### **COMPLIANCE OFFICER**

Shri Kiran Mukadam, company secretary of the Company is compliance officer of the Company

### **BOARD TRAINING AND INDUCTION**

As part of familiarization programme, the directors were explained in detail about the new products and upgradation in existing product line, competition, order position, product marketing, assembly process etc. The details of such familiarization programmes are placed on website of the Company i.e., [www.indef.com](http://www.indef.com)

### **PERFORMANCE EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Board has carried out the annual performance evaluation of its own performance and that of its committees and individual directors including the chairman. A structured questionnaire covering various criteria 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 -[www.indef.com/investor](http://www.indef.com/investor)

Based on the said criteria, rating sheets were filled by each director regarding 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. Based on summarized evaluation statements, the performance was reviewed by the Board, nomination & remuneration committee and independent directors in their meetings held on February 9, 2023. 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**

NRC 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 &amp; 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 and hence, such instruments do not form part of their remuneration package.

**REMUNERATION OF DIRECTORS, KMP AND AUDITOR****Directors**

All the directors, other than the whole-time director, are paid remuneration by way of a sitting fee at INR 30,000/- for each of the Board / audit committee meeting and INR 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 are as follows: -

SN	Name of the Directors	Particulars of Remuneration (Rs. in Lakhs)			
		Fee for attending Board Committee & Other Meetings	Commission	Remuneration	Total
	<b>Independent Directors</b>				
1	Shri Gaurav V Nevatia	4.00	-	-	4.00
	Smt. Shruti Jatia	3.00	-	-	3.00
	Shri Vandan Shah	4.00	-	-	4.00
	<b>Total (1)</b>				<b>11.00</b>



2	<b>Other Non-Executive Directors</b>				
	Shri Shekhar Bajaj	1.90	-	-	1.90
	Shri Nirav Nayan Bajaj	1.50	-	-	1.50
	<b>Total (2)</b>				<b>3.40</b>
3	Shri H A Nevatia	-	-	3.32 plus other benefits	<b>3.32</b>
	<b>Total Managerial Remuneration (1) to (3)</b>				<b>17.72</b>

### Statutory Auditors

Kanu Doshi Associates LLP are the statutory auditors of the Company. Total audit fees paid by the Company for FY 2022-23 is Rs. 8.62 Lakhs, including audit fees, out of pocket expenses and applicable taxes.

### KMP

Shri Amit Bhalla, President & CEO was in receipt of remuneration more than Rs. 102 lakh per annum in FY 2022-23. Shri Amit Bhalla, aged 46 years, B Tech (Chemical), PG in Management (Strategic Marketing & Analytical Finance), was appointed as President and CEO on January 1, 2021. He was associated with Bajaj Electricals Limited before joining Hercules Hoists Limited. He is not a relative of any director of the Company. He has held 34180 (0.11%) equity shares of Rs.1 each as on March 31, 2023, of Hercules Hoists Limited. The details of the remuneration of key managerial personnel are given in note No. 45 to the Financial Statements.

### 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:

#### Mr. Shekhar Bajaj

Mr. Shekhar Bajaj, aged 75 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 the Company since February 12, 1989. He is the Chairman of Bajaj Electricals Limited (BEL), Hercules Hoists Limited and Bajaj Holding & Investment Limited. In the past, He has been the President of ASSOCHAM, IMC, ELCOMA (Electric Lamp & Components Manufacturers Association), IFMA (Indian Fans Manufacturers Association) and CFBP (Council of fair business practice). He is also a director of Hind Lamps Limited, Indef Manufacturing Limited, Starlite Lighting Limited, Bajel Projects Limited, Bajaj Sevashram Private Limited, Bachhraj Factories Private Limited, Hind Musafir Agency Limited, Shekhar Holdings Private Limited, Bajaj Holding & Investment Limited, Bhoopati Shikshan Pratisthan, Bajaj International Private Limited and Council for Fair Business Practices.

He was recently conferred with an honorary doctorate for his long and outstanding service to the industry. Born into a family whose brand image bespeaks trust and transparency, brought up in the Gandhian ideals of his grandfather Shri. Jamnalaji Bajaj, he is a unique embodiment of time-tested traditions, visionary zeal, and humane concern. A B.Sc. (Hons) degree in Mathematics from Pune University (1968), followed by an MBA degree from New York University (1974), equipped him with the formal training required to complement his homespun talents. Starting in Bajaj Sevashram after graduation, he learned the nitty-gritty of business by working his way up, gaining invaluable insights into the real market, and joining Bajaj Electricals Ltd 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 with a better-quality products and service. Anticipating future trends, Mr. Bajaj initiated the company's entry into the High Mast and then Transmission Line Tower business, a remarkably successful move; and so, have been the tie-up with international companies like Morphy Richards of UK for appliances, Disney and Midea for fans and the recent acquisition of Nirlep Appliances Pvt. Ltd.

Shri Shekhar Bajaj has personally led various Corporate Social Responsibility (CSR) initiatives taken by the organization. He strongly believes Corporate Social Responsibility encompasses not only what we do with our profits, but also how we make them. It goes beyond philanthropy and compliance and addresses how we manage our economic, social, and environmental impacts, as well as our relationships with diverse stakeholders. He has rolled out many such initiatives for internal as well as external stakeholders, the most significant being the anti-tobacco drive. He believes that we all stand committed to encouraging all our stakeholders to lead a healthy and addiction-free life, focusing on spreading the message on tobacco cessation and awareness amongst all. Shri Shekhar Bajaj has personally led the initiative in having a contact programme with employees to give up the habit of consuming tobacco in any form and have achieved major success.

**Smt Neelima Bajaj Swamy**

Smt. Neelima Bajaj Swamy, aged 47 years, is a B.A. Economics and Statistics Graduate of University of Mumbai and has also completed her M.S. in Integrated Marketing from the Northwestern University, U.S.A. She has worked at Bajaj Auto and Coca-Cola in the Marketing Department. Currently, she is associated with Hind Musafir Agency Limited as the Managing Director. Neelima Bajaj Swamy is also a Proprietor and Organic Farmer at Chili's Organics. Chillis Organics is a 100% organic farm near the sleepy village of Lonavala situated in a valley surrounded by green hills and a fresh-water river.

**Shri K J Mallya**

Shri K J Mallya, aged 66 years, is a B.Com. Graduate of University of Mysore, Karnataka and is a qualified Chartered Accountant and a qualified Company Secretary. He is an Associate Member of the Institute of Chartered Accountants of India, New Delhi and an Associate Member of the Institute of Company Secretaries of India, New Delhi. During his career spanning over 40 years he was associated with Companies of reputed business houses viz., as Company Secretary of Jamnalal Sons Ltd., Deputy General Manager - Operations of ICDS Limited (a Company of Manipal Group); Vice-President & Company Secretary of Mukand Global Finance Ltd.; Company Secretary of E-Merck (India) Limited and Company Secretary & Chief, Legal of Mukand Limited. He has wide and varied corporate experience of over 40 years in the areas of accounts, taxation, secretarial, legal, compliances, finance, insurance and business restructuring. Currently, he is on Board of Allright Business Services Private Limited, Vidyavihar Containers Limited.; and The Hindustan Housing Company Limited.

**DISCLOSURES**

- i) During the financial year, 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 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 arm's-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/investor](http://www.indef.com/investor)
- 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 audit committee and board members about the risk mitigations plans and action.
- 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 the penalty of Rs. 1,15,000 to NSE and Rs. 10,000 to BSE for delay in submission of Limited review report on consolidated results under regulation 33 for the quarter ended December 2022. Also, Rs. 10,000 paid to BSE for delay in submission of statement of investor complaint for the quarter ended December 31, 2022, under regulation 13 of SEBI (LODR) Regulations 2015. The Company has submitted a waiver application for waiver of penalty before the authorities.
- 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 Board of the Company satisfied itself that plans are in place for orderly succession for appointments to the Board and to senior management.
- x) There were no complaints received during the year under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.
- xi) The Company does not deal in commodities and hedging activities, hence disclosure pursuant to SEBI circular / regulations is not required to be given.
- xii) The Company has complied with all mandatory requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015. The Company has not adopted with the discretionary requirements as specified in Part E of Schedule II



**GENERAL MEETINGS OF THE COMPANY**

Financial Year	Venue	Time	No. of Special Resolutions	Details of Special Resolution
FY 2021-22 Annual General Meeting on 10-08-2022	Video Conferencing (VC) / Other Audio-Visual Means (OAVM) At, Bajaj Bhavan, 226, Jamnalal Bajaj Marg, Nariman Point, Mumbai 400021 [Deemed Venue]	3.00 PM	02	1) Re-appointment of Shri H A Nevatia as a whole-time director from November 22, 2022 to November 21, 2024 under the Companies Act 2013 and SEBI (LODR) Amendment Regulations 2018 2) Continuing of directorship of Shri Shekhar Bajaj after attending age of 75
FY 2020-21 Annual General Meeting on 10-08-2021	Video Conferencing (VC) / Other Audio-Visual Means (OAVM) At, Bajaj Bhavan, 226, Jamnalal Bajaj Marg, Nariman Point, Mumbai 400021 [Deemed Venue]	12.00 Noon	01	Re-appointment of Shri H A Nevatia as a whole-time director from November 22, 2020 to November 21, 2022 to under the Companies Act 2013 and SEBI (LODR) Amendment Regulations, 2018
FY 2019-20 Annual General Meeting on 16-09-2020	Video Conferencing (VC) / Other Audio-Visual Means (OAVM) At, Bajaj Bhavan, 226, Jamnalal Bajaj Marg, Nariman Point, Mumbai 400021 [Deemed Venue]	3.30 P.M.	02	Re-appointment of Smt Shruti Jatia and Shri Vandan Shah for second term as an Independent Director under the Companies Act 2013 and SEBI (LODR) Amendment Regulations 2018 -

**MEANS OF COMMUNICATION TO THE SHAREHOLDERS**

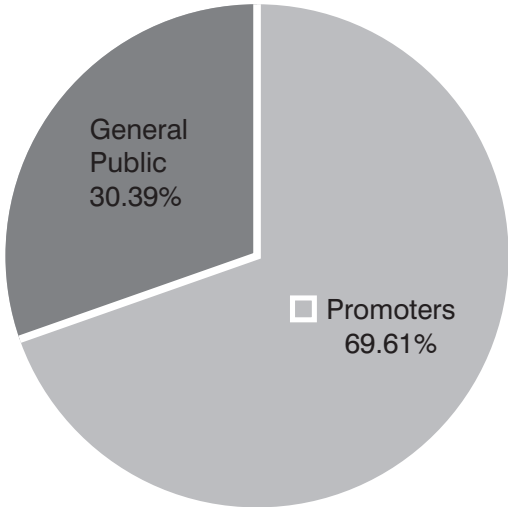
- (i) The Company has its own web-site and all vital information relating to the Company and its performance, including quarterly results, annual report and any other information prescribed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 are placed on the web-site ([www.indef.com/investor](http://www.indef.com/investor).)
- (ii) The Company has set-up a designated e-mail ID **cs1@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 to 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', "Business Standard" in English and in 'Navshakti' newspaper in Marathi having wide circulation, immediately after the results are approved at the Board Meeting.

**GENERAL SHAREHOLDER INFORMATION:**

(a)	Registered Office	Bajaj Bhawan, 2 <sup>nd</sup> floor, 226, Jamnalal Bajaj Marg, Nariman Point, Mumbai 400 021.
(b)	Plant Location	Factory Location: 1) 43/2B, Savroli Kharpada Road, Dhamani, Khalapur 410202 (MH) 2) Gat No. 118/17 Wasuli, Chakan, MIDC, Phase 2, Pune 410501
(c)	Correspondence Address	501-504, Shelton Cubix, Sector 15, Plot 87, CBD Belapur, Navi Mumbai 400614 (MH) Tel. (022) 45417300/301/306 Email: <a href="mailto:indef@indef.com">indef@indef.com</a> & <a href="mailto:cs1@indef.com">cs1@indef.com</a>
(d)	Date, Time and Venue of Annual General Meeting	<b>Date and Time: August 11, 2023</b> at 4 .30 pm through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM")
(e)	Financial Year	1 <sup>st</sup> April, 2022 to 31 <sup>st</sup> March, 2023
(f)	Financial Calendar	a) First Quarterly Result - August 10, 2022 b) Second Quarterly Result- November 10, 2022 c) Third Quarterly Result- February 9, 2023 d) Fourth Quarterly Result- May 26, 2023
(g)	Tentative Financial Calendar for FY 2023-24	a) First Quarterly Result – Before 14th August, 2023 b) Second Quarterly Result- before 14th November, 2023 c) Third Quarterly Result- before 14th February, 2024 d) Fourth Quarterly Result- before 30th May, 2024

(h)	Dates of Book Closure	August, 5, 2023 to August 11, 2023					
(i)	Dividend and payment date	Final Dividend of Rs. 1.50/- per share of Re. 1.00 each and special Dividend of Rs. 1.00/- per share of Re. 1.00 each, subject to shareholders' approval in the ensuing AGM for the year ended March 31, 2023, bringing the total dividend for the financial year 2022-23 to Rs. 3.00 [300%] per share, including interim dividend of Rs. 0.50 paid in February 2023 and final dividend will be paid within 30 days from date of Annual General Meeting.					
(j)	Bonus Issue to the shareholders since incorporation	<b>Sl. No.</b>	<b>FY</b>	<b>Ratio of Bonus shares</b>	<b>Sl. No.</b>	<b>FY</b>	<b>Ratio of Bonus shares</b>
		1.	1975	1 : 1	4.	1997	1 : 1
		2.	1979	1 : 1	5.	2006	1 : 1
		3.	1985	1 : 3	6.	2012	1 : 1
(k)	CIN & Listing Details	<b>CIN:</b> L45400MH1962PLC012385; <b>ISIN:</b> 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 2022-23, the Company has paid listing fees in full before the due date.					
(l)	Registrar and Share Transfer Agent	Universal Capital Securities Pvt. Ltd. C-101, 247 Park, 1st Floor, LBS Road, Gandhi Nagar, Vikhroli (West), Mumbai – 400 083. Tel. (022) 282072 03-04-05; 28257641; Fax : (022) 28207207 E-Mail : info@unisec.in; Website : http://www.unisec.in					
(m)	Share Transfer	The Company processes the applications for transfer of shares within prescribed time, if the documents are complete in all respects, with the help of Registrar and Share Transfer Agent. The details of such transfers are placed before the Board of Directors on a quarterly basis.					
(n)	Investor Grievances Redressal System	The stakeholder's relationship committee constituted by the Board of Directors, looks into the grievances of shareholders. Queries/complaints received from security holders are promptly attended through Registrar and share transfer agent and secretarial department of the Company.					



(o)	Dematerialization of shares:	<p>The shares of the Company are in compulsory demat segment and available for trading in the depository systems of both National Securities Depository Limited [NSDL] and Central Depository Services (India) Limited [CDSL]. 3,03,27,230 equity shares of the Company representing 94.77% of the Company's shares are held in electronic form as on March 31, 2023.</p> <p>The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments and as such, there is no impact on equity.</p>																																																																																																	
(p)	Stock Exchange Data	<table 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 2022</td> <td>169.00</td> <td>141.15</td> <td>1.78</td> <td>171.00</td> <td>139.90</td> <td>13.06</td> </tr> <tr> <td>May 2022</td> <td>159.55</td> <td>128.00</td> <td>0.93</td> <td>159.45</td> <td>126.70</td> <td>6.82</td> </tr> <tr> <td>June 2022</td> <td>140.35</td> <td>113.00</td> <td>0.66</td> <td>139.20</td> <td>111.10</td> <td>3.28</td> </tr> <tr> <td>July 2022</td> <td>136.85</td> <td>117.35</td> <td>0.50</td> <td>137.50</td> <td>121.05</td> <td>3.07</td> </tr> <tr> <td>August 2022</td> <td>152.25</td> <td>129.40</td> <td>1.01</td> <td>151.20</td> <td>146.25</td> <td>7.02</td> </tr> <tr> <td>September 2022</td> <td>231.45</td> <td>141.00</td> <td>7.50</td> <td>231.65</td> <td>144.70</td> <td>66.19</td> </tr> <tr> <td>October 2022</td> <td>216.50</td> <td>186.90</td> <td>1.41</td> <td>216.25</td> <td>186.60</td> <td>10.32</td> </tr> <tr> <td>November 2022</td> <td>203.65</td> <td>178.00</td> <td>8.19</td> <td>203.00</td> <td>193.20</td> <td>7.95</td> </tr> <tr> <td>December 2022</td> <td>246.80</td> <td>185.80</td> <td>3.90</td> <td>247.00</td> <td>188.10</td> <td>38.61</td> </tr> <tr> <td>January 2023</td> <td>238.50</td> <td>188.60</td> <td>2.29</td> <td>238.55</td> <td>190.65</td> <td>17.35</td> </tr> <tr> <td>February 2023</td> <td>218.35</td> <td>190.25</td> <td>0.86</td> <td>219.00</td> <td>190.10</td> <td>7.57</td> </tr> <tr> <td>March 2023</td> <td>214.75</td> <td>172.00</td> <td>0.74</td> <td>212.60</td> <td>170.50</td> <td>5.52</td> </tr> </tbody> </table> <p><b>Note:</b> High and Low are in rupees per traded share. Volume is the total monthly no. of shares traded (in numbers in the Company's shares on the respective stock Exchange).</p>	Month	BSE			NSE			High	Low	Volume	High	Low	Volume	April 2022	169.00	141.15	1.78	171.00	139.90	13.06	May 2022	159.55	128.00	0.93	159.45	126.70	6.82	June 2022	140.35	113.00	0.66	139.20	111.10	3.28	July 2022	136.85	117.35	0.50	137.50	121.05	3.07	August 2022	152.25	129.40	1.01	151.20	146.25	7.02	September 2022	231.45	141.00	7.50	231.65	144.70	66.19	October 2022	216.50	186.90	1.41	216.25	186.60	10.32	November 2022	203.65	178.00	8.19	203.00	193.20	7.95	December 2022	246.80	185.80	3.90	247.00	188.10	38.61	January 2023	238.50	188.60	2.29	238.55	190.65	17.35	February 2023	218.35	190.25	0.86	219.00	190.10	7.57	March 2023	214.75	172.00	0.74	212.60	170.50	5.52
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(r)	<b>Distribution of shareholding as on March 31, 2023</b>				
	<b>No. of Equity Shares held</b>	<b>No. of share-holders</b>	<b>% of share-holders</b>	<b>No. of shares held</b>	<b>% of share-holding</b>
	Upto 500	14269	89.8325	1366334	4.2698
	501 – 1000	768	4.8351	620069	1.9377
	1001 – 2000	401	2.5246	612027	1.9126
	2001 – 3000	145	0.9129	375181	1.1724
	3001 – 4000	78	0.4911	283376	0.8856
	4001 – 5000	36	0.2266	171497	0.5359
	5001 – 10000	84	0.5288	591188	1.8475
	10001 & above	103	0.6485	27980328	87.4385
<b>Total</b>	<b>15884</b>	<b>100.00</b>	<b>32000000</b>	<b>100.00</b>	
(s)	<b>CEO and CFO Certification</b> The President & CEO and Chief Financial Officer of the Company have given annual certification dated May 17, 2023 on financial reporting and internal controls to the Board in terms of Regulation No. 17 (8) read with Part B of Schedule II of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015				
(t)	<b>Certificate of Compliance with the Code of Conduct for Board of Directors and Senior Management Personnel: To The Members of Hercules Hoists Limited</b> I, Amit Bhalla, 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, 2023 <b>Sd/-</b> <b>Amit Bhalla</b> President & CEO <span style="float: right;">Khalapur, Dated May 17, 2023</span>				
(u)	<b>Company's Recommendation to the Shareholders/Investors</b> 1) Shareholders/Investors are requested to convert their physical holding to demat/electronic form through any of the Depository participants to avoid the risk involved in the physical shares. Shareholders/Investors should provide ECS mandate to the Company in case of shares held in physical form and to depository participant for change in demat account details and register the bank account number for Electronic Clearing Services (ECS) in case of shares held in demat mode. This would facilitate in receiving direct credits of dividends to their account. 2) Please update your address in case of change, which is registered with the Company. 3) The unclaimed dividend amounting to Rs. 96,645/- for the financial year 2014-15 has been transferred to the Investor Education and Protection Fund within the time stipulated by law in accordance with the Companies Act, 2013. The Company has placed the details of unpaid and unclaimed amount lying with the Company as on August 10, 2022 (at Annual General Meeting) on the www.iepf.gov.in and on the website of the Company. 4) As per rule no. 6 of Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules 2016, the shares for FY 2008-09 to FY 2014-15 in respect of which dividend has not been paid or claimed for seven consecutive years or more, has been transferred to Demat account specified by the authority. The details of such transfer of shares are placed on website of the Company. There are no Demat suspense account or unclaimed suspense account of equity shares.				
(v)	<b>Compliance Certificate :</b> As required by of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 and amendments thereto, a certificate of compliance with the corporate governance requirements by the Company and a certificate under Clause 10 (i) of Part C, Schedule V confirming none of the director are debarred or disqualified from being appointed or continuing as director of the Company issued by a practicing company secretary are attached.				

The above Report was adopted by the Board of Directors at their Meeting held on May 26, 2023.

**For and on behalf of the e Board of Directors**

Dated : 26/05/2023  
Place : Mumbai

**Shekhar Bajaj**  
Chairman  
(DIN No. 0089358)

**CORPORATE GOVERNANCE CERTIFICATE**

*[Pursuant to Regulation 34(3) and Schedule V Para E of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]*

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

**1. Background**

We have been approached by Hercules Hoists Limited (“the Company”) to examine the compliance with the conditions of Corporate Governance by the Company, as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Listing Regulations”), as amended from time to time, for the financial year ended on 31st March, 2023.

**2. Management’s Responsibility**

The Compliance of conditions of Corporate Governance stipulated in the Listing Regulations is the responsibility of the management of the Company. The management shall devise adequate systems, internal controls and processes to monitor and ensure the same.

**3. Our Responsibility**

Our responsibility is limited to conduct an examination of the systems, internal controls and processes adopted by the Company and implementation thereof to monitor and ensure with the conditions of Corporate Governance and report thereon.

**4. Methodology**

4.1. In order to conduct our examination, we were provided with the relevant documents and information including explanations, wherever required.

4.2. Our examination was conducted in a manner which provided us with a reasonable basis for evaluating the systems, internal controls and processes adopted by the Bank/Company to monitor and ensure compliance with the conditions of Corporate Governance and to report thereon.

**5. Opinion**

Based on our examination as aforesaid, the information, explanations and representations provided by the management, we certify that, the Company has complied with the conditions of the CORPORATE GOVERNANCE stipulated in the Listing Regulations, for the Financial Year ended 31st March, 2023.

