



Scheme of Demerger and Arrangement

between

Hercules Hoists Limited

(‘First Applicant Company’ or ‘Demerged Company’)

and

Indef Manufacturing Limited

(‘Second Applicant Company’ or ‘Resulting Company’)

**NOTICE OF MEETING OF THE EQUITY SHAREHOLDERS OF HERCULES HOISTS LIMITED CONVENED
AS PER THE DIRECTIONS OF THE HON. NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH**

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|---|---|
| Day | Tuesday |
| Date | January 30, 2024 |
| Time | 11.00 A.M. (IST) |
| Mode | Video Conferencing /Other Audio-Visual Means |
| Weblink for participation in Meeting | https://instameet.linkintime.co.in |
| Cut-off date for E-voting | January 23, 2024 |
| E-voting Period | January 26, 2024 (9:00 A.M.) to January 29, 2024 (5:00 P.M.) |

INDEX

| SN | Contents | Page No. |
|----|--|----------|
| 1 | Notice of meeting of the equity shareholders of Hercules Hoists Limited (" HHL / Company ") convened as per the directions of the Hon. National Company Law Tribunal, Mumbai Bench (" NCLT ") | 1 |
| 2 | Explanatory Statement under Sections 230(3), 232(1), 232(2), 102 and other applicable provisions of the Companies Act, 2013 (" Act ") and Rule 6(3) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 | 14 |
| 3 | Order of the Hon. NCLT dated December 19, 2023, enclosed as Annexure 1 | 33 |
| 4 | Copy of the Scheme of Demerger and Arrangement between Hercules Hoists Limited and Indef Manufacturing Limited and their Shareholders, enclosed as Annexure 2 | 45 |
| 5 | Report of the Board of Directors of the Company, pursuant to Section 232(2)(c) of the Act, enclosed as Annexure 3 | 92 |
| 6 | Report of the Board of Directors of the Resulting Company, pursuant to Section 232(2)(c) of the Act, enclosed as Annexure 4 | 95 |
| 7 | Valuation report issued on by Paras K. Savla in relation to the share entitlement for issuance and allotment of shares of IML to the shareholders of the Company pursuant to and in consideration of the Demerger (" Registered Valuer's Report "), enclosed as Annexure 5 | 98 |
| 8 | Fairness Opinion issued on by Gretex Corporate Services Limited, Merchant Banker, enclosed as Annexure 6 | 113 |
| 8 | The pre-Scheme and post-Scheme shareholding patterns of HHL, enclosed as Annexure 7 | 123 |
| 9 | The pre-Scheme and post-Scheme shareholding patterns of IML, enclosed as Annexure 8 | 126 |
| 10 | Copy of the observation letter received from BSE, enclosed as Annexure 9 | 129 |
| 11 | Copy of the observation letter received from NSE, enclosed as Annexure 10 | 133 |
| 12 | Details of indicative assets and liabilities of the demerged division that are being transferred and the rationale for arriving at the share entitlement ratio, enclosed as Annexure 11 | 138 |
| 12 | Copy of the Complaints report submitted by the Company to stock exchanges, enclosed as Annexure 12 | 141 |
| 13 | Un-Audited financial statements of the Company (Hercules Hoists Limited) and Indef Manufacturing Limited as on September 30, 2023, enclosed as Annexure 13 | 143 |
| 14 | Abridged Prospectus of Indef Manufacturing Limited, enclosed as Annexure 14 | 163 |

Form No. CAA 2

(Pursuant to Section 230 (3) of the Companies Act, 2013 and Rules 6 and 7 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016)

**IN THE HON. NATIONAL COMPANY LAW TRIBUNAL,
MUMBAI BENCH, COURT I
COMPANY APPLICATION NO. CA(CAA) 181/MB/2023**

In the matter of Companies Act, 2013

AND

In the matter of Section 230 to 232 of the Companies Act, 2013 read with other applicable provisions of the Companies Act, 2013 and Companies (Compromises, Arrangements and Amalgamation) Rules, 2016

AND

In the matter of Scheme of Demerger and Arrangement between HERCULES HOISTS LIMITED ('First Applicant Company' or 'Demerged Company') and INDEF MANUFACTURING LIMITED ('Second Applicant Company' or 'Resulting Company')

HERCULES HOISTS LIMITED...

First Applicant Company / Demerged Company

INDEF MANUFACTURING LIMITED ...

Second Applicant Company / Resulting Company



NOTICE TO EQUITY SHAREHOLDERS
MEETING OF THE EQUITY SHAREHOLDERS OF HERCULES HOISTS LIMITED

(convened pursuant to an order dated December 19, 2023 passed by the National Company Law Tribunal, Bench at Mumbai)

To,
The equity shareholders of Hercules Hoists Limited

NOTICE is hereby given that by an order pronounced on December 19, 2023 (the "**Order**") in the abovementioned Company Application, the Mumbai bench of the Hon. National Company Law Tribunal ("NCLT") has directed a meeting to be convened and held of the equity shareholders of Hercules Hoists Limited ("Company/ HHL"), for the purpose of considering, and if thought fit, approving the Scheme of Demerger and Arrangement between HERCULES HOISTS LIMITED ('**Demerged Company**') and INDEF MANUFACTURING LIMITED ('**Resulting Company**') and their respective shareholders (the "**Scheme**") pursuant to the provisions of Sections 230 to 232, and other applicable provisions of the Companies Act, 2013 ("**Act**").

In pursuance of the said Order and