**6. Disclaimer**

- 6.1. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
- 6.2. This report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**FOR S. N. ANANTHASUBRAMANIAN & CO.,**  
**Company Secretaries**  
**ICSI Unique Code: P1991MH040400**  
**Peer Review Cert. No.: 606/2019**

**Malati Kumar**  
**Partner**  
**ACS : 15508**  
**COP No. : 10980**  
**UDIN : A015508E000339942**  
**Date : 19th May, 2023**  
**Place : Thane**

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

[Pursuant to Regulation 34(3) and Schedule V Para C Clause (10) (i) of Securities and Exchange Board of India  
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,  
The Members,  
**Hercules Hoists Limited**  
CIN: L45400MH1962PLC012385  
2nd Floor, 226, Bajaj Bhawan,  
Jamnalal Bajaj Marg, Nariman Point,  
Mumbai – 400 021

We have examined the following documents:

- i) Declaration of non-disqualification as required under Section 164 of Companies Act, 2013 ('the Act');
- ii) Disclosure of concern or interests as required under Section 184 of the Act;  
(hereinafter referred to as 'relevant documents')

as submitted by the Directors of **Hercules Hoists Limited** ("the Company") bearing

**CIN: L45400MH1962PLC012385** and having its registered office at Bajaj Bhawan, 2nd Floor, 226, Jamnalal Bajaj Marg, Nariman Point Mumbai - 400 021, to the Board of Directors of the Company ("the Board") for the **Financial Year 2022-2023 and Financial Year 2023-2024** and relevant registers, records, Forms and Returns maintained by the Company and as made available to us for the purpose of issuing this Certificate in accordance with Regulation 34(3) read with Schedule V Para C Clause 10(i) of SEBI (LODR) Regulations, 2015. We have considered non-disqualification to include non-debarment by Regulatory/ Statutory Authorities.

It is the responsibility of Directors to submit relevant documents with complete and accurate information in accordance with the provisions of the Act.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these based on our verification.

Based on our examination as aforesaid and such other verifications carried out by us as deemed necessary and adequate (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)), in our opinion and to the best of our information and knowledge and according to the explanations provided by the Company, its officers and authorized representatives, we hereby certify that none of the Directors on the Board of the Company, as listed hereunder for the **Financial Year ending 31st March, 2023** have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority.

Sr. No.	Name of Director	Director Identification Number (DIN)	Date of Appointment	Date of Cessation
01	Mr. Hariprasad Anandkishore Nevatia*	00066955	22/11/2008	–
02	Mr. Shekhar Bajaj	00089358	12/12/1989	–
03	Ms. Shruti Jatia	00227127	12/11/2014	–
04	Ms. Vandan Sitaram Shah	00759570	06/02/2016	–
05	Mr. Gaurav Vinod Nevatia	01005866	26/10/2006	–
06	Mr. Nirav Nayan Bajaj	08472468	05/06/2019	–

\**Hariprasad Anandkishore Nevatia*, Executive Director is aged 90 years as on March 31, 2023. His appointment was approved and ratified at the Annual General Meeting held on August 10, 2022.

This Certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

This Certificate has been issued at the request of the Company to make disclosure in its Corporate Governance Report of the Financial Year ended 31st March, 2023.

**FOR S. N. ANANTHASUBRAMANIAN & CO.,**  
Company Secretaries  
ICSI Unique Code: P1991MH040400  
Peer Review Cert. No.: 606/2019

**Malati Kumar**  
Partner  
ACS : 15508  
COP No. : 10980  
UDIN : A015508E000339942  
Date : 19th May, 2023  
Place : Thane

## INDEPENDENT AUDITOR'S REPORT

To,  
The Members of **HERCULES HOISTS LIMITED**  
**Report on the Audit of the Standalone Financial Statements**

### Opinion

We have audited the Standalone Financial Statements of **HERCULES HOISTS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash flows for the year then ended, and notes to the Standalone Financial Statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("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 March 31, 2023, and its net profit including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements Section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Sr. No.	Key Audit Matter	Response To Key Audit Matter
1	<p><b>Warranty Provisions</b></p> <p>The Company's product warranties primarily cover expected costs to repair or replace components with defects or functional errors. Warranties are usually granted for one year to two-year period.</p> <p>We focused on this area as the completeness and valuation of the expected outcome of warranty provisions requires a high degree of Management judgment and the use of estimates giving rise to inherent uncertainty in the amounts recorded in the Standalone Financial Statements.</p> <p>(For the year ended March 31, 2023 the Company has provided free replacement of Rs.31.38Lakhs which is approximately 0.31% compared to last year's total turnover.)</p>	<p><b>Principal Audit Procedures</b></p> <p>Our procedures included but were not limited to:</p> <ul style="list-style-type: none"> <li>• Testing of relevant internal controls regarding completeness of warranty provisions and how management assesses valuation of provisions.</li> <li>• We assessed the assumptions underlying the valuation of provisions by checking and corroborating the inputs used to calculate the provisions, including interviewing Management regarding individual cases. We assessed specific warranty provisions held for individual cases to evaluate whether the warranty provisions were sufficient to cover expected costs at year-end.</li> <li>• Further, we assessed the level of historical warranty claims to assess whether the total warranty provisions held at year-end were sufficient to cover expected costs in light of known and expected cases and standard warranty periods provided.</li> </ul> <p>From the procedures performed and bases on historical data we have no matters to report.</p>

2	<p><b>Inventory Valuation</b></p> <p>As at March 31, 2023 the Company held Rs. 2902.42 Lakhs of inventory. Given the size of the inventory balance relative to the total assets of the Company and the estimates and judgments described below, the valuation of inventory required significant audit attention.</p> <p>As disclosed in Note No. 2(F), inventories are held at the lower of cost or net realisable value determined using the weighted average cost method. At year end, the valuation of inventory is reviewed by management and the cost of inventory is reduced where inventory forecasts to be sold below cost.</p> <p>Management undertake the following procedure for determining the level of write down required:</p> <ul style="list-style-type: none"> <li>• Use Inventory ageing report to check slow moving &amp; non-moving inventory;</li> <li>• For inventory aged greater than one year, management apply a percentage based write down to inventory. The percentage are derived from historical level of write down;</li> <li>• Perform a line-by-line analysis of remaining inventory to ensure it is stated at the lower of cost or net realizable value and a specific write down is recognized if required.</li> </ul>	<p><b>Principal Audit Procedures</b></p> <p>We have performed the following procedures over the valuation of inventory:-</p> <ul style="list-style-type: none"> <li>• For sample inventory items, re-performed the weighted average cost calculation and compared the weighted average cost to the last purchase invoices;</li> <li>• We tested that the ageing report used by management correctly aged inventory items by agreeing a sample of aged inventory items to the last recorded invoice;</li> <li>• On a sample basis we tested the net realizable value of inventory lines with recent selling prices of finished goods wherein these raw materials are used;</li> <li>• We assessed the percentage write down applied to older inventory with reference to historic inventory write downs and recoveries on slow moving inventory; and</li> <li>• We re-performed the calculation of the inventory write down.</li> </ul> <p>We also made enquiries with the management and considered the results of our testing above to determine whether any specific write downs were further required.</p> <p>From the procedures performed we have no matters to report.</p>
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### Other Information

The Company's Management and the Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the Standalone Financial Statements and our auditors' report thereon.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of Management and Those charged with Governance for the Standalone Financial Statements

The Company's management and the Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, the financial performance, the changes in equity and the cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. 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 Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, the Management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (11) 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 purposes of our audit of the aforesaid Standalone Financial Statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Standalone Financial Statements have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the Standalone Financial Statements.

- d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Account) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2023 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) 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 Standalone Financial Statements (Refer Note. 32(a) to the Ind AS Standalone Financial Statements).
  - ii. The Company did not have any material foreseeable losses on long-term contracts including derivatives contracts.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.
  - iv.
    - a. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
      - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
      - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
    - b. The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
      - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
      - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and
    - c. Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d) (ii) contain any material mis-statement.
  - v. The dividend declared or paid during the year by the Company is in compliance with Section 123 of the Act.

**For Kanu Doshi Associates LLP**  
**Chartered Accountants**  
**FRN. No. 104746W/W100096**

**Kunal Vakharia**  
**Partner**  
**Membership no. 148916**  
**UDIN:23148916BGUSYR5305**  
Place: Mumbai  
Date: 26<sup>th</sup> May 2023



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

Referred to in paragraph 2 of 'Report on other Legal and Regulatory Requirements' in our Report of even date on the accounts of **HERCULES HOISTS LIMITED** for the year ended March 31, 2023

- i (a) (A) The Company is maintaining proper records showing full particulars including quantitative details and situation of Property, plant and equipment
- B) The Company has maintained proper records showing full particulars of Intangible 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 (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the Standalone Financial Statements are held in the name of the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, plant and equipment (including Right-of use assets) or Intangible assets or both during the year.
- (e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- ii. (a) During the year, the inventories have been physically verified by the management. In our opinion, the frequency of verification is reasonable and procedures and coverage as followed by management were appropriate. Discrepancies noticed on physical verification of inventories and the book records have been appropriately dealt with by the management and the identified discrepancies were not more than 10% in the aggregate for each class of inventory.
- (b) According to information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not availed working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. Hence sub clause (b) of clause 3(ii) is not applicable to the Company.
- iii. (a) The Company has not provided loans or advances in the nature of loans, or stood guarantee or provided security to any other entity during the year. However, the company had advanced a loan/ deposit to companies other than subsidiaries, joint venture and associates amounting to Rs. 1000.00 lakhs.
- (b) The terms and conditions of granting of such deposit is not prejudicial to the interest of the company.
- (c) The aforesaid loans are repayable on demand and the parties are regular in payment of interest as applicable.
- (d) In respect of deposits, there is no overdue amount outstanding for more than ninety day.
- (e) Since the aforesaid loans are repayable on demand, sub-clause (e) of clause 3(iii) of the Order is not applicable.
- iv. The Company has complied with provisions of Section 186 of the Companies Act, 2013 in respect of investments made and Section 185 of the Companies Act, 2013 is not applicable as there were no such loans, securities or guarantees provided during the year.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under to the extent notified and therefore clause 3(v) is not applicable.
- vi. The Central Government has prescribed maintenance of cost records for the company under sub Section (1) of Section 148 of the Companies Act, 2013 and such accounts and records have been made and maintained by the Company. However, no detailed examinations of such records have been carried out by us.
- vii (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Customs Duty, Cess, Goods & Service Tax and any other material statutory dues applicable to it and there were no arrears as at March 31, 2023 for a period of more than six months from the date they became payable.
- (b) As informed to us, there were no disputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, GST, Custom Duty, Value Added Tax, Cess and any other material statutory dues in arrears, as at March 31, 2023; except the statutory dues aggregating to Rs.60.48 lakhs pending before the appropriate authorities as under-



Sr. No.	Name of the Statue	Nature of the Dues	Forum where the dues is pending	Rs. in Lakhs
1	Income tax Act 1961	Income tax	Commissioner of Income tax (appeals)	60.48

- viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in tax assessments under the Income tax Act, 1961 as income during the year.
- ix. (a) According to the records of the Company examined by us and information and explanation given to us, the Company does not have any long term borrowing and therefore sub-clause (a) of clause (ix) of the Order is not applicable.
- (b) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) According to the information and explanations given to us by the management, the Company has not obtained any term loans. Accordingly, clause 3 (ix) (c) of the Order is not applicable.
- (d) According to the information and explanation given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short term basis have been utilized for long term purposes. Accordingly, clause 3(ix)(d) of the Order is not applicable.
- (e) According to the information and explanation given to us and on an overall examination of the Standalone Financial Statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(e) of the Order is not applicable.
- (f) According to the information and explanation given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.
- x. (a) The Company has not raised any money by way of public issue/ further offer (including debt instruments) and through term loans during the year. Accordingly, clause 3 (x)(a) of the order is not applicable to the Company.
- (b) According to the information and explanation given to us and on the basis of our examinations 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(x)(b) of the Order is not applicable.
- xi. (a) Based upon the audit procedures performed and information and explanation given by the management, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the year.
- (b) According to the information and explanations given to us, no report under Section 143 (12) of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.
- xii. In our opinion and according to the information and explanations given to us, the nature of the activities of the company does not attract any special statue 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 Standalone Financial Statements as required by the applicable accounting standards.
- xiv. (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- 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. (a) The company is not required to be registered under Sec 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3 (xvi)(a) of the Order is not applicable to the Company.



- (b) The company is not required to be registered under Sec 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3 (xvi)(b) of the Order is not applicable to the Company.
  - (c) The Company is not a Core Investment Company (CIC) as defined in the regulations is made by the Reserve Bank of India. Accordingly, clause 3 (xvi)(c) of the Order is not applicable to the Company.
  - (d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, clause 3 (xvi)(d) of the Order is not applicable to the Company.
- xvii. The Company has not incurred cash losses in the current year and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, clause 3 (xviii) of the Order is not applicable to the Company.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the Standalone Financial Statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. In our opinion and according to the information and explanations given to us, there is no unspent amount under section 135 (5) of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

**For Kanu Doshi Associates LLP**  
**Chartered Accountants**  
**FRN. No. 104746W/W100096**

**Kunal Vakharia**  
**Partner**  
**Membership no. 148916**  
**UDIN:23148916BGUSYR5305**  
Place: Mumbai  
Date: 26<sup>th</sup> May 2023

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## **ANNEXURE B TO THE AUDITORS' REPORT**

**(Referred to in paragraph 2(f) of 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

### **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 March 31, 2023 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

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

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

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls both issued by the ICAI. 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 Standalone 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 Standalone 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 Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Standalone Financial Statements.

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

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

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2023, 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 ICAI.

**For Kanu Doshi Associates LLP**  
**Chartered Accountants**  
**FRN. No. 104746W/W100096**

**Kunal Vakharia**  
**Partner**  
**Membership no. 148916**  
**UDIN:23148916BGUSYR5305**  
Place: Mumbai  
Date: 26<sup>th</sup> May 2023

**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2023****(Rs. in Lakhs)**

Particulars	Note No.	As at 31 Mar 2023	As at 31 March 2022
<b>ASSETS</b>			
<b>1 Non - Current Assets</b>			
(a) Property, Plant and Equipment	3	<b>2,835.89</b>	2,818.07
(b) Investment Property	4	-	-
(c) Other Intangible Assets	5	<b>102.26</b>	47.76
(d) Intangible assets under development	6	-	-
(e) Right-to-use assets	7	<b>633.53</b>	6.37
(f) Financial assets			
(i) Non Current Investments	8	<b>59,930.23</b>	51,033.97
(ii) Other Non Current financial assets	9	<b>61.86</b>	76.87
(g) Other non - current tax assets (Net)	10	<b>85.26</b>	95.38
(h) Other non - current assets	11	<b>38.86</b>	21.25
<b>Total Non - Current Assets</b>		<b>63,687.90</b>	54,099.66
<b>2 Current assets</b>			
(a) Inventories	12	<b>2,902.42</b>	2,604.91
(b) Financial Assets			
(i) Current Investments	13	<b>6,307.38</b>	6,270.03
(ii) Trade receivables	14	<b>1,100.30</b>	710.70
(iii) Cash and cash equivalents	15	<b>1,580.53</b>	1,381.72
(iv) Bank balances other than (iii) above	16	<b>21.32</b>	110.17
(v) Loans	17	<b>1,000.00</b>	1,650.00
(vi) Other financial assets	18	<b>105.65</b>	320.14
(c) Other Tax Assets	19	<b>431.42</b>	540.11
(d) Other Current Assets	20	<b>243.68</b>	225.10
<b>Total Current Assets</b>		<b>13,692.69</b>	13,812.88
<b>TOTAL ASSETS</b>		<b>77,380.59</b>	67,912.54
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share capital	21	<b>320.00</b>	320.00
(b) Other Equity	22	<b>70,345.39</b>	61,580.98
<b>Total Equity</b>		<b>70,665.39</b>	61,900.98
<b>LIABILITIES</b>			
<b>1 Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Lease Liabilities	23	<b>542.22</b>	-
(ii) Other non current financial liabilities	24	<b>66.00</b>	61.00
(b) Deferred Tax Liabilities (Net)	25	<b>3,163.40</b>	3,181.64
<b>Total Non - Current Liabilities</b>		<b>3,771.62</b>	3,242.64
<b>2 Current Liabilities</b>			
(a) Financial Liabilities			
(i) Lease liabilities	26	<b>132.71</b>	6.87
(ii) Trade payables	27		
Dues of micro and small enterprises		<b>53.23</b>	43.08
Dues other than micro and small enterprises"		<b>1,745.61</b>	1,432.11
(iv) Other financial liabilities	28	<b>8.66</b>	908.25
(b) Other Current Liabilities	29	<b>642.98</b>	181.20
(c) Provisions	30	<b>244.65</b>	197.41
(d) Current Tax Liabilities (Net)	31	<b>115.74</b>	-
<b>Total current liabilities</b>		<b>2,943.58</b>	2,768.92
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>77,380.59</b>	67,912.54

**Summary of significant accounting policies.**

2

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

As per our report of even date attached

**FOR KANU DOSHI ASSOCIATES LLP  
CHARTERED ACCOUNTANTS**

Firm's Registration Number: 104746W/W100096

**KUNAL VAKHARIA  
PARTNER  
MEMBERSHIP NO. 148916**PLACE : MUMBAI  
DATED : 26/05/2023**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS****SHEKHAR BAJAJ  
CHAIRMAN  
DIN- 00089358****AMIT BHALLA  
PRESIDENT & CEO****KIRAN MUKADAM  
COMPANY SECRETARY****H A NEVATIA  
WHOLE TIME DIRECTOR  
DIN-00066955****VIJAY SINGH  
CHIEF FINANCIAL OFFICER**

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2023

Particulars	Note No.	(Rs. in Lakhs)	
		2022-23	2021-2022
Revenue from Operations	33	15,077.08	10,844.62
Other Income	34	1,768.58	1,598.22
<b>Total Income</b>		<b>16,845.66</b>	<b>12,442.84</b>
<b>Expenses</b>			
Cost of material consumed	35	8,774.28	6,578.84
Changes in inventories of Finished goods and Work - in -progress	36	(253.05)	(14.39)
Employee benefit expenses	37	1,931.19	1,451.34
Finance Cost	38	54.91	0.96
Depreciation & amortization expenses	39	395.65	247.35
Other Expenses	40	2,953.32	2,140.74
<b>Total Expenses</b>		<b>13,856.30</b>	<b>10,404.84</b>
Profit before exceptional items & tax		2,989.36	2,038.00
Add: Exceptional Items			
Loss on Sale of Windmill	41	(73.46)	(193.23)
Profit on Sale of Land	41	8,696.16	-
Profit/(Loss) before tax		11,612.06	1,844.77
Less: Tax expenses			
(1) Current tax			
of Current year		1,022.08	228.24
of Earlier years		116.01	67.00
(2) Deferred tax			
of Current year		143.26	55.52
of Earlier years		-	-
<b>Total Tax Expenses</b>		<b>1,281.35</b>	<b>350.76</b>
<b>Profit After Tax</b>	A	<b>10,330.71</b>	<b>1,494.01</b>
Other Comprehensive Income			
A. (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
B. (i) Items that will not be reclassified to profit or loss		(975.80)	13,228.79
(ii) Income tax relating to items that will not be reclassified to profit or loss		161.51	(1,542.11)
Total Other Comprehensive Income for the year	B	(814.29)	11,686.68
Total Comprehensive Income for the year	(A+B)	9,516.42	13,180.69
Earning per equity share (Face Value of Rs. 1/- each)	42		
(1) Basic		32.28	4.67
(2) Diluted		32.28	4.67
<b>Summary of significant accounting policies</b>	2		

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

As per our report of even date attached

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

**KUNAL VAKHARIA**  
**PARTNER**  
 MEMBERSHIP NO. 148916

PLACE : MUMBAI  
 DATED : 26/05/2023

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

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

**AMIT BHALLA**  
**PRESIDENT & CEO**

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

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

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

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023****(Rs. in Lakhs)**

<b>Particulars</b>	<b>2022-23</b>	<b>2021-22</b>
<b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax & Extraordinary Items	<b>11,612.06</b>	1,844.77
Adjustment for:		
Dividend income from Equity Instruments designated at FVOCI	<b>(734.35)</b>	(697.79)
Depreciation /Amortisation	<b>244.09</b>	240.06
Interest Income	<b>(235.91)</b>	(320.07)
Reclassification of remeasurement of employee benefits	<b>(12.34)</b>	9.04
Lease effect	<b>40.91</b>	0.40
Bad debts	-	11.68
Allowance for Bad Debts	<b>2.16</b>	-
Provision for Slow Moving and Non Moving	<b>(108.51)</b>	-
Net gain on sale of investments	<b>(620.82)</b>	(453.91)
(Profit)/Loss on Sale of Assets/Discarded Assets (Net)	<b>(0.11)</b>	(9.59)
Loss on sale of windmill	<b>73.46</b>	193.23
Profit on sale of Land	<b>(8,696.16)</b>	-
Excess Provision written back (Net)	<b>(106.45)</b>	(108.88)
Sundry balance written off/(written back) (Net)	<b>(12.85)</b>	93.77
Exchange Rate Fluctuation (Net)	<b>(12.80)</b>	-
	<b>(10,179.69)</b>	(1,042.07)
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>1,432.38</b>	802.70
<b>ADJUSTMENTS FOR WORKING CAPITAL CHANGES :</b>		
Other non - current assets	<b>(17.62)</b>	53.04
Inventories	<b>(189.01)</b>	(122.35)
Trade Receivable	<b>(276.72)</b>	394.54
Other Bank Balances	<b>89.26</b>	9.12
Other Non Current financial assets	<b>15.01</b>	(41.59)
Other financial assets	<b>16.88</b>	(27.12)
Other current assets	<b>(18.58)</b>	(41.30)
Other non current financial liabilities	<b>5.00</b>	0.50
Trade payables	<b>340.71</b>	291.49
Other financial liabilities	-	(9.56)
Other current liabilities	<b>461.78</b>	41.51
Provisions	<b>47.25</b>	115.61
	<b>473.97</b>	663.87
Cash Generated from Operations	<b>1,906.34</b>	1,466.58
Direct Taxes Paid/(Refund)	<b>903.54</b>	56.50
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>1,002.80</b>	1,410.08

**B) CASH FLOW FROM INVESTING ACTIVITIES**

Loan (given)/returned	650.00	-
Purchase of Fixed Assets including Capital Work in Progress	(472.11)	(494.18)
Sale of Fixed Assets	7,960.44	391.71
Amount received against assets held for sale	-	900.00
Investment in Wholly owned subsidiary	(1.00)	-
Purchase of Non Current Investments	2,430.82	(2,050.00)
Sale of Non Current Investments	(11,706.08)	640.73
Interest Received	351.57	289.91
Dividend Received	734.35	697.79
	(52.00)	335.96
NET CASH USED IN INVESTING ACTIVITY	(52.00)	335.96

**C) CASH FLOW FROM FINANCING ACTIVITIES**

Dividend Paid (Inclusive of Dividend Distribution Tax)	(752.00)	(720.00)
	(752.00)	(720.00)
NET CASH USED IN FINANCING ACTIVITY	(752.00)	(720.00)
NET CHANGES IN CASH & CASH EQUIVALENTS(A+B+C)	198.81	1,026.04
OPENING BALANCE OF CASH & CASH EQUIVALENTS	1,381.72	355.68
CLOSING BALANCE OF CASH & CASH EQUIVALENTS	1,580.53	1,381.72
	198.81	1,026.04

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

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

CASH IN HAND	5.40	1.51
<b><u>BALANCE WITH BANKS</u></b>		
- In Current Account	75.13	180.22
- In Fixed Deposits	1,500.00	1,200.00
	1,580.53	1,381.72

As per our report of even date attached

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

KUNAL VAKHARIA  
 PARTNER  
 MEMBERSHIP NO. 148916

PLACE : MUMBAI  
 DATED : 26/05/2023

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

SHEKHAR BAJAJ  
 CHAIRMAN  
 DIN- 00089358

AMIT BHALLA  
 PRESIDENT & CEO

KIRAN MUKADAM  
 COMPANY SECRETARY

H A NEVATIA  
 WHOLE TIME DIRECTOR  
 DIN-00066955

VIJAY SINGH  
 CHIEF FINANCIAL OFFICER

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2023****A. Equity Share Capital (Rs. in Lakhs)**

Particulars	No of Shares	Amount
Balance at at 31st March, 2022	32,000,000	320.00
Changes in equity share capital during the year	-	-
Balance at at 31st March, 2023	32,000,000	320.00
Changes in equity share capital during the year	-	-
<b>Balance at at 31st March, 2023</b>	<b>32,000,000</b>	<b>320.00</b>

**B. Other Equity**

Particulars	Reservers and Surplus			Other items of Other comprehensive income		Total
	Capital Reserve	General Reserves	Retained Earnings	Remeasurement of net defined benefit plans	Fair Value through Other Comprehensive Income of Equity Investments	
Balance at at 31st March, 2022	5.14	17,095.11	4,331.91	(55.03)	27,743.16	49,120.29
Profit for the year	-	-	1,494.01	-	-	1,494.01
Final Dividend paid	-	-	(720.00)	-	-	(720.00)
Remeasurements of Defined Benefit Plan	-	-	-	6.76	-	6.76
<b>Fair Value effect of Investments of shares</b>	-	-	-	-	11,679.91	11,679.91
Balance at at 31st March, 2023	5.14	17,095.11	5,105.92	(48.27)	39,423.07	61,580.98
Profit for the year	-	-	10,330.71	-	-	10,330.71
Final Dividend paid	-	-	(752.00)	-	-	(752.00)
<b>Remeasurements of Defined Benefit Plan</b>	-	-	-	(9.23)	-	(9.23)
<b>Fair Value effect of Investments of shares</b>	-	-	-	-	(805.06)	(805.06)
<b>Balance at at 31st Mar, 2023</b>	<b>5.14</b>	<b>17,095.11</b>	<b>14,684.63</b>	<b>(57.50)</b>	<b>38,618.01</b>	<b>70,345.39</b>

As per our report of even date attached

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

**KUNAL VAKHARIA**  
**PARTNER**  
**MEMBERSHIP NO. 148916**

**PLACE : MUMBAI**  
**DATED : 26/05/2023**

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

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

**AMIT BHALLA**  
**PRESIDENT & CEO**

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

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

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



## SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

### 1 Company Overview

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

### 2 Significant Accounting Policies

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

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

##### i) Compliance with Ind AS

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

The standalone financial statements were authorized for issue by the Company's Board of Directors as on May 26, 2023.

##### ii) Historical Cost Convention

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

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

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

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

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

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

#### (C) Financial Instruments

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

##### (I) Financial Assets

##### (i) Classification

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

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



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

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

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

## **(ii) Measurement**

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

### **(a) Debt instruments**

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

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

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

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

### **(b) Equity Instruments**

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

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

## **(iii) Impairment of Financial Assets**

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

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

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

**(iv) Derecognition of financial assets**

A financial asset is derecognised only when -

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

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

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

**(II) Financial Liabilities****(i) Measurement**

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

**(ii) Derecognition**

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

**(D) Financial Guarantee Contracts**

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

**(E) Segment Report**

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

**(F) Inventories Valuation**

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

**(G) Cash and Cash Equivalents**

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

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

**(H) Income tax and deferred tax**

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

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

**(i) Current Income Tax**

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

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

**(ii) Deferred Tax**

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

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

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

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

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

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

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

- (i) Freehold land is carried at historical cost including expenditure that is directly attributable to the acquisition of the land.
- (ii) All other items of property, plant and equipment are stated at cost less accumulated depreciation. Cost includes expenditure that is directly attributable to the acquisition of the items.
- (iii) Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost

of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

- (iv) Cost of Capital Work in Progress ('CWIP') comprises amount paid towards acquisition of property, plant and equipment outstanding as of each balance sheet date and construction expenditures, other expenditures necessary for the purpose of preparing the CWIP for its intended use and borrowing cost incurred before the qualifying asset is ready for intended use. CWIP is not depreciated until such time as the relevant asset is completed and ready for its intended use.
- (v) Depreciation methods, estimated useful lives and residual value.
  - (a) Fixed assets are stated at cost less accumulated depreciation.
  - (b) Depreciation is provided on a pro rata basis on the straight-line method over the estimated useful lives of the assets which is as prescribed under Schedule II to the Companies Act, 2013. The depreciation charge for each period is recognised in the Statement of Profit and Loss, unless it is included in the carrying amount of any other asset. The useful life, residual value and the depreciation method are reviewed at least at each financial year end. If the expectations differ from previous estimates, the changes are accounted for prospectively as a change in accounting estimate.
  - (c) Leasehold Land is depreciated over the period of the Lease.
- (vi) Tangible assets which are not ready for their intended use on reporting date are carried as capital work-in-progress.
- (vii) The residual values are not more than 5% of the original cost of the asset.

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

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

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

#### **(J) Investment Property**

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

#### **(K) Intangible Assets**

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

#### **(L) Leases**

- (i) As a lessee

As a lessee, the Company previously classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Company. Under Ind AS 116, the Company recognizes right of use assets and lease liabilities for most leases i.e. these leases are on balance sheet.

On transition, the Group has applied following practical expedients:

- Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with similar end date.



- Applied the exemption not to recognise right-of-use-assets and liabilities for leases with less than 12 months of lease term on the date of transition.
- Excluded the initial direct costs from the measurement of the right-of -use-asset at the date of transition.
- Grandfathered the assessment of which transactions are, or contain leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.
- Relied on its assessment of whether leases are onerous, applying Ind AS 37 immediately before the date of initial application as an alternative to performing an impairment review.
- Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

## **(ii) As a lessor**

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

## **(M) Revenue Recognition**

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

### **(I) Sales**

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

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

#### **(ii) Sales of Power**

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

## **(II) Other Income**

### **(i) Interest Income**

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

### **(ii) Dividends**

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

### **(iii) Export Benefits**

Export incentives are accounted for on export of goods if the entitlements can be estimated with reasonable accuracy

and conditions precedent to claim are fulfilled.

**(iv) Income from Erection & Commissioning Services:**

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

**(N) Employee Benefit**

**(i) Short-Term Obligations**

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

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

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

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

**(iii) Post-Employment Obligations**

The group operates the following post-employment schemes:

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

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

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

**(b) Defined Contribution Plan:**

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

**(O) Foreign Currency Translation**

**(i) Functional and Presentation Currency**

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

**(ii) Transactions and Balances**

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. All the foreign exchange gains and losses are presented in the statement of Profit and Loss on a net basis within other expenses or other income as applicable.

**(P) Borrowing Cost**

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

**(Q) Earnings Per Share****(i) Basic earnings per share**

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company; and
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

**ii) Diluted earnings per share**

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares; and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

**(R) Impairment of Assets**

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

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

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss.



**(ii) Contingent Liabilities:**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the standalone financial statements.

**(iii) Contingent Assets:** Contingent Assets are disclosed, where an inflow of economic benefits is probable.

**(T) Investments**

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

**(U) Trade Receivables**

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

**(V) Trade and Other Payables**

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

**(W) Operating Cycle**

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



**3 PROPERTY, PLANT AND EQUIPMENT**

(Rs. in Lakhs)

Particulars	Gross Carrying Amount			Depreciation/Impairment Losses				Net Carrying Amount		
	As At 01.04.2022	Purchase During The Year	Deduction During The Year	As At 31.03.2023	Up To 01.04.2022	Dep. For The Year	Impairment Losses	Deduction During The Year	As At 31.03.2023	As At 31.03.2023
Freehold Land	36.29	-	-	36.29	-	-	-	-	-	36.29
Leasehold Land	10.78	-	-	10.78	2.94	0.49	-	-	3.43	7.35
Buildings (Refer Note No 3.1)	1,664.51	28.51	-	1,693.02	271.31	45.75	-	-	317.07	1,375.96
Windmill Plant	298.01	-	298.01	-	134.65	9.90	-	144.55	-	-
Plant & Machinery	772.31	166.48	-	938.79	43.96	62.77	-	-	106.73	832.06
Computers	115.49	136.81	1.00	251.30	74.40	31.47	-	0.29	105.58	145.71
Jigs & Fixtures	4.62	-	-	4.62	3.15	0.43	-	-	3.58	1.04
Factory Fixtures	119.30	-	-	119.30	56.62	9.86	-	-	66.48	52.82
Machine Accessories	5.56	-	-	5.56	2.14	0.57	-	-	2.71	2.85
Dies & Patterns (Refer Note No 3.2)	150.07	29.50	-	179.57	32.79	10.40	-	-	43.19	136.38
Electrical Installations	81.57	-	-	81.57	59.12	3.02	-	-	62.14	19.43
Furniture & Fixtures	260.52	12.58	-	273.10	120.72	22.15	-	-	142.87	130.23
Vehicles	89.58	-	-	89.58	17.61	10.21	-	-	27.82	61.76
Office Equipments	96.95	14.71	-	109.42	68.07	8.07	-	-	75.40	34.01
<b>Total Property, Plant and Equipment</b>	<b>3,705.56</b>	<b>388.60</b>	<b>2.25</b>	<b>3,792.90</b>	<b>887.49</b>	<b>215.09</b>	<b>-</b>	<b>145.57</b>	<b>957.01</b>	<b>2,835.89</b>

Particulars	Gross Carrying Amount			Depreciation/Impairment Losses				Net Carrying Amount		
	As At 01.04.2021	Purchase During The Year	Deduction During The Year	As At 31.03.2022	Up To 01.04.2021	Dep. For The Year	Impairment Losses	Deduction During The Year	As At 31.03.2022	As At 31.03.2022
Freehold Land	71.29	-	35.00	36.29	-	-	-	-	-	36.29
Leasehold Land	10.78	-	-	10.78	2.45	0.49	-	-	2.94	7.84
Buildings (Refer Note No 3.1)	1,649.00	15.51	-	1,664.51	221.64	49.67	-	-	271.31	1,393.20
Windmill Plant	1,109.74	-	811.73	298.01	432.45	30.69	-	328.48	134.65	163.36
Plant & Machinery	654.01	280.10	161.80	772.31	139.91	57.77	-	153.71	43.96	728.35
Computers	82.70	35.63	2.84	115.49	61.78	15.32	-	2.70	74.40	41.09
Jigs & Fixtures	4.62	-	-	4.62	2.72	0.43	-	-	3.15	1.47
Factory Fixtures	119.30	-	-	119.30	46.59	10.03	-	-	56.62	62.68
Machine Accessories	5.56	-	-	5.56	1.53	0.60	-	-	2.14	3.43
Dies & Patterns (Refer Note No 3.2)	118.29	31.77	-	150.07	24.23	8.56	-	-	32.79	117.27
Electrical Installations	81.57	-	-	81.57	55.55	3.57	-	-	59.12	22.45
Furniture & Fixtures	237.81	22.71	-	260.52	98.07	22.65	-	-	120.72	139.80
Vehicles	68.96	51.22	30.60	89.58	30.21	9.24	-	21.84	17.61	71.97
Office Equipments	78.85	19.71	1.61	96.95	58.75	10.81	-	1.50	68.07	28.89
<b>Total Property, Plant and Equipment</b>	<b>4,292.49</b>	<b>456.65</b>	<b>1,043.58</b>	<b>3,705.56</b>	<b>1,175.89</b>	<b>219.83</b>	<b>-</b>	<b>508.23</b>	<b>887.49</b>	<b>2,818.07</b>

**Note No. 3.1: Buildings**

(i) Building includes Rs.0.005 Lakhs (Previous Year Rs. 0.005 Lakhs) being the cost of 10 shares of Bajaj Bhavan Owner's Co-operative Society of Rs.50 each fully paid up.

(ii) Building includes Rs.0.044 Lakhs (Previous Year Rs.0.044 Lakhs) being shares application of Co-operative Premises Society.

**Note No. 3.2: Dies & Patterns** : Fixed Assets includes dies & patterns written down amounts of Rs. 136.38 Lakhs (Previous Year Rs.117.27 Lakhs) lying at Vendors/Job workers.

**4 INVESTMENT PROPERTY**

(Rs. in Lakhs)

Particulars	Gross Carrying Amount				Depreciation/Impairment Losses					Net Carrying Amount
	As At 01.04.2022	Purchase During The Year	Deduction During The Year	As At 31.03.2023	Up To 01.04.2022	Dep. For The Year	Impai- Rment Losses	Deduction During The Year	As At 31.12.2023	As At 31.12.2023
Freehold Land	-	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-	-
Total Investment Property	-	-	-	-	-	-	-	-	-	-

**INVESTMENT PROPERTY**

(Rs. in Lakhs)

Particulars	Gross Carrying Amount				Depreciation/Impairment Losses					Net Carrying Amount
	As At 01.04.2021	Purchase During The Year	Deduction During The Year	As At 31.03.2022	Up To 01.04.2022	Dep. For The Year	Impai- Rment Losses	Deduction During The Year	As At 31.03.2022	As At 31.03.2022
Freehold Land	2.66	-	2.66	-	-	-	-	-	-	-
Buildings	91.82	-	91.82	-	10.73	1.80	-	12.53	-	-
Total Investment Property	94.48	-	94.48	-	10.73	1.80	-	12.53	-	-

Amount recognised in profit or loss for Investment Properties

(Rs. in Lakhs)

Particulars	March 31st, 2023	March 31st, 2022
Rental Income	-	-
Direct operating expenses from property that did not generate rental income.	27.18	35.99

There are no restrictions on the realisability of investment property.

The company is using same life for the same class of asset as applicable for property plant and equipment.

The company was using the property as godown for old machinery, in FY 2022-23 company sold the property.

Fair Value

There is no investment property as on 31st March 2023. Hence no fair valuation required

**5 OTHER INTANGIBLE ASSETS**

(Rs. in Lakhs)

Particulars	Gross Carrying Amount				Depreciation/Impairment Losses					Net Carrying Amount
	As At 01.04.2022	Purchase During The Year	Deduction During The Year	As At 31.03.2023	Up To 01.04.2022	Dep. For The Year	Impai- Rment Losses	Deduction During The Year	As At 31.03.2023	As At 31.03.2023
Computer Software	295.23	83.50	-	378.73	251.01	29.00	-	-	280.01	98.72
Trade Mark	3.54	-	-	3.54	-	-	-	-	-	3.54
Total Other Intangible Assets	298.77	83.50	-	382.27	251.01	29.00	-	-	280.01	102.26

**OTHER INTANGIBLE ASSETS**

(Rs. in Lakhs)

Particulars	Gross Carrying Amount				Depreciation/Impairment Losses					Net Carrying Amount
	As At 01.04.2021	Purchase During The Year	Deduction During The Year	As At 31.03.2022	Up To 01.04.2021	Dep. For The Year	Impai- Rment Losses	Deduction During The Year	As At 31.03.2022	As At 31.03.2022
Computer Software	271.28	23.95	-	295.23	232.58	18.43	-	-	251.01	44.22
Trade Mark	3.54	-	-	3.54	-	-	-	-	-	3.54
Total Other Intangible Assets	274.82	23.95	-	298.77	232.58	18.43	-	-	251.01	47.76


**6 INTANGIBLE ASSETS UNDER DEVELOPMENT**

(Rs. in Lakhs)

Particulars	As At 01.04.2022	Addition During The Year	Deduction During The Year	As At 31.03.2023
Intangible assets under development	-	-	-	-
<b>Previous Year</b>	2.11	6.73	8.84	-

**7 RIGHT-TO-USE ASSETS**

(Rs. in Lakhs)

Particulars	As At 01.04.2022	Addition During The Year	Deduction During The Year	As At 31.03.2023
Asset Taken Under Lease	6.37	778.72	151.56	<b>633.53</b>
<b>Previous Year</b>	13.66	-	7.28	6.37

**8 NON CURRENT INVESTMENTS**

(Rs. in Lakhs)

Particulars	Face Value	QTY	As at March 31, 2023	QTY	As at March 31, 2022
<b>Non Trade Investments</b>					
<b>Quoted</b>					
<b>Equity Instruments (At FVOCI)</b>					
Bajaj Holdings & Investment Limited	10	415,516	24,596.26	338,003	16,975.19
Bajaj Auto Limited	10	182,590	7,091.52	182,590	6,669.10
Bajaj Finserv Limited #	1	1,105,630	14,001.15	92,063	15,698.72
Bajaj Electricals Limited	2	624,596	6,571.37	624,596	6,714.41
<b>Mutual Funds (At FVTPL)</b>					
HDFC FMP 1381D	10	-	-	1,250,000	167.14
<b>Total Value of Quoted Investments</b>		(A)	<b>52,260.30</b>		<b>46,224.56</b>
<b>Unquoted</b>					
<b>Wholly owned subsidiary</b>					
<b>Equity Instruments (At Cost)</b>					
Indef Manufacturing Limited	1	1,00,000	1.00	-	-
<b>Unquoted</b>					
<b>Mutual Funds (At FVTPL)</b>					
Reliance Short Term Fund	10	511,779.81	227.07	511,779.81	219.02
HDFC PSU Debt Fund	10	1,141,792.94	221.52	1,141,792.94	212.86
HDFC Credit Risk Debt Fund	10	3,641,473.17	737.64	3,641,473.17	708.95
ICICI Prudential Income Opportunities Fund	10	1,233,245.64	411.76	333,902.19	106.43
Kotak Medium Term Fund	10	933,371.25	176.79	933,371.25	171.60
ICICI Prudential Credit Risk Fund	10	2,671,799.24	707.55	2,671,799.24	672.63
HDFC Short Term Debt Fund - Regular Plan	10	3,017,190.34	809.27	3,017,190.34	775.19
ICICI Prudential Corporate Bond Fund	10	2,268,162.13	566.41	916,590.28	216.83
Axis Banking & PSU Debt Fund	10	12,382.94	276.58	12,382.94	265.08
HDFC Corporate Bond Fund	10	3,079,614.37	837.04	3,079,614.37	804.80
Kotak Banking And PSU Debt Fund	10	1,242,589.27	684.41	1,242,589.27	656.02
Kotak Nifty Index Fund Regular- Growth	10	9,262,495.67	958.59	-	-
ICICI Prudential PSU Bond Plus SDL 40 60 Index Fund - Sep 2027 - Regular Plan - Growth	10	10,098,610.15	1,054.28	-	-
<b>Total Value of Unquoted Investments</b>		(B)	<b>7,669.93</b>		<b>4,809.41</b>
<b>Total of Non-Current Investments</b>		(A+B)	<b>59,930.23</b>		<b>51,033.97</b>

# Bajaj Finserv Limited subdivided its share from Rs. 5 per share to Rs. 1 Share and issued bonus share 1:1 on 13-09-2022

**9 OTHER NON CURRENT FINANCIAL ASSETS**

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
(Unsecured, Considered Goods, unless specified otherwise)		
Deposits	61.86	76.87
	<u>61.86</u>	<u>76.87</u>

**10 OTHER TAX ASSETS (NET)**

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Advance Tax and Tax Deducted at Source (Net of Current Tax Provisions) (Refer Note No 25.1)	85.26	95.38
	<u>85.26</u>	<u>95.38</u>

**11 OTHER NON CURRENT ASSETS**

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
(Unsecured, Considered Goods, unless specified otherwise)		
Advance recoverable in cash or kind or for value to be received	38.86	21.25
	<u>38.86</u>	<u>21.25</u>

**12 INVENTORIES**

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Raw Material (Refer Note No 12.1 & Note No 12.2)	2,205.78	2,168.13
Work-in-progress	70.42	159.57
Finished Goods	611.86	269.66
Stores & Spares	14.36	7.55
	<u>2,902.42</u>	<u>2,604.91</u>

Note No 12.1: Raw Material inventory net off provision for slow moving and non moving of Rs. 108.51 Lakhs (31st March 2022 Rs. Nil).

Note No 12.2: During the Previous year, the company had amended its policy for diminution of slow & non-moving inventory and accordingly has written off old stock. The company had also carried out physical verification of its complete inventory during the previous year and those changes/verification had resulted into a net loss of Rs. 280.58 lakhs in the previous year. During the current year, the physical verification of the inventory has been conducted at reasonable intervals and the discrepancies noticed were not material and have been properly dealt with in the books of accounts.

**13 CURRENT INVESTMENTS**

(Rs. in Lakhs)

Particulars	Face Value	QTY	As at March 31, 2023	QTY	As at March 31, 2022
<b>Unquoted</b>					
<b>Investments in mutual funds (FVTPL)</b>					
Aditya Birla Sun Life Money Manager Fund- Growth Regular Plan	10	237,851.88	744.54	237,851.88	704.70
HDFC Ultra Short Term Fund	10	2,118,783.72	273.79	2,118,783.72	260.14
ICICI Bank Ultra Short Term Fund Growth	10	2,936,309.43	693.33	2,936,309.43	658.33
HDFC Money Market Fund Collection	10	13,245.94	641.66	13,245.94	608.07
Kotak Savings Fund	10	511,774.22	187.84	511,774.22	178.56
Aditya Birla Sun Life Savings Fund -Growth Regular Plan	10	181,218.66	841.14	181,218.66	797.94
AXIS Treasury Advantage Fund	10	9,425.32	247.27	9,425.32	235.36
Aditya Birla Sun Life Low Duration Fund	10	21,942.63	123.31	21,942.63	117.60
ICICI Prudential Saving Fund	10	190,520.10	871.61	190,520.10	825.65
Kotak Equity Arbitrage Fund	10	2,107,907.94	670.63	4,223,094.74	1,275.78
ICICI Prudential Equity Arbitrage Fund - Growth	10	-	-	2,184,155.35	607.90
ABSL Overnight Fund Regular Plan	10	83,929.37	1,012.27	-	-
			<b>6,307.38</b>		<b>6,270.03</b>

**14 TRADE RECEIVABLES (Refer Note No 14.1)**

(Rs. in Lakhs)

Particulars		As at March 31, 2023		As at March 31, 2022
<b>Unsecured</b>				
Considered Good (Refer Note No 51)		1,100.30		710.70
Considered Doubtful		138.02		424.92
		<b>1,238.32</b>		<b>1,135.62</b>
Less: Impairment allowance (Allowance for bad and doubtful debts)		(138.02)	1,100.30	(424.92)
			<b>1,100.30</b>	<b>710.70</b>

**Note No 14.1:** The average credit period ranges from 1 to 5 days for Sales through Associated Business Patterns (ABP), and for Direct customers/Project order depending upon Terms of the Purchase Orders. No interest is charged on trade receivables during credit period of ABPs. Thereafter, interest is charged at 21% p.a. on the outstanding balance.

Ageing for trade receivables - billed outstanding as at March 31, 2023 is as follows:

Particulars	Less Than 6 months	6 months - 1 years	1 - 2 years	2 - 3 years	More than 3 years	Total
Undisputed trade receivables – considered good	945.81	65.15	24.19	14.94	188.22	1,238.32
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>945.81</b>	<b>65.15</b>	<b>24.19</b>	<b>14.94</b>	<b>188.22</b>	<b>1,238.32</b>
Less: Allowance for doubtful trade receivables	-	-	-	-	-	(138.02)
<b>Total Trade Receivables</b>						<b>1,100.30</b>

Ageing for trade receivables - billed outstanding as at March 31, 2022 is as follows:

Particulars	Less Than 6 months	6 months - 1 years	1 - 2 years	2 - 3 years	More than 3 years	Total
Undisputed trade receivables – considered good	644.74	19.93	39.35	10.33	421.26	1,135.62
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>644.74</b>	<b>19.93</b>	<b>39.35</b>	<b>10.33</b>	<b>421.26</b>	<b>1,135.62</b>
Less: Allowance for doubtful trade receivables	-	-	-	-	-	(424.92)
<b>Total Trade Receivables</b>						<b>710.70</b>

## 15 CASH AND CASH EQUIVALENTS

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Balance With Banks</b>		
- On Current account	75.13	180.22
Cash on Hand	5.40	1.51
Bank Fixed Deposits Account	1,500.00	1,200.00
	<b>1,580.85</b>	<b>1,381.72</b>

**16 BANK BALANCES**

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Unpaid Dividend Account (Refer Note No 16.1)	8.66	8.25
Margin Money Account (Refer Note No 16.2)	12.66	101.92
Bank Fixed Deposits Account less than 12 Months for maturity	-	-
	21.32	110.17

**Note No. 16.1**

- (i) The Company can utilise balances only towards settlement of of the unpaid dividend.
- (ii) The Company has transferred Rs. 0.97 Lakhs (31 March 2022 Rs. 1.14 Lakhs) in Investor Education Fund and Protection Fund during the year.

**Note No. 16.2**

Margin money deposits amounting to Rs. 12.66 Lakhs (31 March 2021 Rs. 101.92 Lakhs) are lying with bank against Bank Guarantees.

**17 LOANS**

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
(Unsecured, Considered Good, unless specified otherwise)		
<b>Loans and Advances to Related Parties</b>		
Deposit with Bajaj Finance Ltd (Refer Note No 17.1 and 45)	-	650.00
<b>Other Loans &amp; Advances</b>		
Loan to Companies and Others (Refer Note No 17.2)	1,000.00	1,000.00
	1,000.00	1,650.00

Note No 17.1: The Company had surplus funds and hence had placed deposit with its group company @ 8.09% average rate of interest. The FD had a lock in period of 6 months.

Note No 17.2: The Company has surplus fund and hence has given loan to companies which is payable on demand and has taken loan for their working capital requirements. The rate of interest charged is 11 % (31 March 2022 was 11%) which is higher than prevailing rate of interest charged for the same tenor of the Government securities.

**18 OTHER FINANCIAL ASSETS**

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
(Unsecured, Considered Good, unless specified otherwise)		
Security deposits	6.66	28.37
Advances to Staff	11.04	6.21
Interest Receivable	87.95	203.61
Assets Held for Sale	-	81.95
	105.65	320.14

**19 OTHER TAX ASSETS**

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Advance Tax and Tax Deducted at Source	431.42	540.11
	431.42	540.11



**20 OTHER CURRENT ASSETS**

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
(Unsecured, Considered Good, unless specified otherwise)		
Balance with Central Excise	27.33	27.33
Sales Tax Advance/Refund	-	24.80
Advance to suppliers and service providers	154.75	117.38
Advance recoverable in cash or kind or for value to be received	61.60	55.59
	<b>243.68</b>	<b>225.10</b>

**21 EQUITY SHARE CAPITAL**

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Authorized Share Capital</b>		
40,000,000 Equity shares, Re. 1/- par value		
(31 March 2022: 40,000,000 equity shares Re. 1/- each)	400.00	400.00
	<b>400.00</b>	<b>400.00</b>
<b>Issued, Subscribed and Fully Paid Up Shares</b>		
32,000,000 Equity shares, Re. 1/- par value fully paid up		
(31 March 2022: 32,000,000 equity shares Re. 1/- each)	320.00	320.00
	<b>320.00</b>	<b>320.00</b>

**Note No 21.1: The reconciliation of the number of shares outstanding at the beginning and at the end of reporting period 31-03-2023:**

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	Amount	No. of Shares	Amount
Number of shares at the beginning	32,000,000	320.00	32,000,000	320.00
Add: Shares issued during the year	-	-	-	-
Less : Shares bought back (if any)	-	-	-	-
<b>Number of shares at the end</b>	<b>32,000,000</b>	<b>320.00</b>	<b>32,000,000</b>	<b>320.00</b>

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

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

**Note No 21.3: The details of shareholders holding more than 5% shares in the Group :**

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	Amount	No. of Shares	Amount
Bajaj Holdings & Investment Limited	6,251,040	19.53	6,251,040	19.53
Jamnalaal Sons Privite Limited	6,193,016	19.35	5,476,680	17.11
Bajaj Sevashram Privite Limited	1,868,000	5.84	1,868,000	5.84

Disclosure of shareholding of promoters as at March 31, 2023 is as follows:-

Promoter name	As at March 31, 2023		As at March 31, 2022		Changes during the year in %
	No. of shares	% of total shares	No. of shares	% of total shares	
Kiran Bajaj	1,134,666	3.55	1,134,666	3.55	-
Kumud Bajaj	1,000	-	1,000	-	-
Madhur Bajaj	1,000	-	1,000	-	-
Niraj Bajaj Trust	552,000	1.73	552,000	1.73	-
Niraj Bajaj	1,094,400	3.42	1,094,400	3.42	-
Pooja Bajaj	554,667	1.73	554,667	1.73	-
Rajivnayan Bajaj	2,928	0.01	2,928	0.01	-
Sanjivnayan Bajaj Trust	2,928	0.01	2,928	0.01	-
Sanjivnayan Bajaj Trust	2,928	0.01	2,928	0.01	-
Shekhar Bajaj	906,400	2.83	906,400	2.83	-
Sanjivnayan Bajaj	2,400	-	2,400	-	-
Sunaina Kejriwal	-	-	716,336	2.24	(2.24)
Vanraj Anant Bajaj	554,667	1.73	554,667	1.73	-
Kumud Bajaj Trust	506,133	1.58	506,133	1.58	-
Madhur Bajaj Trust	506,133	1.58	506,133	1.58	-
Kumud Bajaj A/c Madhur Neelima Family Trust	126,534	0.40	126,534	0.40	-
Kumud Bajaj A/c Madhur Nimisha Family Trust	126,534	0.40	126,534	0.40	-
Madhur Bajaj A/c Kumud Bajaj Neelima Family Trust	126,533	0.40	126,533	0.40	-
Madhur Bajaj A/c Kumud Bajaj Nimisha Family Trust	126,533	0.40	126,533	0.40	-
Bachhraj Factories Private Limited	1,235,280	3.86	1,235,280	3.86	-
Bajaj Holdings And Investment Limited	6,251,040	19.53	6,251,040	19.53	-
Bajaj Sevashram Private Limited	1,868,000	5.84	1,868,000	5.84	-
Jamnallal Sons Private Limited	6,193,016	19.35	5,476,680	17.11	2.24
Shekhar Holdings Private Limited	400,000	1.25	400,000	1.25	-
<b>Total</b>	<b>22,275,720</b>	<b>69.61</b>	<b>22,275,720</b>	<b>69.61</b>	<b>-</b>

Disclosure of shareholding of promoters as at March 31, 2022 is as follows:-

Promoter name	As at March 31, 2022		As at March 31, 2021		Changes during the year in %
	No. of shares	% of total shares	No. of shares	% of total shares	
Kiran Bajaj	1,134,666	3.55	1,134,666	3.55	-
Kumud Bajaj	1,000	-	1,000	-	-
Madhur Bajaj	1,000	-	507,134	1.58	(1.58)
Niraj Bajaj Trust	552,000	1.73	552,000	1.73	-
Niraj Bajaj	1,094,400	3.42	1,094,400	3.42	-
Pooja Bajaj	554,667	1.73	554,667	1.73	-
Rajivnayan Bajaj	2,928	0.01	2,928	0.01	-
Sanjivnayan Bajaj Trust	2,928	0.01	2,928	0.01	-
Sanjivnayan Bajaj Trust	2,928	0.01	2,928	0.01	-
Shekhar Bajaj	906,400	2.83	906,400	2.83	-
Sanjivnayan Bajaj	2,400	-	2,400	0.01	(0.01)
Sunaina Kejriwal	716,336	2.24	716,336	2.24	-
Vanraj Anant Bajaj	554,667	1.73	554,667	1.73	-
Kumud Bajaj Trust	506,133	1.58	506,133	1.58	-
Madhur Bajaj Trust	506,133	1.58	506,133	1.58	-
Kumud Bajaj A/c Madhur Neelima Family Trust	126,534	0.40	-	-	0.40
Kumud Bajaj A/c Madhur Nimisha Family Trust	126,534	0.40	-	-	0.40
Madhur Bajaj A/c Kumud Bajaj Neelima Family Trust	126,533	0.40	-	-	0.40
Madhur Bajaj A/c Kumud Bajaj Nimisha Family Trust	126,533	0.40	-	-	0.40
Bachhraj Factories Private Limited	1,235,280	3.86	1,235,280	3.86	-
Bajaj Holdings And Investment Ltd	6,251,040	19.53	6,251,040	19.53	-
Bajaj Sevashram Private Limited	1,868,000	5.84	1,868,000	5.84	-
Jamnalal Sons Private Limited	5,476,680	17.11	5,476,680	17.11	-
Shekhar Holdings Private Limited	400,000	1.25	400,000	1.25	-
<b>Total</b>	<b>22,275,720</b>	<b>69.61</b>	<b>22,275,720</b>	<b>69.61</b>	

**Note No 21.4:** The details of Dividend paid per share is as under-

Year	Dividend paid per share
2022-23- Proposed	2.50
2022-23 (Interim Dividend)	0.50
2021-22	1.85
2021-22 (Interim Dividend)	0.75
2020-21	1.50
2019-20	1.80

**22 OTHER EQUITY**

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Reserves &amp; surplus*</b>		
Capital Reserve #	5.14	5.14
General Reserves ##	17,095.11	17,095.11
Retained earnings	14,684.63	5,105.92
<b>Other Comprehensive Income (OCI)</b>		
-Remeasurement of net defined benefit plans	(57.50)	(48.27)
-Fair Value of Equity Investments through OCI	38,618.01	39,423.07
	<b>70,345.39</b>	<b>61,580.98</b>

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

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

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

**23 LEASE LIABILITIES (Non Current)**

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Lease Liabilities	542.22	-
	<b>542.22</b>	<b>-</b>

**24 OTHER NON CURRENT FINANCIAL LIABILITIES**

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Deposits (Refer Note No 24.1)	66.00	61.00
	<b>66.00</b>	<b>61.00</b>

**Note No 24.1:** Deposit from customers and others are interest free deposit from Associate Business Partner and rental premises repayable on termination of agreement unless otherwise agreed.

**25 DEFERRED TAX LIABILITIES (NET)**

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax liabilities (Net) (Refer Note 25.1)	3,163.40	3,181.64
	<b>3,163.40</b>	<b>3,181.64</b>

## Note No.: 25.1

Particulars	Net balance as at 1 April 2022	Recognised in statement of profit and loss	Recognised in OCI	Net balance as at 31st March 2023
<b>Deferred Tax (Assets)/Liabilities</b>				
Property, plant and equipment/Investment Property/Other Intangible Assets	263.96	13.25	-	<b>250.72</b>
Fair Value through Profit & Loss	333.36	(119.36)	-	<b>452.72</b>
Equity Instruments designated at FVOCI	2,698.19	-	158.40	<b>2,539.79</b>
Actuarial Gain/Loss on Employee Benefits	(13.62)	-	3.10	<b>(16.73)</b>
Actuarial Gain/Loss on Employee Benefits	13.62	(3.10)	-	<b>16.73</b>
Expenses allowable under income tax on payment basis	(3.21)	(1.45)	-	<b>(1.75)</b>
Provision for warranty	(3.59)	2.01	-	<b>(5.60)</b>
Lease effect - IND AS 116	(0.12)	10.30	-	<b>(10.42)</b>
Provision for Slow Moving and Non Moving items	-	27.31	-	<b>(27.31)</b>
Allowance for Bad & Doubtful Debts	(106.94)	(72.21)	-	<b>(34.74)</b>
<b>Total</b>	<b>3,181.64</b>	<b>-143.26</b>	<b>161.51</b>	<b>3,163.40</b>

**Income tax**

The major components of income tax expense for the year ended 31 March, 2023

(Rs. in Lakhs)

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
<b>Profit and Loss:</b>		
Current tax – net of reversal of earlier years : Rs. 116.01 Lakhs (31 March 2022: Rs. 67.00 Lakhs)	<b>1,138.09</b>	295.24
Deferred Tax – including reversal of earlier years : Rs. Nil (31 March 2022: Rs. Nil)	<b>143.26</b>	55.52
	<b>1,281.35</b>	<b>350.76</b>

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

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Profit before income tax expense	<b>11,612.06</b>	1,844.77
Tax at the Indian tax rate 25.168% (Previous Year: 25.168%)	<b>2,922.52</b>	464.29
<b>Add: Items giving rise to difference in tax</b>		
Effect of non-deductible expenses	-	(92.28)
Income Taxable at different rate & Indexation benefit	<b>(1,594.90)</b>	-
Permanent difference	<b>(158.33)</b>	(231.91)
IND AS/ Transition Effect	-	0.07
Tax Expenses on sale of land (taxable at different rate)	-	-
Tax of earlier years	<b>116.01</b>	67.00
Others	<b>(3.95)</b>	143.59
Income Tax Expenses	<b>1,281.35</b>	<b>350.76</b>

**26 LEASE LIABILITIES (Non Current)**

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Lease Liabilities	132.71	6.87
	<u>132.71</u>	<u>6.87</u>

**27 TRADE PAYABLES**

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Current</b>		
Dues of micro and small enterprises (Refer Note No 27.1)	53.23	43.08
Dues other than micro and small enterprises	1,745.61	1,432.11
	<u>1,798.83</u>	<u>1,475.20</u>

Note No 27.1: Micro, Small and Medium enterprises have been identified by the Company on the basis of the information available. Total outstanding dues of Micro and Small enterprises, which are outstanding for more than the stipulated period and other disclosures as per Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) are given below :

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Dues remaining unpaid		
- Principal	53.23	43.08
- Interest on above	2.23	-
(b) Interest paid in terms of Section 16 of MSMED Act		
- Principal paid beyond the appointed date	-	-
- Interest paid in terms of Section 16 of MSMED Act	-	-
(c) Amount of interest due and payable for the period of delay on payments made beyond the appointed day during the year	-	-
(d) Amount of interest accrued and unpaid	2.23	-

Ageing for trade payables outstanding as at March 31, 2023 is as follows:

Particulars	Outstanding for following periods from due date of payment				Total
	Less Than 1 year	1-2 year	2-3 years	More Than 3 years	
<b>Trade payables</b>					
MSME*	53.23	-	-	-	53.23
Others	1,434.65	2.18	-	-	1,436.83
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
<b>Total</b>	1,487.88	2.18	-	-	1,490.06
<b>Accrued expenses</b>					308.78
					<u>1,798.83</u>

Ageing for trade payables outstanding as at March 31, 2022 is as follows:

Particulars	Outstanding for following periods from due date of payment				Total
	Less Than 1 year	1-2 year	2-3 years	More Than 3 years	
<b>Trade payables</b>					
MSME*	43.08	-		-	43.08
Others	1,150.80	-		-	1,150.80
Disputed dues - MSME	-	-		-	-
Disputed dues - Others	-	-		-	-
<b>Total</b>	<b>1,193.88</b>	<b>-</b>		<b>-</b>	<b>1,193.88</b>
<b>Accrued expenses</b>					<b>281.32</b>
					<b>1,475.20</b>

## 28 OTHER FINANCIAL LIABILITIES

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Unpaid Dividends	8.66	8.25
Advance against sale of property	-	900.00
	<b>8.66</b>	<b>908.25</b>

## 29 OTHER CURRENT LIABILITIES

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Advances From Customers	455.65	126.96
Statutory Dues Payable	187.33	54.24
	<b>642.98</b>	<b>181.20</b>

## 30 PROVISIONS

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Provision for Employee Benefits</b>		
For Gratuity (Refer Note No 46)	4.19	2.71
For Leave Encashment (Refer Note No 46)	38.22	24.43
<b>Others (Refer Note No 49)</b>		
Provisions for Warranty	22.25	14.27
Incentive Payable to Senior Management staff	73.79	66.00
Incentive Payable to Management staff	106.21	90.00
	<b>244.65</b>	<b>197.41</b>

## 31 CURRENT TAX LIABILITIES (NET)

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for taxation (Net of tax payment)	115.74	-
	<b>115.74</b>	<b>-</b>

**32 a) CONTINGENT LIABILITIES:**

(Rs. in Lakhs)

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Disputed Income Tax Liability #	60.48	60.48
Disputed Sales Tax Liabilities	-	122.07
Channel Financing utilization	158.01	167.02
	<b>218.49</b>	<b>349.57</b>

**b) COMMITMENTS:**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Estimated Amounts of Contract remaining to be executed on Capital account and not provided for (Net of Advances)	-	-
	-	-

**Note:**

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

**33 REVENUE FROM OPERATIONS**

(Rs. in Lakhs)

<b>Particulars</b>	<b>2022-2023</b>	<b>2021-2022</b>
Sale of Products (Refer Note No 33.1)	14,891.13	10,783.16
<b>Other Operating Revenue</b>		
Income from Erection & Commissioning Services	44.57	31.99
Scrap Sales	141.38	29.47
	<b>15,077.08</b>	<b>10,844.62</b>

**Note No 33.1 : Sale of Products**

<b>Particulars</b>	<b>2022-2023</b>	<b>2021-2022</b>
Chain Pulley Blocks, Hoists, Trolleys, Stakers	11,924.48	9,339.60
Spares	951.65	627.51
Cranes	1,989.44	710.59
Sale of Power Units	25.56	105.45
	<b>14,891.13</b>	<b>10,783.16</b>

**34 OTHER INCOME**

(Rs. in Lakhs)

<b>Particulars</b>	<b>2022-2023</b>	<b>2021-2022</b>
Interest Income (Refer Note No 34.1)	237.23	322.41
Dividend income on from Equity Instruments designated at FVOCI	734.35	697.79
Net gain on sale of investments/financial assets measured at FVTPL	620.82	453.91
<b>Other Non Operating Income</b>		
Provision no longer required, written back	106.45	108.88
Sundry Balance Written Back (Net)	12.85	-
Exchange Fluctuation Gain (Net)	56.76	4.43
Profit on Sale of Fixed Assets (Net)	0.11	9.59
Miscellaneous Income	-	1.20
	<b>1,768.58</b>	<b>1,598.22</b>



**Note No. 34.1 : Break-up of Interest Income**

(Rs. in Lakhs)

<b>Particulars</b>	<b>2022-2023</b>	<b>2021-2022</b>
Interest Income from parties	6.33	4.23
Interest income on other deposits	5.01	1.89
Interest on income tax refund	-	112.86
Interest on sales tax refund	1.16	8.52
Interest income on deposits with banks	63.50	17.14
Interest income on inter corporate deposits	161.23	177.77
	<b>237.23</b>	<b>322.41</b>

**35 COST OF MATERIALS CONSUMED`**

(Rs. in Lakhs)

<b>Particulars</b>	<b>2022-2023</b>	<b>2021-2022</b>
Inventory at the beginning of the year	2,168.13	2,057.57
Add: Purchases during the year	9,528.33	7,285.49
	<b>11,696.45</b>	<b>9,343.06</b>
Less: Sale of Raw Material	716.39	596.09
Less: Inventory at the end of the year	2,205.78	2,168.13
	<b>8,774.28</b>	<b>6,578.84</b>

**Note No 35.1:** During the Previous year, the company had amended its policy for diminution of slow & non-moving inventory and accordingly has written off old stock. The company had also carried out physical verification of its complete inventory during the previous year and those changes/verification had resulted into a net loss of Rs. 280.58 lakhs in the previous year. During the current year, the physical verification of the inventory has been conducted at reasonable intervals and the discrepancies noticed were not material and have been properly dealt with in the books of accounts.

**36 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK-IN-TRADE**

(Rs. in Lakhs)

<b>Particulars</b>	<b>2022-2023</b>	<b>2021-2022</b>
<b>Inventories at the end of the year</b>		
Finished Goods	611.86	269.66
Work In Progress	70.42	159.57
	<b>682.28</b>	<b>429.23</b>
<b>Inventories at the beginning of the year</b>		
Finished Goods	269.66	228.12
Work In Progress	159.57	186.72
	<b>429.23</b>	<b>414.84</b>
	<b>(253.05)</b>	<b>(14.39)</b>
<b>FINISHED GOODS</b>		
Opening Stock	269.66	228.12
Closing Stock	611.86	269.66
<b>Change in Stock of Finished Goods</b>	<b>(A)</b> <b>(342.21)</b>	<b>(41.54)</b>
<b>WORK IN PROGRESS</b>		
Opening Stock	159.57	186.72
Closing Stock	70.42	159.57
<b>Change in Stock of Work in Progress</b>	<b>(B)</b> <b>89.16</b>	<b>27.14</b>
	<b>(A)+(B)</b> <b>(253.05)</b>	<b>(14.39)</b>

**37 EMPLOYEE BENEFIT EXPENSES**

(Rs. in Lakhs)

<b>Particulars</b>	<b>2022-2023</b>	<b>2021-2022</b>
Salaries, Wages and Bonus	<b>1,588.16</b>	1,158.89
Contribution to Provident and other fund	<b>109.97</b>	87.60
Staff Welfare Expenses	<b>233.07</b>	204.84
	<b>1,931.19</b>	1,451.34

**38 FINANCE COST**

(Rs. in Lakhs)

<b>Particulars</b>	<b>2022-2023</b>	<b>2021-2022</b>
Interest Expenses on Lease Assets	<b>54.91</b>	0.96
	<b>54.91</b>	0.96

**39 DEPRECIATION & AMORTIZATION EXPENSES**

(Rs. in Lakhs)

<b>Particulars</b>	<b>2022-2023</b>	<b>2021-2022</b>
Depreciation on Property, Plant and Equipment	<b>215.09</b>	219.83
Depreciation on Investment Property	-	1.80
Amortisation on Intangible Assets	<b>29.00</b>	18.43
Depreciation on Lease Assets	<b>151.56</b>	7.28
	<b>395.65</b>	247.35

**40 OTHER EXPENSES**

(Rs. in Lakhs)

<b>Particulars</b>	<b>2022-2023</b>	<b>2021-2022</b>
Consumption of Stores and Tools	<b>236.74</b>	138.54
Manufacturing & Processing charges	<b>298.43</b>	168.95
Power & Fuel	<b>56.57</b>	45.43
Consumption of Packing Material	<b>408.35</b>	278.93
Repairs & Maintenance		
Plant & Machinery	<b>30.97</b>	16.73
Building	<b>93.64</b>	143.84
Others	<b>18.05</b>	24.63
Insurance Charges	<b>9.27</b>	15.07
Rates & Taxes	<b>55.45</b>	125.27
Rent	<b>31.15</b>	52.32
Erection and Commissioning Charges	<b>35.14</b>	30.55
Carriage outwards (Net)	<b>499.76</b>	297.74
Travelling and Conveyance expenses	<b>286.84</b>	104.54
Recruitment charges	<b>28.76</b>	13.05
Security Charges	<b>60.19</b>	59.79
Software Maintenance expenses	<b>70.89</b>	60.36
Membership and Subscription expenses	<b>2.60</b>	2.94
Advertisement & Sales Promotion	<b>142.45</b>	69.48
Commission on sales	<b>(0.74)</b>	1.93
Payment to Statutory Auditor (Refer Note No. 40.1)	<b>8.85</b>	8.47

Legal & Professional	182.22		116.27
Directors' Fees	14.40		11.80
Directors' Remuneration	3.00		3.00
Sundry Balance Written off (Net)	-		6.77
Bad Debts	182.60	11.68	
Less: Allowance for Doubtful Debts Written Back	182.60	-	11.68
Allowance for Doubtful Debts	2.16		-
Windmill Expenses	19.15		62.83
CSR Expenditure	105.00		35.00
Miscellaneous expenses	254.04		234.82
	2,953.32		2,140.74

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

(Rs. in Lakhs)

Particulars	2022-2023	2021-2022
<b>As Auditors :</b>		
Audit Fees (including Limited Review)	8.15	7.90
Towards GST/Service Tax *	0.27	0.27
	8.42	8.17
<b>In Other Capacity :</b>		
Out of pocket expenses	0.18	0.05
Towards GST/Service Tax *	0.02	0.00
	0.20	0.06
	8.62	8.23

**(B) Payment to Cost Auditors**

(Rs. in Lakhs)

Particulars	2022-2023	2021-2022
Audit Fees	0.52	0.52
Out of pocket expenses	-	-
Towards GST/Service Tax *	-	-
	0.52	0.52
<b>Total Auditors Remuneration</b>	(A + B) <b>9.14</b>	8.75

\* Note: Out of above GST credit of Rs. 0.29 (Previous Year Rs.0.27) has been taken and the same has not been debited to Statement of Profit & Loss.

**41 EXCEPTIONAL ITEMS**

(Rs. in Lakhs)

Particulars	2022-2023	2021-2022
Loss on Sale of Windmill	(73.46)	(193.00)
Sales Proceeds from Sales of Land	9,000.00	-
Less- WDV of land as per Books	2.66	
Less- Cost to Sale	301.18	
Profit on Sale of Land	8,696.16	-
	8,622.70	(193.00)

**42 EARNING PER SHARE**

(Rs. in Lakhs)

Particulars	2022-2023	2021-2022
(A) Profit attributable to Equity Shareholders (Rs.)	10,330.71	1,494.01
(B) No. of Equity Share outstanding during the year.	32,000,000	32,000,000
(C) Face Value of each Equity Share (Rs.)	1.00	1.00
(D) Basic & Diluted earning per Share (Rs.)	32.28	4.67

**43 CAPITAL MANAGEMENT**

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

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

(Rs. in Lakhs)

Particulars	2022-2023	2021-2022
Trade Payables	1,798.83	1,475.20
Other Payables	1,752.97	1,354.72
Less- Cash and Cash equivalents	1,580.53	1,381.72
Net Debt	1,971.27	1,448.19
Total Equity	70,665.39	61,900.98
Capital and Net debt	72,636.66	63,349.17
Gearing ratio	2.71%	2.29%

**44 FINANCIAL RISK MANAGEMENT**

The Group's activities expose it to credit risk, liquidity risk, market risk and price risk.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact thereof in the standalone financial statements.

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

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

**(A) Credit Risk**

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

**Credit Risk Management**

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

The maximum exposure to credit risk as at 31 March 2023 and 31 March 2022 is the carrying value of such trade receivables as shown in note 15 of the financials.

**Reconciliation of impairment allowance on trade receivables as at 31 March 2023 under:** (Rs. in Lakhs)

Impairment allowance as on 31 March 2022	424.92
Created during the year	-
Reversed during the year	(286.90)
Impairment allowance as on 31 March 2023	<b>138.02</b>

**Reconciliation of impairment allowance on trade receivables as at 31 March 2022 under:** (Rs. in Lakhs)

Impairment allowance as on 31 March 2021	532.73
Created during the year	(0.20)
Reversed during the year	(107.81)
Impairment allowance as on 31 March 2022	424.92

**(B) Liquidity Risk**

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

**(c) Market Risk****Foreign Currency Risk**

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

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

**Open exposure**

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

Particulars	USD	EURO	TOTAL
<b>31 March 2023</b>			
Trade receivables- Foreign Currency	<b>1.92</b>	-	<b>1.92</b>
Trade receivables- INR	<b>155.47</b>	-	<b>155.47</b>
Trade payables- Foreign Currency	<b>(0.05)</b>	<b>(0.92)</b>	<b>(0.97)</b>
Trade payables- INR	<b>(3.98)</b>	<b>(83.74)</b>	<b>(87.72)</b>



Particulars	USD	EURO	TOTAL
31 March 2022			
Trade payables- Foreign Currency	0.28	-	0.28
Trade payables- INR	21.54	-	21.54

**Sensitivity Analysis**

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

(Rs. in Lakhs)

Particulars	31 March 2023	31 March 2022
USD	7.57	(1.08)
EURO	4.19	-
<b>Total</b>	<b>11.76</b>	<b>(1.08)</b>

**(d) Price Risk**

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

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

Related Parties have been identified by the Management, auditors have replied upon the same

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

SN	Related Parties	Nature of Relationship
(i)	Hind Musafir Agency Limited	Shri Shekhar Bajaj and Smt Minal Bajaj , mother of Shri Nirav Nayan Bajaj are Directors
(ii)	Hindustan Housing Company Limited	Shri Vinod Nevatia, father of Shri Gaurav Nevatia and Smt Minal Bajaj , mother of Shri Nirav Nayan Bajaj are Directors
(iii)	Mukand Limited	Shri Niraj Bajaj , brother Shri Shekhar Bajaj and father of Shri Nirav Nayan Bajaj is a Director
(iv)	Bajaj Finance Limited	Shri Madhur Bajaj , brother of Shri Shekhar Bajaj, is a Director(till 31st July, 2022)
(v)	Bajaj Allianz General Insurance Company Limited	Shri Niraj Bajaj , brother Shri Shekhar Bajaj and father of Shri Nirav Nayan Bajaj is a Director
(vi)	Bajaj International Private Limited	Shri Shekhar Bajaj is Chairman and Director
(vii)	Bajaj Holdings and Investment Limited	Shri Shekhar Bajaj , himself , Shri Madhur Bajaj, brother of Shri Shekhar Bajaj and Shri Niraj Bajaj, brother of Shri Shekhar Bajaj and father of Shri Nirav Nayan Bajaj, are Directors.
(viii)	Bajaj Auto Limited	Shri Shekhar Bajaj and Shri Madhur Bajaj and Shri Niraj Bajaj, relative of Shri Shekhar Bajaj are Directors.
(ix)	Bajaj Finserv Limited	Shri Madhur Bajaj , brother of Shri Shekhar Bajaj, is a Director
(x)	Bajaj Electricals Limited	Shri Shekhar Bajaj is Chairman and Managing Director. Shri Madhur Bajaj, brother of Shri Shekhar Bajaj and Smt Pooja Bajaj, Daughter in Law of Shri Shekhar Bajaj are Directors.
(xi)	Shri Shekhar Bajaj	Chairman (Key Management Personnel)
(xii)	Shri H.A. Nevatia	Whole Time Director (Key Management Personnel)
(xiii)	Shri Amit Bhalla	President and CEO
(xiv)	Shri Vijay Singh	Chief Financial Officer
(xv)	Shri Kiran Mukadam	Company Secretary and Compliance Officer
(xvi)	Indef Manufacturing Limited*	100% wholly Owned Subsidiary incorporated on 12th September, 2022

\*During the Year the company had set up a Wholly-owned subsidiary namely "Indef Manufacturing Limited" by subscribing to its 100% Share Capital through Memorandum of Association on 12th September 2022. During the current Year, the company has transferred the amount of paid up capital of Rs. 1 Lakh on 12th October 2022.

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

(Rs. in Lakhs)

S.No.	Related parties	Nature of Transactions during the year	2022-23	2021-22
(i)	Bajaj International Private Limited	Payment towards Expenses	0.37	0.22
		Payment towards Expenses	0.32	0.15
(ii)	Hind Musafir Agency Ltd.	Purchase of Travel Tickets	44.23	14.68
		Payment against Purchases of Travel Tickets	48.41	10.05
(iii)	Hindustan Housing Co. Ltd.	Office Maintenance Charges	4.74	2.83
		Payment-Office Maintenance Charges	4.59	2.99
(iv)	Bajaj Allianz General Insurance Co. Ltd.	Insurance Premiums	72.15	50.79
		Payment towards Insurance Premiums	71.37	45.03
(v)	Bajaj Holdings & Investment Ltd.	Dividend Income Received	456.30	439.40
		Investment in Equity Shares	4,665.43	-
(vi)	Bajaj Auto Ltd.	Dividend Income Received	255.63	255.63
(vii)	Bajaj Finserv Ltd.	Dividend Income Received	3.68	2.76
		Investment in Equity Shares	2,500.92	-
(viii)	Bajaj Electricals Ltd.	Dividend Income Received	18.74	-
(ix)	Mukand Ltd.	Sales of Goods	22.43	-
		Payment received	42.23	-
(x)	Bajaj Finance Limited	Interest Income	51.23	57.74
(xi)	Indef Manufacturing Limited	Investment in Equity Shares	1.00	-
(xii)	Shri H.A.Nevatia	Short-term employee benefits	7.63	6.75
(xiii)	Shri Amit Bhalla	Short-term employee benefits	154.20	73.50
(xiv)	Shri Vijay Singh	Short-term employee benefits	50.36	40.21
(xv)	Shri Kiran Mukadam	Short-term employee benefits	14.16	10.61

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

(Rs. in Lakhs)

S. No.	Related parties	Nature of Transactions during the year	As at 31st March, 2023	As at 31st March, 2022
(i)	Bajaj International Private Limited	(Advance)/Payable against Reimbursement of Expenses	0.11	0.07
(ii)	Hind Musafir Agency Limited	Payable against Purchases of Travel Tickets	0.60	4.79
(iii)	Hindustan Housing Company Limited	Payable-Office Maintenance Charges	0.31	0.15
(iv)	Bajaj Allianz General Insurance Company Limited	Advance against Insurance Premium	(12.96)	(13.74)
(v)	Mukand Limited	Advance Received	(19.81)	-
(vi)	Bajaj Finance Limited	Interest Receivable	-	51.97
		Fixed Deposits	-	650.00
(vii)	Bajaj Holdings & Investment Limited	Investment in Equity Share	24,596.26	16,975.19
(viii)	Bajaj Auto Limited	Investment in Equity Share	7,091.52	6,669.10
(ix)	Bajaj Finserv Limited	Investment in Equity Share	14,001.15	15,698.72
(x)	Bajaj Electricals Limited	Investment in Equity Share	6,571.37	6,714.41
(xi)	Indef Manufacturing Limited	Investment in Equity Shares	1.00	-


**46 EMPLOYEE BENEFITS**

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

**(i) Defined Contribution Plan**

Contribution to Defined Contribution Plan includes Providend Fund and Superannuation Fund. The expenses recognised for the year are as under: (Rs. in Lakhs)

Particulars	2022-23	2022-21
Employer's Contribution to Providend Fund	61.76	46.04
Employer's Contribution to Superannuation Fund	6.91	6.91

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

The Company operates gratuity plan wherein every employee is entitled to the benefit equivalent to 15 to 26 days/one month salary last drawn for each completed year of service depending on the date of joining. The same is payable on termination of service, retirement or death, whichever is earlier. The benefit vests after 5 years of continuous service.

**(b) Leave Encashment:**

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

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

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

The Company has taken plans from Life Insurance Corporation of India

(d) The following tables set out the funded status of the gratuity and leave encashment plans and the amounts recognised in the Group's standalone financial statements as at 31 March 2023 and 31 March 2022.

(Rs. in Lakhs)

Sr.No.	Particulars	2022-23		2021-22	
		Leave Encashment	Gratuity	Leave Encashment	Gratuity
<b>I</b>	<b>Changes in present value of obligations</b>				
(a)	Present value of obligations as at the beginning of year	79.09	134.91	71.77	119.65
(b)	Interest cost	5.69	9.77	4.84	8.07
(c)	Current Service Cost	14.82	19.80	13.17	16.83
(d)	Benefits Paid	-	-	-	-
(e)	Actuarial gain on obligations	(10.72)	1.21	(10.69)	(9.64)
(f)	Present value of obligations as at the end of year	88.88	165.69	79.09	134.91
<b>II</b>	<b>Changes in the fair value of plan assets</b>				
(a)	Fair value of plan assets at the beginning of year	54.66	132.19	49.82	111.23
(b)	Expected return on plan assets	3.93	9.58	3.36	7.50
(c)	Contributions	22.89	23.22	10.21	14.06
(d)	Benefits paid	(25.34)	(11.13)	(8.73)	(0.60)
(e)	Return on Plan Assets, excluding amount recognised in net interest expense	(5.49)	(0.93)	-	-
(f)	Fair value of plan assets at the end of year	50.66	152.93	54.66	132.19



III	Change in the present value of the defined benefit obligation and fair value of plan assets				
(a)	Present value of obligations as at the end of the year	88.88	165.69	79.09	134.91
(b)	Fair value of plan assets as at the end of the year	50.66	152.93	54.66	132.19
(c)	Net (liability) / asset recognized in balance sheet	(38.22)	(12.77)	(24.43)	(2.71)

(e) Amount for the year ended 31 March, 2023 and 31 March, 2022 recognised in the statement of profit and loss under employee benefit expenses.

(Rs. in Lakhs)

Sr.No.	Particulars	2022-23		2021-22	
		Leave Encashment	Gratuity	Leave Encashment	Gratuity
<b>I</b>	<b>Expenses Recognised in statement of Profit &amp; Loss</b>				
(a)	Current Service cost	14.82	19.80	13.17	16.83
(b)	Interest Cost	1.76	0.20	1.48	0.57
(c)	Expected return on plan assets	-	-	-	-
(d)	Net Actuarial gain recognised in the year	14.62	12.34	(1.96)	(9.04)
(e)	Expenses recognised in statement of Profit & Loss Account	31.20	32.34	12.69	8.36

(f) Amount for the year ended March 31, 2023 and March 31, 2022 recognised in the statement of other comprehensive income.

(Rs. in Lakhs)

Sr.No.	Particulars	2022-23		2021-22	
		Leave Encashment	Gratuity	Leave Encashment	Gratuity
<b>I</b>	<b>Actuarial Gain/Loss recognized</b>				
(a)	Actuarial gain for the year -Obligation	14.62	12.34	(1.96)	(9.04)
(b)	Actuarial gain for the year - plan assets	-	-	-	-
(c)	Total gain for the year	14.62	12.34	(1.96)	(9.04)
(d)	Total actuarial (gain)/ loss included in other comprehensive income	14.62	12.34	(1.96)	(9.04)



**47 RATIOS**

Sr no	Particulars	Numerator	Denominator	March 31, 2023 (%)	March 31, 2022 (%)	Change (%)	Reason for change
1	Current ratio (in times)	Total Current assets	Total Current liabilities	4.65	4.99	(6.81)	-
2	Debt-Equity ratio (in times)	Debt consists of borrowings and lease liabilities.	Total equity	-	-	-	-
3	Debt service coverage ratio (in times)	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service = Interest and lease payments + Principal repayments	-	-	-	-
4	Return on equity ratio before exceptional items (in %)	Profit for the year before exceptional items less Preference dividend (if any)	Average total equity	3.48	3.03	14.85	-
5	Return on equity ratio after exceptional items (in %)	Profit for the year after exceptional items less Preference dividend (if any)	Average total equity	15.59	2.68	481.72	Due to increase in earning after exceptional items , Return on equity ratio is high.
6	Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	16.65	12.78	30.28	Due to increase in earning, trade receivable turnover ratio is high.
7	Trade payables turnover ratio (in times)	Other expenses	Average trade payables	7.62	7.07	7.78	-
8	Net capital turnover ratio (in times)	Revenue from operations	Average working capital (i.e. Total current assets less Total current liabilities)	1.38	1.17	17.95	-
9	Net profit ratio (in %)	Profit for the year before exceptional items	Revenue from operations	15.31	13.78	11.10	-
10	Return on capital employed (in %)	Profit before tax + finance costs(before exceptional items)	Capital employed = Net worth + Lease liabilities + Deferred tax liabilities	3.94	2.83	39.22	Due to increase in earnings, return on capital employed ratio is high.
11	Return on investment (in %)	Income generated from invested funds Average invested funds in treasury investment		0.97	27.94	(96.53)	Due to lower return on investments, this ratio is low.
12	Inventory turnover ratio (in times)	Cost of material consumed	Average Inventory	3.09	2.58	19.77	-

**48 DERIVATIVES**

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

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

Particulars	Foreign Currency	As on 31.03.2023		As on 31.03.2022	
		Amount in Foreign Currency	Rs.	Amount in Foreign Currency	Rs.
Receivables	USD	1.92	155.47	-	-

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

Particulars	Foreign Currency	As on 31.03.2023		As on 31.03.2022	
		Amount in Foreign Currency	Rs.	Amount in Foreign Currency	Rs.
Payable	EURO	-	-	-	-
	EURO	(0.92)	(83.74)	-	-
	USD	(0.05)	(3.98)	0.28	21.54

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

(Rs. in Lakhs)

Sr. No. **	Provision Related to	Opening Balance	Additions	Utilisation	Reversal	Closing Balance
1.	Warranty	14.27	7.99	17.14	(17.14)	22.25
2.	Liquidated Damages	-	-	-	-	-
3.	Incentive to Senior Management Staff	66.00	85.00	77.21	-	73.79
4.	Incentive to Management Staff	90.00	93.43	77.21	-	106.21
	<b>TOTAL</b>	<b>170.27</b>	<b>186.42</b>	<b>171.56</b>	<b>(17.14)</b>	<b>202.25</b>

**\*\* Notes:**

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

**50 LEASES:**

As a lessee, the Company previously classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Company. Under Ind AS 116, the Company recognizes right of use assets and lease liabilities for most leases i.e. these leases are on balance sheet.

The following table presents the various components of lease costs: (Rs. in Lakhs)

Particulars	Amount as on period ended 31st March, 2023	Amount as on period ended 31st March, 2022
Depreciation charge on right-to-use asset	151.56	7.28
Interest on Lease Liabilities	54.91	0.96
Total cash outflow for leases	165.56	7.85
Carrying amount of right-to-use asset	633.53	6.37



- 51 Balance of Trade Receivable includes Rs. 74.92 Lakhs (March 2021: Rs. 109.61 Lakhs) which are overdue for which no provision has been made in the accounts as the Management is hopeful of recovery.
- 52 Balances of Trade Receivables, Trade Payables and Loans and Advances are subject to confirmation and consequential adjustment, if any.

**53 Fair Value Measurement-**

The fair value of Financial instrument as of March 31,2023 and March 31,2022 were as follows- (Rs. in Lakhs)

Particulars	March 31,2023	March 31,2022	Fair value Hierarchy	Valuation Technique
Assets-				
Investment in Equity Instruments through OCI	52,260.30	46,057.41	Level-1	Quoted Market Price
Investment in Mutual Funds through FVTPL	-	167.14	Level-1	Quoted Market Price
Investment in Mutual Funds through FVTPL	13,976.31	11,079.44	Level-1	Unquoted Market Price
Investment in equity share of subsidiary at cost	1.00	-	Level-1	Unquoted Market Price
<b>Total</b>	<b>66,237.61</b>	<b>57,304.00</b>		

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

- 54 The Board of Directors of the Company have considered and declared an Interim Dividend of Rs. 0.5 (50%) per equity share of Rs. 1/- each during the financial year 22-23.
- 55 During the year the Company had set up a Wholly-owned subsidiary namely "Indef Manufacturing Limited" by subscribing to its 100% share capital through Memorandum of Association on 12th September 2022. During the current Year, the company has transferred the amount of paid up capital of Rs. 1 Lakh on 12th October 2022. The Company has submitted scheme of arrangement between Hercules Hoists Limited and Indef Manufacturing Limited for demerger on 12 October 2022 at BSE limited and National Stock of Exchange of India Limited for their review purpose. The Current status of the same is " Demerger is approved by NSE ,BSE and pending for approval from NCLT".
- 56 No proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- 57 The Company has no transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.
- 58 The Company has neither traded nor invested in crypto currency or virtual currency during the year.
- 59 The Company has compliance with section 135 and related provisions of the Corporate Social Responsibility. Please refer director report for the details deport on Corporate social responsibility
- 60 The previous year figures have been regrouped/reclassified, wherever necessary to conform to the current presentation as per the schedule III of Companies Act, 2013.

As per our report of even date attached

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

**KUNAL VAKHARIA**  
**PARTNER**  
**MEMBERSHIP NO. 148916**

**PLACE : MUMBAI**  
**DATED : 26/05/2023**

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

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

**AMIT BHALLA**  
**PRESIDENT & CEO**

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

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

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

## INDEPENDENT AUDITOR'S REPORT

To,

The Members of **HERCULES HOISTS LIMITED**

### Report on Audit of the Consolidated Financial Statements

#### Opinion

We have audited the accompanying Consolidated Financial Statements of **HERCULES HOISTS LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiary company Indef Manufacturing Limited (the Holding Company and its subsidiary together referred to as "the Group"), which comprise of the Consolidated Balance Sheet as at March 31, 2023 and the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement for the year then ended, and notes to the Consolidated Financial Statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("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 their Consolidated state of affairs of the Group as at March 31, 2023, of Consolidated Profit (including other comprehensive loss), Consolidated Statement of Changes in Equity and its Consolidated Cash Flows for the year then ended.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements Section of our report. We are independent of the Group in accordance with the Code of Ethics issued by The Institute of Chartered Accountant of India (ICAI), and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Act. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters

Sr. No.	Key Audit Matter	Response To Key Audit Matter
1	<p><b>Warranty Provisions</b></p> <p>The Holding Company's product warranties primarily cover expected costs to repair or replace components with defects or functional errors. Warranties are usually granted for one year to two-year period.</p> <p>We focused on this area as the completeness and valuation of the expected outcome of warranty provisions requires a high degree of Management judgment and the use of estimates giving rise to inherent uncertainty in the amounts recorded in the Standalone Financial Statements.</p> <p>(For the year ended March 31, 2023 the Company has provided free replacement of Rs.31.38 Lakhs which is approximately 0.31% compared to last year's total turnover.)</p>	<p><b>Principal Audit Procedures</b></p> <p>Our procedures included but were not limited to:</p> <ul style="list-style-type: none"> <li>• Testing of relevant internal controls regarding completeness of warranty provisions and how management assesses valuation of provisions.</li> <li>• We assessed the assumptions underlying the valuation of provisions by checking and corroborating the inputs used to calculate the provisions, including interviewing Management regarding individual cases. We assessed specific warranty provisions held for individual cases to evaluate whether the warranty provisions were sufficient to cover expected costs at year-end.</li> <li>• Further, we assessed the level of historical warranty claims to assess whether the total warranty provisions held at year-end were sufficient to cover expected costs in light of known and expected cases and standard warranty periods provided.</li> </ul> <p>From the procedures performed and bases on historical data we have no matters to report.</p>



<b>2</b>	<p><b>Inventory Valuation</b></p> <p>As at March 31, 2023 the Company held Rs. 2902.42 Lakhs of inventory. Given the size of the inventory balance relative to the total assets of the Company and the estimates and judgments described below, the valuation of inventory required significant audit attention.</p> <p>As disclosed in Note No. 2(F), inventories are held at the lower of cost or net realisable value determined using the weighted average cost method. At year end, the valuation of inventory is reviewed by management and the cost of inventory is reduced where inventory forecasts to be sold below cost.</p> <p>Management undertake the following procedure for determining the level of write down required:</p> <ul style="list-style-type: none"> <li>• Use Inventory ageing report to check slow moving &amp; non-moving inventory;</li> <li>• For inventory aged greater than one year, management apply a percentage based write down to inventory. The percentage are derived from historical level of write down;</li> </ul>	<p><b>Principal Audit Procedures</b></p> <p>We have performed the following procedures over the valuation of inventory:-</p> <ul style="list-style-type: none"> <li>• For sample inventory items, re-performed the weighted average cost calculation and compared the weighted average cost to the last purchase invoices;</li> <li>• We tested that the ageing report used by management correctly aged inventory items by agreeing a sample of aged inventory items to the last recorded invoice;</li> <li>• On a sample basis we tested the net realizable value of inventory lines with recent selling prices of finished goods wherein these raw materials are used;</li> <li>• We assessed the percentage write down applied to older inventory with reference to historic inventory write downs and recoveries on slow moving inventory; and</li> <li>• We re-performed the calculation of the inventory write down.</li> </ul> <p>We also made enquiries with the management and considered the results of our testing above to determine whether any specific write downs were further required.</p> <p>From the procedures performed we have no matters to report.</p>
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**Other Information**

The Holding Company’s Management and the Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company’s Annual Report but does not include the financial statements and our Auditors’ Report thereon.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

The Holding Company’s Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, the consolidated financial performance, the consolidated changes in equity and the consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the each entity.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entity included in the consolidated financial statements of which we are the independent auditors.

We communicate with those charged with governance of the Holding Company and such other entity included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on other Legal and Regulatory Requirements**

As required by Section 143(3) of the Act, based on our audit, we report, to the extent applicable, 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 of the aforesaid Consolidated Financial Statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept by the Holding Company, its subsidiary included in the group, so far as appears from our examination of those books.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Expense), and the Consolidated Cash Flow Statement and the Consolidated statement of changes in equity dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.



- d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Holding Company and a Subsidiary Company incorporated in India as on March 31, 2023 and taken on record by the Board of Directors of the Holding Company, we report that none of the directors of the Group is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and its subsidiary Company incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure A".
- g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Group has disclosed the impact of pending litigations on its financial position in its Consolidated Financial Statements (Refer Note. 29(a) to the Ind As Consolidated Financial Statements)
  - ii. The Group did not have any material foreseeable losses on long-term contracts including derivatives contracts.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company.
  - iv. a. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
    - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
    - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
  - b. The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Group from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
    - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
    - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and
  - c. Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under subclause (d) (i) and (d) (ii) contain any material mis-statement.
- v. The dividend declared or paid during the year by the Company is in compliance with Section 123 of the Act.

**For Kanu Doshi Associates LLP**  
**Chartered Accountants**  
**FRN. No. 104746W/W100096**

**Kunal Vakharia**  
**Partner**  
**Membership no. 148916**  
**UDIN:23148916BGUSYR5305**  
Place: Mumbai  
Date: 26<sup>th</sup> May 2023

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## **ANNEXURE B TO THE AUDITORS' REPORT**

(Referred to in paragraph 2(f) of 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

### **Report on the Internal Financial Controls under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the Consolidated Financial Statements of **HERCULES HOISTS LIMITED** ("the Holding Company") as of and for the year ended March 31, 2023, we have audited the internal financial controls over financial reporting of the Holding Company and its subsidiary Company which is a Company incorporated in India, as of that date.



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

The respective Board of Directors of Holding Company and its subsidiary Company incorporated in India are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company and 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 Holding 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 Act.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company and its subsidiary Company incorporated in India, 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 Act, to the extent applicable to an audit of internal financial controls both issued by the ICAI. 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 Consolidated 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 Holding Company and its subsidiary Company incorporated in India and internal financial control 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 Holding Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the Financial Statements.

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

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

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary Company incorporated in India, have, 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 March 31, 2023, based on the internal control over financial reporting criteria established by the Holding Company and its subsidiary Company incorporated in India considering the essential components of internal control stated in the Guidance Note.

**For Kanu Doshi Associates LLP**  
**Chartered Accountants**  
**FRN. No. 104746W/W100096**

**Kunal Vakharia**  
**Partner**  
**Membership no. 148916**  
**UDIN:23148916BGUSYR5305**  
Place: Mumbai  
Date: 26<sup>th</sup> May 2023

**CONSOLIDATED BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2023****(Rs. in Lakhs)**

Particulars	Note No.	As at 31 Mar 2023
<b>ASSETS</b>		
<b>1 Non - Current Assets</b>		
(a) Property, Plant and Equipment	3	2,835.89
(b) Investment Property	4	-
(c) Other Intangible Assets	5	102.26
(d) Intangible assets under development	6	-
(e) Right-to-use assets	7	633.53
(f) Financial assets		
(i) Non Current Investments	8	59,929.23
(ii) Other Non Current financial assets	9	61.86
(g) Other non - current tax assets (Net)	10	85.26
(h) Other non - current assets	11	38.86
<b>Total Non - Current Assets</b>		<b>63,686.90</b>
<b>2 Current assets</b>		
(a) Inventories	12	2,902.42
(b) Financial Assets		
(i) Current Investments	13	6,307.38
(ii) Trade receivables	14	1,100.30
(iii) Cash and cash equivalents	15	1,580.85
(iv) Bank balances other than (iii) above	16	21.32
(v) Loans	17	1,000.00
(vi) Other financial assets	18	105.65
(c) Other Tax Assets	19	431.42
(d) Other Current Assets	20	243.68
<b>Total Current Assets</b>		<b>13,693.01</b>
<b>TOTAL ASSETS</b>		<b>77,379.91</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
(a) Equity Share capital	21	320.00
(b) Other Equity	22	70,344.45
<b>Total Equity</b>		<b>70,664.45</b>
<b>LIABILITIES</b>		
<b>1 Non-Current Liabilities</b>		
(a) Financial Liabilities		
(i) Lease Liabilities	23	542.22
(ii) Other non current financial liabilities	24	66.00
(b) Deferred Tax Liabilities (Net)	25	3,163.40
<b>Total Non - Current Liabilities</b>		<b>3,771.62</b>
<b>2 Current Liabilities</b>		
(a) Financial Liabilities		
(i) Lease liabilities	26	132.71
(ii) Trade payables	27	53.23
Dues of micro and small enterprises		8.66
Dues other than micro and small enterprises"		1,745.61
(iv) Other financial liabilities	28	8.66
(b) Other Current Liabilities	29	642.98
(c) Provisions	30	244.92
(d) Current Tax Liabilities (Net)	31	115.74
<b>Total current liabilities</b>		<b>2,943.84</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>77,379.91</b>

**Summary of significant accounting policies.**

2

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

As per our report of even date attached

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

**KUNAL VAKHARIA**  
**PARTNER**  
MEMBERSHIP NO. 148916

PLACE : MUMBAI  
DATED : 26/05/2023

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

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

**AMIT BHALLA**  
**PRESIDENT & CEO**

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

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

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

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2023**

(Rs. in Lakhs)

Particulars	Note No.	2022-23
Revenue from Operations	33	15,077.08
Other Income	34	1,768.58
<b>Total Income</b>		<b>16,845.66</b>
Expenses		
Cost of material consumed	35	8,774.28
Changes in inventories of Finished goods and Work - in -progress	36	(253.05)
Employee benefit expenses	37	1,931.19
Finance Cost	38	54.91
Depreciation & amortization expenses	39	395.65
Other Expenses	40	2,954.27
<b>Total Expenses</b>		<b>13,857.25</b>
Profit before exceptional items & tax		2,988.41
Add: Exceptional Items		
Loss on Sale of Windmill	41	(73.46)
Profit on Sale of Land	41	8,696.16
Profit/(Loss) before tax		11,611.12
Less: Tax expenses		
(1) Current tax		
of Current year		1,022.08
of Earlier years		116.01
(2) Deferred tax		
of Current year		143.26
of Earlier years		-
<b>Total Tax Expenses</b>		<b>1,281.35</b>
<b>Profit After Tax</b>	A	<b>10,329.76</b>
Other Comprehensive Income		
A. (i) Items that will be reclassified to profit or loss		-
(ii) Income tax relating to items that will be reclassified to profit or loss		-
B. (i) Items that will not be reclassified to profit or loss		(975.80)
(ii) Income tax relating to items that will not be reclassified to profit or loss		161.51
Total Other Comprehensive Income for the year	B	(814.29)
Total Comprehensive Income for the year	(A+B)	9,515.47
Earning per equity share (Face Value of Rs. 1/- each)	42	
(1) Basic		32.28
(2) Diluted		32.28
<b>Summary of significant accounting policies</b>	2	

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

As per our report of even date attached  
**FOR KANU DOSHI ASSOCIATES LLP**  
**CHARTERED ACCOUNTANTS**  
 Firm's Registration Number: 104746W/W100096

**KUNAL VAKHARIA**  
**PARTNER**  
**MEMBERSHIP NO. 148916**

**PLACE : MUMBAI**  
**DATED : 26/05/2023**

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

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

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023****(Rs. in Lakhs)**

Particulars	2022-23
<b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>	
Net Profit before tax & Extraordinary Items	11,611.12
Adjustment for:	
Dividend income on from Equity Instruments designated at FVOCI	(734.35)
Dividend income on from Mutual Fund designated at FVTPL	-
Depreciation /Amortisation	244.09
Interest Income	(235.91)
Reclassification of remeasurement of employee benefits	(12.34)
Lease effect	40.91
Bad debts	-
Allowance for Bad Debts	2.16
Provision for Slow Moving and Non Moving	(108.51)
Net gain on sale of investments	(620.82)
(Profit)/Loss on Sale of Assets/Discarded Assets (Net)	(0.11)
Loss on sale of windmill	73.46
Profit on sale of Land	(8,696.16)
Excess Provision written back (Net)	(106.45)
Sundry balance written off/(written) (Net)	(12.85)
Exchange Rate Fluctuation (Net)	(12.80)
	<u>(10,179.69)</u>
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>1,431.43</b>
<b>ADJUSTMENTS FOR WORKING CAPITAL CHANGES :</b>	
Other non - current assets	(17.62)
Inventories	(189.01)
Trade Receivable	(276.72)
Other Bank Balances	89.26
Other Non Current financial assets	15.01
Other financial assets	16.88
Other current assets	(18.58)
Other non current financial liabilities	5.00
Trade payables	340.71
Other current financial liabilities	-
Other financial liabilities	-
Other current liabilities	461.78
Provisions	47.51
	<u>474.23</u>
Cash Generated from Operations	1,905.66
Direct Taxes Paid/(Refund)	903.54
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>1,002.12</b>

**B) CASH FLOW FROM INVESTING ACTIVITIES**

Loan (given)/returned	650.00	
Purchase of Fixed Assets including Capital Work in Progress	(472.11)	
Sale of Fixed Assets	7,960.44	
Amount received against assets held for sale	-	
Investment in Wholly owned subsidiary	-	
Purchase of Non Current Investments	2,430.82	
Sale of Non Current Investments	(11,706.08)	
Interest Received	351.57	
Dividend Received	734.35	
		(51.00)
NET CASH USED IN INVESTING ACTIVITY		(51.00)

**C) CASH FLOW FROM FINANCING ACTIVITIES**

Rent paid on Lease Asset	-	
Dividend Paid	(752.00)	
		(752.00)
NET CASH USED IN FINANCING ACTIVITY		(752.00)
NET CHANGES IN CASH & CASH EQUIVALENTS(A+B+C)		199.12
OPENING BALANCE OF CASH & CASH EQUIVALENTS		1,381.72
CLOSING BALANCE OF CASH & CASH EQUIVALENTS		1,580.85
		199.12

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

1 Cash and Cash Equivalents Includes: (Refer Note No 16)

CASH IN HAND	5.40
BALANCE WITH BANKS	
- In Current Account	75.45
- In Fixed Deposits	1,500.00
	1,580.85

As per our report of even date attached

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

KUNAL VAKHARIA  
 PARTNER  
 MEMBERSHIP NO. 148916

PLACE : MUMBAI  
 DATED : 26/05/2023

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

SHEKHAR BAJAJ  
 CHAIRMAN  
 DIN- 00089358

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 COMPANY SECRETARY

H A NEVATIA  
 WHOLE TIME DIRECTOR  
 DIN-00066955

VIJAY SINGH  
 CHIEF FINANCIAL OFFICER

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2023****A. Equity Share Capital****(Rs. in Lakhs)**

Particulars	No of Shares	Amount
Balance at at 31st March, 2022	32,000,000	320.00
Changes in equity share capital during the year	-	-
Balance at at 31st March, 2023	32,000,000	320.00

**B. Other Equity**

Particulars	Reservers and Surplus			Other items of Other comprehensive income		Total
	Capital Reserve	General Reserves	Retained Earnings	Remeasure-ment of net defined benefit plans	Fair Value through Other Comprehen-sive Income of Equity Investments	
Balance at at 31st March, 2022	5.14	17,095.11	5,105.92	(48.27)	39,423.07	61,580.98
Profit for the year	-	-	10,329.76	-	-	10,329.76
Final Dividend paid	-	-	(752.00)	-	-	(752.00)
Dividend distribution Tax paid	-	-	-	-	-	-
IND AS 116 Effect	-	-	-	-	-	-
Remeasurements of Defined Benefit Plan	-	-	-	(9.23)	-	(9.23)
Fair Value effect of Investments of shares	-	-	-	-	(805.06)	(805.06)
Balance at at 31st Mar, 2023	5.14	17,095.11	14,683.69	(57.50)	38,618.01	70,344.45

As per our report of even date attached

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

KUNAL VAKHARIA  
 PARTNER  
 MEMBERSHIP NO. 148916

PLACE : MUMBAI  
 DATED : 26/05/2023

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

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 DIN-00066955

VIJAY SINGH  
 CHIEF FINANCIAL OFFICER

## SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

### 1 Company Overview

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

Indef Manufacturing Ltd. Is established on 12th Septemeber, 2022 it is 100% owned by Hercules Hoists Ltd.

The consolidated financial statements includes financial statements of Hercules Hoists Ltd. and its 100% subsidiary Indef Manufacturing Ltd (together referred as group).

### 2 Significant Accounting Policies

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

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

##### i) Compliance with Ind AS

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

The consolidated financial statements were authorized for issue by the Company's Board of Directors as on May 26,2023.

##### ii) Historical Cost Convention

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

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

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

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

#### Basis of Consolidation

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting polices other than those adopted in the consolidated financial statements for like transactions and other events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies. The financial statement of Indef manufacturing Ltd. used for the purpose of consolidation are drawn upto same reporting date as that of the parent Group i.e., year ended 31st March .

#### Consolidation procedure:

Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.

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

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

**(C) Financial Instruments**

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

**(I) Financial Assets****(i) Classification**

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

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

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

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

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

**(ii) Measurement**

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

**(a) Debt instruments**

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

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

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

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



**(b) Equity Instruments**

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

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

**(iii) Impairment of Financial Assets**

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

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

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

**(iv) Derecognition of financial assets**

A financial asset is derecognised only when -

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

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

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

**(II) Financial Liabilities****(i) Measurement**

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

**(ii) Derecognition**

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

**(D) Financial Guarantee Contracts**

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

**(E) Segment Report**

- (i) The Group identifies primary segment based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segment 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 Group operate.

**(F) Inventories Valuation**

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

**(G) Cash and Cash Equivalents**

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

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

**(H) Income tax and deferred tax**

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

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

**(i) Current Income Tax**

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

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

**(ii) Deferred Tax**

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

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

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

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

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

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

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

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

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

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

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

### **(J) Investment Property**

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

**(K) Intangible Assets**

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

**(L) Leases****(i) As a lessee**

As a lessee, the Group previously classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Group. Under Ind AS 116, the Group recognizes right of use assets and lease liabilities for most leases i.e. these leases are on balance sheet.

On transition, the Group has applied following practical expedients:

- Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with similar end date.
- Applied the exemption not to recognise right-of-use-assets and liabilities for leases with less than 12 months of lease term on the date of transition.
- Excluded the initial direct costs from the measurement of the right-of -use-asset at the date of transition.
- Grandfathered the assessment of which transactions are, or contain leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.
- Relied on its assessment of whether leases are onerous, applying Ind AS 37 immediately before the date of initial application as an alternative to performing an impairment review.
- Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

**(ii) As a lessor**

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

**(M) Revenue Recognition**

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

**(I) Sales****(i) The Group recognizes revenue from sale of goods when:**

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

**(ii) Sales of Power**

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

**(II) Other Income****(i) Interest Income**

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

**(ii) Dividends**

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

**(iii) Export Benefits**

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

**(iv) Income from Erection & Commissioning Services:**

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

**(N) Employee Benefit****(i) Short-Term Obligations**

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

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

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

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

**(iii) Post-Employment Obligations**

The group operates the following post-employment schemes:

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

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



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

**(b) Defined Contribution Plan:**

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

**(O) Foreign Currency Translation****(i) Functional and Presentation Currency**

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

**(ii) Transactions and Balances**

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. All the foreign exchange gains and losses are presented in the statement of Profit and Loss on a net basis within other expenses or other income as applicable.

**(P) Borrowing Cost**

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

**(Q) Earnings Per Share****(i) Basic earnings per share**

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company; and
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

**ii) Diluted earnings per share**

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares; and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

**(R) Impairment of Assets**

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

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

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss.

**(ii) Contingent Liabilities:**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognise a contingent liability but discloses its existence in the consolidated financial statements.

**(iii) Contingent Assets:** Contingent Assets are disclosed, where an inflow of economic benefits is probable.

**(T) Investments**

Equity investments are measured at fair value, with value changes recognised in Other Comprehensive Income, except for those mutual fund for which the Group has elected to present the fair value changes in the Statement of Profit and Loss.

**(U) Trade Receivables**

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

**(V) Trade and Other Payables**

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

**(W) Operating Cycle**

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

**3 PROPERTY, PLANT AND EQUIPMENT**

(Rs. in Lakhs)

Particulars	Gross Carrying Amount			Depreciation/Impairment Losses				Net Carrying Amount		
	As At 01.04.2022	Purchase During The Year	Deduction During The Year	As At 31.03.2023	Up To 01.04.2022	Dep. For The Year	Impairment Losses	Deduction During The Year	As At 31.03.2023	As At 31.03.2023
Freehold Land	36.29	-	-	36.29	-	-	-	-	-	36.29
Leasehold Land	10.78	-	-	10.78	2.94	0.49	-	-	3.43	7.35
Buildings (Refer Note No 3.1)	1,664.51	28.51	-	1,693.02	271.31	45.75	-	-	317.07	1,375.96
Windmill Plant	298.01	-	298.01	-	134.65	9.90	-	144.55	-	-
Plant & Machinery	772.31	166.48	-	938.79	43.96	62.77	-	-	106.73	832.06
Computers	115.49	136.81	1.00	251.30	74.40	31.47	-	0.29	105.58	145.71
Jigs & Fixtures	4.62	-	-	4.62	3.15	0.43	-	-	3.58	1.04
Factory Fixtures	119.30	-	-	119.30	56.62	9.86	-	-	66.48	52.82
Machine Accessories	5.56	-	-	5.56	2.14	0.57	-	-	2.71	2.85
Dies & Patterns (Refer Note No 3.2)	150.07	29.50	-	179.57	32.79	10.40	-	-	43.19	136.38
Electrical Installations	81.57	-	-	81.57	59.12	3.02	-	-	62.14	19.43
Furniture & Fixtures	260.52	12.58	-	273.10	120.72	22.15	-	-	142.87	130.23
Vehicles	89.58	-	-	89.58	17.61	10.21	-	-	27.82	61.76
Office Equipments	96.95	14.71	2.25	109.42	68.07	8.07	-	0.73	75.40	34.01
<b>Total Property, Plant and Equipment</b>	3,705.56	388.60	301.26	3,792.90	887.49	215.09	-	145.57	957.01	2,835.89

**Note No. 3.1: Buildings**

- (i) Building includes Rs.0.005 Lakhs being the cost of 10 shares of Bajaj Bhavan Owner's Co-operative Society of Rs.50 each fully paid up.  
 (ii) Building includes Rs.0.044 Lakhs being shares application of Co-operative Premises Society.

**Note No. 3.2: Dies & Patterns :** Fixed Assets includes dies & patterns written down amounts of Rs. 136.38 lakhs lying at Vendors/Job workers.



**4 INVESTMENT PROPERTY**

(Rs. in Lakhs)

Particulars	Gross Carrying Amount				Depreciation/Impairment Losses					Net Carrying Amount
	As At 01.04.2022	Purchase During The Year	Deduction During The Year	As At 31.03.2023	Up To 01.04.2022	Dep. For The Year	Impai- Rment Losses	Deduction During The Year	As At 31.12.2023	As At 31.12.2023
Freehold Land	-	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-	-
<b>Total Investment Property</b>	-	-	-	-	-	-	-	-	-	-

Amount recognised in profit or loss for Investment Properties

Particulars	March 31st, 2023
Rental Income	Nil
Direct operating expenses from property that did not generate rental income.	27.18
There are no restrictions on the realisability of investment property.	
The company is using same life for the same class of asset as applicable for property plant and equipment.	
The company was using the property as godown for old machinery, in FY 2022-23 company sold the property.	
Fair Value	
There is no investment property as on 31st March 2023.Hence no fair valuation required	

**5 OTHER INTANGIBLE ASSETS**

(Rs. in Lakhs)

Particulars	Gross Carrying Amount				Depreciation/Impairment Losses					Net Carrying Amount
	As At 01.04.2022	Purchase During The Year	Deduction During The Year	As At 31.03.2023	Up To 01.04.2022	Dep. For The Year	Impai- Rment Losses	Deduction During The Year	As At 31.03.2023	As At 31.03.2023
Computer Software	295.23	83.50	-	378.73	251.01	29.00	-	-	280.01	98.72
Trade Mark	3.54	-	-	3.54	-	-	-	-	-	3.54
<b>Total Other Intangible Assets</b>	298.77	83.50	-	382.27	251.01	29.00	-	-	280.01	102.26

**6 INTANGIBLE ASSETS UNDER DEVELOPMENT**

(Rs. in Lakhs)

Particulars	As At 01.04.2022	Addition During The Year	Deduction During The Year	As At 31.03.2023
Intangible assets under development	-	-	-	-

**7 RIGHT-TO-USE ASSETS**

(Rs. in Lakhs)

Particulars	As At 01.04.2022	Addition During The Year	Deduction During The Year	As At 31.03.2023
Asset Taken Under Lease	6.37	778.72	151.56	633.53


**8 NON CURRENT INVESTMENTS**

(Rs. in Lakhs)

Particulars	Face Value	QTY	As at March 31, 2023
<b>Non Trade Investments</b>			
<b>Quoted</b>			
<b>Equity Instruments (At FVOCI)</b>			
Bajaj Holdings & Investment Ltd.	10	415,516	<b>24,596.26</b>
Bajaj Auto Ltd.	10	182,590	<b>7,091.52</b>
Bajaj Finserv Ltd.	1	1,105,630	<b>14,001.15</b>
Bajaj Electricals Ltd.	2	624,596	<b>6,571.37</b>
<b>Mutual Funds (At FVTPL)</b>			
HDFC FMP 1381D	10	-	-
<b>Total Value of Quoted Investments</b>		<b>(A)</b>	<b>52,260.30</b>
<b>Unquoted</b>			
<b>Mutual Funds (At FVTPL)</b>			
Reliance Short Term Fund	10	511,780	<b>227.07</b>
HDFC Psu Debt Fund	10	1,141,793	<b>221.52</b>
HDFC Credit Risk Debt Fund	10	3,641,473	<b>737.64</b>
ICICI Prudential Income Opportunities Fund	10	1,233,246	<b>411.76</b>
Kotak Medium Term Fund	10	933,371	<b>176.79</b>
ICICI Prudential Credit Risk Fund	10	2,671,799	<b>707.55</b>
HDFC Short Term Debt Fund - Regular Plan	10	3,017,190	<b>809.27</b>
ICICI Prudential Corporate Bond Fund	10	2,268,162	<b>566.41</b>
Axis Banking & Psu Debt Fund	10	12,383	<b>276.58</b>
HDFC Corporate Bond Fund	10	3,079,614	<b>837.04</b>
Kotak Banking And Psu Debt Fund	10	1,242,589	<b>684.41</b>
Kotak Nifty Index Fund Regular- Growth	10	9,262,496	<b>958.59</b>
ICICI Prudential PSU Bond Plus SDL 40 60 Index Fund - Sep 2027 - Regular Plan - Growth	10	10,098,610	<b>1,054.28</b>
<b>Total Value of Unquoted Investments</b>		<b>(B)</b>	<b>7,668.93</b>
<b>Total of Non-Current Investments</b>		<b>(A+B)</b>	<b>59,929.23</b>

**9 OTHER NON CURRENT FINANCIAL ASSETS**

(Rs. in Lakhs)

Particulars	As at March 31, 2023
(Unsecured, Considered Goods, unless specified otherwise)	
Deposits	<b>61.86</b>
	<b>61.86</b>

**10 OTHER TAX ASSETS (NET)**

(Rs. in Lakhs)

Particulars	As at March 31, 2023
Advance Tax and Tax Deducted at Source (Net of Current Tax Provisions) (Refer Note No 25.1)	85.26
	<b>85.26</b>

**11 OTHER NON CURRENT ASSETS**

(Rs. in Lakhs)

Particulars	As at March 31, 2023
(Unsecured, Considered Goods, unless specified otherwise)	
Capital Advances	-
Advance recoverable in cash or kind or for value to be received	38.86
	<b>38.86</b>

**12 INVENTORIES**

(Rs. in Lakhs)

Particulars	As at March 31, 2023
Raw Material (Refer Note No 12.1 & Note No 12.2)	2,205.78
Work-in-progress	70.42
Finished Goods	611.86
Stores & Spares	14.36
	<b>2,902.42</b>

Note No 12.1: Raw Material inventory net off provision for slow moving and non moving of Rs. 108.51 lakhs.

Note No 12.2: During the Previous year, the Group had amended its policy for diminution of slow & non-moving inventory and accordingly has written off old stock. The Group had also carried out physical verification of its complete inventory during the previous year and those changes/verification had resulted into a net loss of Rs. 280.58 lakhs in the previous year. During the current year, the physical verification of the inventory has been conducted at reasonable intervals and the discrepancies noticed were not material and have been properly dealt with in the books of accounts.

**13 CURRENT INVESTMENTS**

(Rs. in Lakhs)

Particulars	Face Value	QTY	As at March 31, 2023
<b>Unquoted</b>			
<b>Investments in mutual funds (FVTPL)</b>			
Aditya Birla Sun Life Money Manager Fund- Growth Regular Plan	10	237,851.88	744.54
HDFC ULTRA SHORT TERM FUND	10	2,118,783.72	273.79
ICICI Bank Ultra Short Term Fund Growth	10	2,936,309.43	693.33
HDFC Money Market Fund Collection	10	13,245.94	641.66
Kotak Savings Fund	10	511,774.22	187.84
Aditya Birla Sun Life Savings Fund -Growth Regular Plan	10	181,218.66	841.14
AXIS TREASURY ADVANTAGE FUND	10	9,425.32	247.27
Aditya Birla Sun Life Low Duration Fund	10	21,942.63	123.31
ICICI Prudential Saving Fund	10	190,520.10	871.61
Kotak Equity Arbitrage Fund	10	2,107,907.94	670.63
ABSL Overnight Fund Regul	10	83,929.37	1,012.27
			<b>6,307.38</b>

**14 TRADE RECEIVABLES** (Refer Note No 14.1)

(Rs. in Lakhs)

Particulars	As at March 31, 2023	
Unsecured		
Considered Goods (Refer Note No 51)	1,100.30	
Considered Doubtful	138.02	
	<u>1,238.32</u>	
Less: Impairment allowance (Allowance for bad and doubtful debts)	(138.02)	1,100.30
		<u>1,100.30</u>

**Note No 14.1:** The average credit period ranges from 1 to 5 days for Sales through Associated Business Patterns (ABP), and for Direct customers/Project order depending upon Terms of the Purchase Orders. No interest is charged on trade receivables during credit period of ABPs. Thereafter, interest is charged at 21% p.a. on the outstanding balance.

Ageing for trade receivables - billed outstanding as at March 31, 2023 is as follows:

Particulars	Less Than 6 months	6 months - 1 years	1 - 2 years	2 - 3 years	More than 3 years	Total
Undisputed trade receivables – considered good	945.81	65.15	24.19	14.94	188.22	1,238.32
Undisputed trade receivables – which have significant increase in credit risk	-	-		-	-	-
Undisputed trade receivables – credit impaired	-	-		-	-	-
Disputed trade receivables – considered good	-	-		-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-		-	-	-
Disputed trade receivables – credit impaired	-	-		-	-	-
<b>Total</b>	945.81	65.15	24.19	14.94	188.22	1,238.32
Less: Allowance for doubtful trade receivables	-	-		-	-	(138.02)
<b>Total Trade Receivables</b>						<b>1,100.30</b>

**15 CASH AND CASH EQUIVALENTS**

(Rs. in Lakhs)

Particulars	As at March 31, 2023
Balance With Banks	
- On Current account	75.45
Cash on Hand	5.40
Bank Fixed Deposits Account	1,500.00
	<u>1,580.85</u>

**16 BANK BALANCES**

(Rs. in Lakhs)

<b>Particulars</b>	<b>As at March 31, 2023</b>
Unpaid Dividend Account (Refer Note No 16.1)	8.66
Margin Money Account (Refer Note No 16.2)	12.66
Bank Fixed Deposits Account less than 12 Months for maturity	-
	<b>21.32</b>

**Note No. 16.1**

- (i) The Group can utilise balances only towards settlement of of the unpaid dividend.  
(ii) The Group has transferred Rs. 0.97 (31 March 2022 Rs. 1.14) in Investor Education Fund and Protection Fund during the year.

**Note No. 16.2**

Margin money deposits amounting to Rs. 12.66 lakhs are lying with bank against Bank Guarantees.

**17 LOANS**

(Rs. in Lakhs)

<b>Particulars</b>	<b>As at March 31, 2023</b>
(Unsecured, Considered Good, unless specified otherwise)	
<b>Other Loans &amp; Advances</b>	
Loan to Companies and Others (Refer Note No 17.2)	1,000.00
	<b>1,000.00</b>

Note No 17.1: The Group has surplus fund and hence has given loan to companies which is payable on demand and has taken loan for their working capital requirements. The rate of interest charged is 11 % which is higher than prevailing rate of interest charged for the same tenor of the Government securities.

**18 OTHER FINANCIAL ASSETS**

(Rs. in Lakhs)

<b>Particulars</b>	<b>As at March 31, 2023</b>
(Unsecured, Considered Good, unless specified otherwise)	
Security deposits	6.66
Advances to Staff	11.04
Other receivable (Wind mill Sale)	-
Interest Receivable	87.95
Assets Held for Sale	-
	<b>105.65</b>

**19 OTHER TAX ASSETS**

(Rs. in Lakhs)

<b>Particulars</b>	<b>As at March 31, 2023</b>
Advance Tax and Tax Deducted at Source	431.42
	<b>431.42</b>

**20 OTHER CURRENT ASSETS**

(Rs. in Lakhs)

Particulars	As at March 31, 2023
(Unsecured, Considered Good, unless specified otherwise)	
Balance with Central Excise	27.33
Advance to suppliers and service providers	154.75
Advance recoverable in cash or kind or for value to be received	61.60
	<b>243.68</b>

**21 EQUITY SHARE CAPITAL**

(Rs. in Lakhs)

Particulars	As at March 31, 2023
Authorized Share Capital	
40,000,000 Equity shares, Re. 1/- par value (31 March 2022: 40,000,000 equity shares Re. 1/- each)	400.00
	<b>400.00</b>
Issued, Subscribed and Fully Paid Up Shares	
32,000,000 Equity shares, Re. 1/- par value fully paid up (31 March 2022: 32,000,000 equity shares Re. 1/- each)	320.00
	<b>320.00</b>

**Note No 21.1: The reconciliation of the number of shares outstanding at the beginning and at the end of reporting period 31-03-2023:**

Particulars	As at March 31, 2023	
	No. of Shares	Amount
Number of shares at the beginning	32,000,000	320.00
Add: Shares issued during the year	-	
Less : Shares bought back (if any)	-	
<b>Number of shares at the end</b>	<b>32,000,000</b>	<b>320.00</b>

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

- (A) The Group 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 Group, the holders of equity shares will be entitled to receive remaining assets of the Group, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**Note No 21.3: The details of shareholders holding more than 5% shares in the Group :**

Particulars	As at March 31, 2023	
	No. of Shares	Amount
Bajaj Holdings & Investment Ltd.	6,251,040	19.53
Jamnalaal Sons Pvt. Ltd.	6,193,016	19.35
Bajaj Sevashram Pvt. Ltd.	1,868,000	5.84

Disclosure of shareholding of promoters as at March 31, 2023 is as follows:-

Promoter name	As at March 31, 2023	
	No. of shares	% of total shares
Kiran Bajaj	1,134,666	3.55
Kumud Bajaj	1,000	-
Madhur Bajaj	1,000	-
Niraj Bajaj Trust	552,000	1.73
Niraj Bajaj	1,094,400	3.42
Pooja Bajaj	554,667	1.73
Rajivnayan Bajaj	2,928	0.01
Sanjivnayan Bajaj Trust	2,928	0.01
Sanjivnayan Bajaj Trust	2,928	0.01
Shekhar Bajaj	906,400	2.83
Sanjivnayan Bajaj	2,400	-
Vanraj Anant Bajaj	554,667	1.73
Kumud Bajaj Trust	506,133	1.58
Madhur Bajaj Trust	506,133	1.58
Kumud Bajaj A/c Madhur Neelima Family Trust	126,534	0.40
Kumud Bajaj A/c Madhur Nimisha Family Trust	126,534	0.40
Madhur Bajaj A/c Kumud Bajaj Neelima Family Trust	126,533	0.40
Madhur Bajaj A/c Kumud Bajaj Nimisha Family Trust	126,533	0.40
Bachhraj Factories Private Limited	1,235,280	3.86
Bajaj Holdings And Investment Limited	6,251,040	19.53
Bajaj Sevashram Private Limited	1,868,000	5.84
Jamnalal Sons Private Limited	6,193,016	19.35
Shekhar Holdings Private Limited	400,000	1.25
<b>Total</b>	<b>22,275,720</b>	<b>69.61</b>

**Note No 21.4:** The details of Dividend paid per share is as under-

Year	Dividend paid per share
2022-23- Proposed	2.50
2022-23 (Interim Dividend)	0.50
2021-22	1.85
2021-22 (Interim Dividend)	0.75
2020-21	1.50
2019-20	1.80

**22 OTHER EQUITY**

(Rs. in Lakhs)

<b>Particulars</b>	<b>As at March 31, 2023</b>
<b>Reserves &amp; surplus*</b>	
Capital Reserve #	5.14
General Reserves ##	17,095.11
Retained earnings	14,683.69
<b>Other Comprehensive Income (OCI)</b>	
-Remeasurement of net defined benefit plans	(57.50)
-Fair Value of Equity Investments through OCI	38,618.01
	<u>70,344.45</u>

# Capital reserve mainly represents amount transferred on amalgamation of INDEF Marketing Pvt. Ltd.

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

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

**23 LEASE LIABILITIES (Non Current)**

(Rs. in Lakhs)

<b>Particulars</b>	<b>As at March 31, 2023</b>
Lease Liabilities	542.22
	<u>542.22</u>

**24 OTHER NON CURRENT FINANCIAL LIABILITIES**

(Rs. in Lakhs)

<b>Particulars</b>	<b>As at March 31, 2023</b>
Deposits (Refer Note No 24.1)	66.00
	<u>66.00</u>

**Note No 24.1:** Deposit from customers and others are interest free deposit from Associate Business Partner

**25 DEFERRED TAX LIABILITIES (NET)**

(Rs. in Lakhs)

<b>Particulars</b>	<b>As at March 31, 2023</b>
Deferred tax liabilities (Net) (Refer Note 25.1)	3,163.40
	<u>3,163.40</u>



## Note No.: 25.1

Particulars	Net balance as at 1 April 2022	Recognised in statement of profit and loss	Recognised in OCI	Net balance as at 31st March 2023
<b>Deferred Tax (Assets)/Liabilities</b>				
Property, plant and equipment/Investment Property/Other Intangible Assets	263.96	13.25	-	<b>250.72</b>
Fair Value through Profit & Loss	333.36	(119.36)	-	<b>452.72</b>
Equity Instruments designated at FVOCI	2,698.19	-	158.40	<b>2,539.79</b>
Actuarial Gain/Loss on Employee Benefits	(13.62)	-	3.10	<b>(16.73)</b>
Actuarial Gain/Loss on Employee Benefits	13.62	(3.10)	-	<b>16.73</b>
Expenses allowable under income tax on payment basis	(3.21)	(1.45)	-	<b>(1.75)</b>
Provision for warranty	(3.59)	2.01	-	<b>(5.60)</b>
Lease effect - IND AS 116	(0.12)	10.30	-	<b>(10.42)</b>
Provision for Slow Moving and Non Moving items	-	27.31	-	<b>(27.31)</b>
Allowance for Bad & Doubtful Debts	(106.94)	(72.21)	-	<b>(34.74)</b>
<b>Total</b>	<b>3,181.64</b>	<b>-143.26</b>	<b>161.51</b>	<b>3,163.40</b>

## Income tax

The major components of income tax expense for the year ended 31 March, 2023

(Rs. in Lakhs)

Particulars	For the year ended 31 March, 2023
<b>Profit and Loss:</b>	
Current tax – net of reversal of earlier years : Rs. 116.01 Lakhs	1,138.09
Deferred Tax – including reversal of earlier years : Rs. Nil	143.26
	<b>1,281.35</b>

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

Particulars	For the year ended 31 March, 2023
Profit before income tax expense	11,611.12
Tax at the Indian tax rate 25.168% (Previous Year: 25.168%)	2,922.29
<b>Add: Items giving rise to difference in tax</b>	
Effect of non-deductible expenses	-
Income Taxable at different rate & Indexation benefit	(1,594.90)
Permanent difference	(158.33)
IND AS/ Transition Effect	-
Tax Expenses on sale of land (taxable at different rate)	-
Tax of earlier years	116.01
Others	(3.95)
Income Tax Expenses	<b>1,281.12</b>

**26 LEASE LIABILITIES (Non Current)**

(Rs. in Lakhs)

Particulars	As at March 31, 2023
Lease Liabilities	132.71
	<u>132.71</u>

**27 TRADE PAYABLES**

(Rs. in Lakhs)

Particulars	As at March 31, 2023
<b>Current</b>	
Dues of micro and small enterprises (Refer Note No 27.1)	53.23
"Dues other than micro and small enterprises"	1,745.61
	<u>1,798.83</u>

Note No 27.1: Micro, Small and Medium enterprises have been identified by the Group on the basis of the information available. Total outstanding dues of Micro and Small enterprises, which are outstanding for more than the stipulated period and other disclosures as per Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) are given below :

Particulars	As at March 31, 2023
(a) Dues remaining unpaid	
- Principal	53.23
- Interest on above	2.23
(b) Interest paid in terms of Section 16 of MSMED Act	
- Principal paid beyond the appointed date	-
- Interest paid in terms of Section 16 of MSMED Act	-
(c) Amount of interest due and payable for the period of delay on payments made beyond the appointed day during the year	-
(d) Amount of interest accrued and unpaid	2.23

Ageing for trade payables outstanding as at March 31, 2023 is as follows:

Particulars	Outstanding for following periods from due date of payment				Total
	Less Than 1 year	1-2 year	2-3 years	More Than 3 years	
Trade payables					
MSME*	53.23	-	-	-	53.23
Others	1,434.65	2.18	-	-	1,436.83
Disputed dues - MSME*	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
<b>Total</b>	<b>1,487.88</b>	<b>2.18</b>	<b>-</b>	<b>-</b>	<b>1,490.06</b>
<b>Accrued expenses</b>					<b>308.78</b>
					<u>1,798.83</u>

**28 OTHER FINANCIAL LIABILITIES**

(Rs. in Lakhs)

Particulars	As at March 31, 2023
Unpaid Dividends	8.66
	<u>8.66</u>

**29 OTHER CURRENT LIABILITIES**

(Rs. in Lakhs)

<b>Particulars</b>	<b>As at March 31, 2023</b>
Advances From Customers	455.65
Statutory Dues Payable	187.33
	<b>642.98</b>

**30 PROVISIONS**

(Rs. in Lakhs)

<b>Particulars</b>	<b>As at March 31, 2023</b>
<b>Provision for Employee Benefits</b>	
For Gratuity (Refer Note No 46)	4.19
For Leave Encashment (Refer Note No 46)	38.22
<b>Others (Refer Note No 49)</b>	
Provisions for Warranty	22.25
Incentive Payable to Senior Management staff	73.79
Incentive Payable to Management staff	106.21
Provision for Liquidity Damages/Others	0.26
	<b>244.92</b>

**31 CURRENT TAX LIABILITIES (NET)**

(Rs. in Lakhs)

<b>Particulars</b>	<b>As at March 31, 2023</b>
Provision for taxation (Net of tax payment)	115.74
	<b>115.74</b>

**32 a) CONTINGENT LIABILITIES:**

(Rs. in Lakhs)

<b>Particulars</b>	<b>As at March 31, 2023</b>
Disputed Income Tax Liability #	60.48
Channel Financing utilization	158.01
	<b>218.49</b>

**b) COMMITMENTS:**

<b>Particulars</b>	<b>As at March 31, 2023</b>
Estimated Amounts of Contract remaining to be executed on Capital account and not provided for (Net of Advances)	-
	<b>-</b>

**Note:**

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



<b>33 REVENUE FROM OPERATIONS</b>		(Rs. in Lakhs)
<b>Particulars</b>	<b>2022-2023</b>	
Sale of Products (Refer Note No 33.1)	<b>14,891.13</b>	
<b>Other Operating Revenue</b>		
Income from Erection & Commissioning Services	<b>44.57</b>	
Scrap Sales	<b>141.38</b>	
	<b>15,077.08</b>	

**Note No 33.1 : Sale of Products**

<b>Particulars</b>	<b>2022-2023</b>	
Chain Pulley Blocks, Hoists, Trolleys, Stakers	<b>11,924.48</b>	
Spares	<b>951.65</b>	
Cranes	<b>1,989.44</b>	
Sale of Power Units	<b>25.56</b>	
	<b>14,891.13</b>	

<b>34 OTHER INCOME</b>		(Rs. in Lakhs)
<b>Particulars</b>	<b>2022-2023</b>	

Interest Income (Refer Note No 34.1)	<b>237.23</b>	
Dividend income on from Equity Instruments designated at FVOCI	<b>734.35</b>	
Net gain on sale of investments/financial assets measured at FVTPL	<b>620.82</b>	
<b>Other Non Operating Income</b>		
Provision no longer required, written back	<b>106.45</b>	
Sundry Balance Written Back (Net)	<b>12.85</b>	
Exchange Fluctuation Gain (Net)	<b>56.76</b>	
Profit on Sale of Fixed Assets (Net)	<b>0.11</b>	
	<b>1,768.58</b>	

<b>Note No. 34.1 : Break-up of Interest Income</b>		(Rs. in Lakhs)
<b>Particulars</b>	<b>2022-2023</b>	

Interest Income from parties	<b>6.33</b>	
Interest income on other deposits	<b>5.01</b>	
Interest on sales tax refund	<b>1.16</b>	
Interest income on deposits with banks	<b>63.50</b>	
Interest income on inter corporate deposits	<b>161.23</b>	
	<b>237.23</b>	

<b>35 COST OF MATERIALS CONSUMED`</b>		(Rs. in Lakhs)
<b>Particulars</b>	<b>2022-2023</b>	

Inventory at the beginning of the year	<b>2,168.13</b>	
Add: Purchases during the year	<b>9,528.33</b>	
	<b>11,696.45</b>	
Less: Sale of Raw Material	<b>716.39</b>	
Less: Inventory at the end of the year	<b>2,205.78</b>	
	<b>8,774.28</b>	

Note No 35.1: During the Previous year, the Group had amended its policy for diminution of slow & non-moving inventory and accordingly has written off old stock. The Group had also carried out physical verification of its complete inventory during the previous year and those changes/verification had resulted into a net loss of Rs. 280.58 lakhs in the previous year. During the current year, the physical verification of the inventory has been conducted at reasonable intervals and the discrepancies noticed were not material and have been properly dealt with in the books of accounts.

### 36 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK-IN-TRADE (Rs. in Lakhs)

Particulars	2022-2023
<b>Inventories at the end of the year</b>	
Finished Goods	611.86
Work In Progress	70.42
	<u>682.28</u>
<b>Inventories at the beginning of the year</b>	
Finished Goods	269.66
Work In Progress	159.57
	<u>429.23</u>
	<u>(253.05)</u>
<b>FINISHED GOODS</b>	
Opening Stock	269.66
Closing Stock	611.86
<b>Change in Stock of Finished Goods</b>	(A) <u>(342.21)</u>
<b>WORK IN PROGRESS</b>	
Opening Stock	159.57
Closing Stock	70.42
<b>Change in Stock of Work in Progress</b>	(B) <u>89.16</u>
	<u>(A)+(B) (253.05)</u>

### 37 EMPLOYEE BENEFIT EXPENSES (Rs. in Lakhs)

Particulars	2022-2023
Salaries, Wages and Bonus	1,588.16
Contribution to Provident and other fund	109.97
Staff Welfare Expenses	233.07
	<u>1,931.19</u>

### 38 FINANCE COST (Rs. in Lakhs)

Particulars	2022-2023
Interest Expenses on Lease Assets	54.91
	<u>54.91</u>

### 39 DEPRECIATION & AMORTIZATION EXPENSES (Rs. in Lakhs)

Particulars	2022-2023
Depreciation on Property, Plant and Equipment	215.09
Depreciation on Investment Property	-
Amortisation on Intangible Assets	29.00
Depreciation on Lease Assets	151.56
	<u>395.65</u>

**40 OTHER EXPENSES**

(Rs. in Lakhs)

<b>Particulars</b>	<b>2022-2023</b>
Consumption of Stores and Tools	236.74
Manufacturing & Processing charges	298.43
Power & Fuel	56.57
Consumption of Packing Material	408.35
Repairs & Maintenance	
Plant & Machinery	30.97
Building	93.64
Others	18.05
Insurance Charges	9.27
Rates & Taxes	55.45
Rent	31.15
Erection and Commissioning Charges	35.14
Carriage outwards (Net)	499.76
Travelling and Conveyance expenses	286.84
Recruitment charges	28.76
Security Charges	60.19
Software Maintenance expenses	70.89
Membership and Subscription expenses	2.60
Advertisement & Sales Promotion	142.45
Commission on sales	(0.74)
Payment to Statutory Auditor (Refer Note No. 40.1)	9.10
Legal & Professional	182.30
Directors' Fees	14.40
Directors' Remuneration	3.00
Sundry Balance Written off (Net)	-
Bad Debts	182.60
Less: Allowance for Doubtful Debts Written Back	182.60
Allowance for Doubtful Debts	2.16
Windmill Expenses	19.15
CSR Expenditure	105.00
Miscellaneous expenses	254.65
	<b>2,954.27</b>

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

Particulars	2022-2023
As Auditors :	
Audit Fees (including Limited Review)	8.40
Towards GST/Service Tax *	0.27
	<b>8.67</b>
<b>In Other Capacity :</b>	
Out of pocket expenses	0.18
Towards GST/Service Tax *	0.02
	<b>0.20</b>
	<b>8.87</b>

**(B) Payment to Cost Auditors** (Rs. in Lakhs)

Particulars	2022-2023
Audit Fees	0.52
Out of pocket expenses	-
Towards GST/Service Tax *	-
	<b>0.52</b>

**Total Auditors Remuneration** (A + B) **9.39**

\* Note: Out of above GST credit of Rs. 0.29 lakhs has been taken and the same has not been debited to statement of profit & loss.

**41 EXCEPTIONAL ITEMS** (Rs. in Lakhs)

Particulars	2022-2023
Loss on Sale of Windmill	(73.46)
Sales Proceeds from Sales of Land	9,000.00
Less- WDV of land as per Books	2.66
Less- Cost to Sale	301.18
Profit on Sale of Land	8,696.16
	<b>8,622.70</b>

**42 EARNING PER SHARE** (Rs. in Lakhs)

Particulars	2022-2023
(A) Profit attributable to Equity Shareholders (Rs.)	10,329.76
(B) No. of Equity Share outstanding during the year.	32,000,000
(C) Face Value of each Equity Share ( Rs.)	1.00
(D) Basic & Diluted earning per Share ( Rs.)	32.28

**43 CAPITAL MANAGEMENT**

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

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

(Rs. in Lakhs)

Particulars	2022-2023
Trade Payables	1,798.83
Other Payables	1,753.23
Less- Cash and Cash equivalents	1,580.85
Net Debt	1,971.22
Total Equity	70,664.45
Capital and Net debt	72,635.66
Gearing ratio	2.71%

#### 44 FINANCIAL RISK MANAGEMENT

The Group's activities expose it to credit risk, liquidity risk, market risk and price risk.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact thereof in the standalone financial statements.

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

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

##### (A) Credit Risk

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

##### Credit Risk Management

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

The maximum exposure to credit risk as at 31 March 2023 and 31 March 2022 is the carrying value of such trade receivables as shown in note 15 of the financials.



**Reconciliation of impairment allowance on trade receivables as at 31 March 2023 under:**

(Rs. in Lakhs)

Impairment allowance as on 31 March 2022	<b>424.92</b>
Created during the year	-
Reversed during the year	<b>(286.90)</b>
Impairment allowance as on 31 March 2023	<b>138.02</b>

**(B) Liquidity Risk**

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

**(c) Market Risk****Foreign Currency Risk**

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

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

**Open exposure**

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

Particulars	USD	EURO	TOTAL
<b>31 March 2023</b>			
Trade receivables- Foreign Currency	<b>1.92</b>	-	<b>1.92</b>
Trade receivables- INR	<b>155.47</b>	-	<b>155.47</b>
Trade payables- Foreign Currency	<b>(0.05)</b>	<b>(0.92)</b>	<b>(0.97)</b>
Trade payables- INR	<b>(3.98)</b>	<b>(83.74)</b>	<b>(87.72)</b>

**Sensitivity Analysis**

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

(Rs. in Lakhs)

Particulars	31 March 2023
USD	<b>7.57</b>
EURO	<b>4.19</b>
<b>Total</b>	<b>11.76</b>

**(d) Price Risk**

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

**45 Related party disclosures as required under Ind AS 24, “Related Party Disclosures”, are given below:**

Related Parties have been identified by the Management, auditors have replied upon the same

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

SN	Related Parties	Nature of Relationship
(i)	Hind Musafir Agency Limited.	Shri Shekhar Bajaj and Smt Minal Bajaj , mother of Shri Nirav Nayan Bajaj are Directors
(ii)	Hindustan Housing Company Limited	Shri Vinod Nevatia, father of Shri Gaurav Nevatia and Smt Minal Bajaj , mother of Shri Nirav Nayan Bajaj are Directors
(iii)	Mukand Limited	Shri Niraj Bajaj , brother Shri Shekhar Bajaj and father of Shri Nirav Nayan Bajaj is a Director
(iv)	Bajaj Finance Limited	Shri Madhur Bajaj , brother of Shri Shekhar Bajaj, is a Director(till 31st July, 2022)
(v)	Bajaj Allianz General Insurance Company Limited	Shri Niraj Bajaj , brother Shri Shekhar Bajaj and father of Shri Nirav Nayan Bajaj is a Director
(vi)	Bajaj International Private Limited	Shri Shekhar Bajaj is Chairman and Director
(vii)	Bajaj Holdings and Investment Limited	Shri Shekhar Bajaj , himself , Shri Madhur Bajaj, brother of Shri Shekhar Bajaj and Shri Niraj Bajaj, brother of Shri Shekhar Bajaj and father of Shri Nirav Nayan Bajaj, are Directors.
(viii)	Bajaj Auto Limited	Shri Shekhar Bajaj and Shri Madhur Bajaj and Shri Niraj Bajaj, relative of Shri Shekhar Bajaj are Directors.
(ix)	Bajaj Finserv Limited	Shri Madhur Bajaj , brother of Shri Shekhar Bajaj, is a Director
(x)	Bajaj Electricals Limited	Shri Shekhar Bajaj is Chairman and Managing Director. Shri Madhur Bajaj, brother of Shri Shekhar Bajaj and Smt Pooja Bajaj, Daughter in Law of Shri Shekhar Bajaj are Directors.
(xi)	Shri Shekhar Bajaj	Chairman (Key Management Personnel)
(xii)	Shri H.A. Nevatia	Whole Time Director (Key Management Personnel)
(xiii)	Shri Amit Bhalla	President and CEO
(xiv)	Shri Vijay Singh	Chief Financial Officer
(xv)	Shri Kiran Mukadam	Company Secretary and Compliance officer

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

(Rs. in Lakhs)

S.No.	Related parties	Nature of Transactions during the year	2022-23
(i)	Bajaj International Private Limited	Payment towards Expenses	0.37
		Payment towards Expenses	0.32
(ii)	Hind Musafir Agency Limited	Purchase of Travel Tickets	44.23
		Payment against Purchases of Travel Tickets	48.41
(iii)	Hindustan Housing Company Limited	Office Maintenance Charges	4.74
		Payment-Office Maintenance Charges	4.59
(iv)	Bajaj Allianz General Insurance Company Limited	Insurance Premiums	72.15
		Payment towards Insurance Premiums	71.37
(v)	Bajaj Holdings & Investment Limited	Dividend Income Received	456.30
		Investment in Equity Shares	4,665.43
(vi)	Bajaj Auto Limited	Dividend Income Received	255.63
(vii)	Bajaj Finserv Limited	Dividend Income Received	3.68
		Investment in Equity Shares	2,500.92
(viii)	Bajaj Electricals Limited	Dividend Income Received	18.74
(ix)	Mukand Limited	Sales of Goods	22.43
		Payment received	42.23
(x)	Bajaj Finance Limited	Interest Income	51.23
(xi)	Indef Manufacturing Limited	Investment in Equity Shares	1.00
(xii)	Shri H.A.Nevatia	Short-term employee benefits	7.63
(xiii)	Shri Amit Bhalla	Short-term employee benefits	154.20
(xiv)	Shri Vijay Singh	Short-term employee benefits	50.36
(xv)	Shri Kiran Mukadam	Short-term employee benefits	14.16

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

(Rs. in Lakhs)

S. No.	Related parties	Nature of Transactions during the year	As at 31st March, 2023
(i)	Bajaj International Private Limited	(Advance)/Payable against Reimbursement of Expenses	0.11
(ii)	Hind Musafir Agency Limited	Payable against Purchases of Travel Tickets	0.60
(iii)	Hindustan Housing Co. Limited	Payable-Office Maintenance Charges	0.31
(iv)	Bajaj Allianz General Insurance Company Limited	Advance against Insurance Premium	(12.96)
(v)	Mukand Limited	Advance Received	(19.81)
(vi)	Bajaj Finance Limited	Interest Receivable	-
		Fixed Deposits	-
(vii)	Bajaj Holdings & Investment Limited	Investment in Equity Share	24,596.26
(viii)	Bajaj Auto Limited	Investment in Equity Share	7,091.52
(ix)	Bajaj Finserv Limited	Investment in Equity Share	14,001.15
(x)	Bajaj Electricals Limited	Investment in Equity Share	6,571.37
(xi)	Indef Manufacturing Limited	Investment in Equity Shares	1.00

#### 46 EMPLOYEE BENEFITS

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

##### (i) Defined Contribution Plan

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

(Rs. in Lakhs)

Particulars	2022-23
Employer's Contribution to Provident Fund	61.76
Employer's Contribution to Superannuation Fund	6.91

##### (ii) Defined Benefit Plan

###### (a) Gratuity:

The Group operates gratuity plan wherein every employee is entitled to the benefit equivalent to 15 to 26 days/one month salary last drawn for each completed year of service depending on the date of joining. The same is payable on termination of service, retirement or death, whichever is earlier. The benefit vests after 5 years of continuous service.

###### (b) Leave Encashment:

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

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

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

The Group has taken plans from Life Insurance Corporation of India.

(d) The following tables set out the funded status of the gratuity and leave encashment plans and the amounts recognised in the Group's consolidated financial statements as at 31 March 2023.

(Rs. in Lakhs)

Sr.No.	Particulars	2022-23	
		Leave Encashment	Gratuity
<b>I</b>	<b>Changes in present value of obligations</b>		
(a)	Present value of obligations as at the beginning of year	79.09	134.91
(b)	Interest cost	5.69	9.77
(c)	Current Service Cost	14.82	19.80
(d)	Benefits Paid	-	-
(e)	Actuarial gain on obligations	(10.72)	1.21
(f)	Present value of obligations as at the end of year	88.88	165.69
<b>II</b>	<b>Changes in the fair value of plan assets</b>		
(a)	Fair value of plan assets at the beginning of year	54.66	132.19
(b)	Expected return on plan assets	3.93	9.58
(c)	Contributions	22.89	23.22
(d)	Benefits paid	(25.34)	(11.13)
(e)	Return on Plan Assets, excluding amount recognised in net interest expense	(5.49)	(0.93)
(f)	Fair value of plan assets at the end of year	50.66	152.93
<b>III</b>	<b>Change in the present value of the defined benefit obligation and fair value of plan assets</b>		
(a)	Present value of obligations as at the end of the year	88.88	165.69
(b)	Fair value of plan assets as at the end of the year	50.66	152.93
(c)	Net (liability) / asset recognized in balance sheet	(38.22)	(12.77)

(e) Amount for the year ended 31 March, 2023 recognised in the statement of profit and loss under employee benefit expenses.

(Rs. in Lakhs)

Sr.No.	Particulars	2022-23	
		Leave Encashment	Gratuity
<b>I</b>	<b>Expenses Recognised in statement of Profit &amp; Loss</b>		
(a)	Current Service cost	14.82	19.80
(b)	Interest Cost	1.76	0.20
(c)	Expected return on plan assets	-	-
(d)	Net Actuarial gain recognised in the year	14.62	12.34
(e)	Expenses recognised in statement of Profit & Loss Account	31.20	32.34

(f) Amount for the year ended March 31, 2023 recognised in the statement of other comprehensive income..

(Rs. in Lakhs)

Sr.No.	Particulars	2022-23	
		Leave Encashment	Gratuity
<b>I</b>	<b>Actuarial Gain/Loss recognized</b>		
(a)	Actuarial gain for the year -Obligation	14.62	12.34
(b)	Actuarial gain for the year - plan assets	-	-
(c)	Total gain for the year	14.62	12.34
(d)	Total actuarial (gain)/ loss included in other comprehensive income	14.62	12.34

**47 RATIOS**

Sr no	Particulars	Numerator	Denominator	March 31, 2023 (in %)
1	Current ratio (in times)	Total Current assets	Total Current liabilities	<b>4.65</b>
2	Debt-Equity ratio (in times)	Debt consists of borrowings and lease liabilities.	Total equity	-
3	Debt service coverage ratio (in times)	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service = Interest and lease payments + Principal repayments	-
4	Return on equity ratio before exceptional items (in %)	Profit for the year before exceptional items less Preference dividend (if any)	Average total equity	<b>3.48</b>
5	Return on equity ratio after exceptional items (in %)	Profit for the year after exceptional items less Preference dividend (if any)	Average total equity	<b>15.58</b>
6	Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	<b>16.65</b>
7	Trade payables turnover ratio (in times)	Other expenses	Average trade payables	<b>7.63</b>
8	Net capital turnover ratio (in times)	Revenue from operations	Average working capital (i.e. Total current assets less Total current liabilities)	<b>1.38</b>
9	Net profit ratio (in %)	Profit for the year before exceptional items	Revenue from operations	<b>15.30</b>
10	Return on capital employed (in %)	Profit before tax + finance costs(before exceptional items)	Capital employed = Net worth + Lease liabilities + Deferred tax liabilities	<b>3.94</b>
11	Return on investment (in %)	Income generated from invested funds Average invested funds in treasury investment		<b>0.97</b>
12	Inventory turnover ratio (in times)	Cost of material consumed	Average Inventory	<b>3.09</b>

**48 DERIVATIVES**

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

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

Particulars	Foreign Currency	As on 31.03.2023	
		Amount in Foreign Currency	Rs.
Receivables	USD	<b>1.92</b>	<b>155.47</b>

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

Particulars	Foreign Currency	As on 31.03.2023	
		Amount in Foreign Currency	Rs.
Payable	EURO	-	-
Payable	EURO	<b>(0.92)</b>	<b>(83.74)</b>
	USD	<b>(0.05)</b>	<b>(3.98)</b>

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

(Rs. in Lakhs)

Sr. No. **	Provision Related to	Opening Balance	Additions	Utilisation	Reversal	Closing Balance
1.	Warranty	14.27	7.99	17.14	(17.14)	22.25
2.	Liquidated Damages	-	-	-	-	-
3.	Incentive to Senior Management Staff	66.00	85.00	77.21	-	73.79
4.	Incentive to Management Staff	90.00	93.43	77.21	-	106.21
	<b>TOTAL</b>	<b>170.27</b>	<b>186.41</b>	<b>171.56</b>	<b>(17.14)</b>	<b>202.25</b>

**\*\* Notes:**

1. The Group gives Warranties at the time of Sales of Main Products to the customers. Under the terms of Contract of Sales, the Group 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.
2. The Group 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.
3. The Group gives incentives to its senior management staff based on performance of the Group.
4. The Group gives incentives to its management staff based on their performance.

**50 LEASES:**

As a lessee, the Group previously classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Group. Under Ind AS 116, the Group recognizes right of use assets and lease liabilities for most leases i.e. these leases are on balance sheet.

The following table presents the various components of lease costs: (Rs. in Lakhs)

Particulars	Amount as on period ended 31st March, 2023
Depreciation charge on right-to-use asset	<b>151.56</b>
Interest on Lease Liabilities	<b>54.91</b>
Total cash outflow for leases	<b>165.56</b>
Carrying amount of right-to-use asset	<b>633.53</b>

**51** Balance of Trade Receivable includes Rs. 74.92 which are overdue for which no provision has been made in the accounts as the Management is hopeful of recovery.

**52** Balances of Trade Receivables, Trade Payables and Loans and Advances are subject to confirmation and consequential adjustment, if any.

**53 Fair Value Measurement-**

The fair value of Financial instrument as of March 31,2023 and March 31,2022 were as follows- (Rs. in Lakhs)

Particulars	March 31,2023	Fair value Hierarchy	Valuation Technique
Assets-			
Investment in Equity Instruments through OCI	<b>52,260.30</b>	Level-1	Quoted Market Price
Investment in Mutual Funds through FVTPL	-	Level-1	Quoted Market Price
Investment in Mutual Funds through FVTPL	<b>13,976.31</b>	Level-1	Unquoted Market Price
Investment in equity share of subsidiary at cost	<b>1.00</b>	Level-1	Unquoted Market Price
<b>Total</b>	<b>66,237.61</b>		

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

**54 Additional information, as required to Consolidated Financial Statements to Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary / Associates / Joint Ventures**

	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in Other comprehensive income (OCI)		Share in Total comprehensive income (TCI)	
	As % of consolidated net assets	(Rs. in Lakhs)	As % of consolidated profit or loss	(Rs. in Lakhs)	As % of consolidated OCI	(Rs. in Lakhs)	As % of consolidated	(Rs. in lacs)
Hecurles Hoists Limited	99.9999%	70,665.39	100.01%	10,330.71	100.00%	(814.29)	100.01%	9,516.42
<b>Subsidiaries</b>								
<b>Indian</b>								
Indef Manufacturing Limited	0.0001%	0.05	-0.01%	(0.94)	0.00%	-	-0.01%	(0.94)
<b>Total</b>	<b>100.00%</b>	<b>70,665.44</b>	<b>100.00%</b>	<b>10,329.77</b>	<b>100.00%</b>	<b>(814.29)</b>	<b>100.00%</b>	<b>9,515.47</b>
<b>Adjustments arising out of consolidation</b>	0.00	(1.00)	-	-	0.00	-	0.00	-
<b>Total Consolidated Net Assets / Profit after tax</b>	<b>100.00%</b>	<b>70,664.44</b>	<b>100.00%</b>	<b>10,329.77</b>	<b>100.00%</b>	<b>(814.29)</b>	<b>100.00%</b>	<b>9,515.47</b>

- 55** The Board of Directors of the Group have considered and declared an Interim Dividend of Rs. 0.5 (50%) per equity share of Rs. 1/- each during the financial year 22-23.
- 56** During the Year the company had set up a Wholly-owned subsidiary namely "Indef Manufacturing Limited" by subscribing to its 100% Share Capital through Memorandum of Association on 12th September 2022. During the current Year, the company has transferred the amount of paid up capital of Rs. 1 Lakh on 12th October 2022. The Company has submitted scheme of arrangement between Hercules Hoists Limited and Indef Manufacturing Limited for demerger on 12 October 2022 at BSE limited and National Stock of Exchange of India Limited for their review purpose. The Current status of the same is " Demerger is approved by NSE ,BSE and pending for approval from NCLT". As the Consolidation became applicable from current year, disclosure of previous year is not applicable.
- 57** No proceeding has been initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- 58** The Group has no transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.
- 59** The Group has neither traded nor invested in crypto currency or virtual currency during the year.
- 60** The Group has compliance with section 135 and related provisions of the Corporate Social Responsibility. Please refer director report for the details report on Corporate social responsibility.

As per our report of even date attached

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

**KUNAL VAKHARIA**  
**PARTNER**  
 MEMBERSHIP NO. 148916

**PLACE : MUMBAI**  
**DATED : 26/05/2023**

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

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

**AMIT BHALLA**  
**PRESIDENT & CEO**

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

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

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

# CSR Activities 2022-23

## Inauguration of Tobacco Cessation Centre at Khopoli



## Water Tank Facility at Dhamani, Khalapur, Raigad.



## Donation of well-equipped Cardiac Ambulance to the Sahaj Seva Foundation in Khopoli



## Nursery Development Project at Sumangal Disabled Children School, Pen Raigad







## HERCULES HOISTS LIMITED

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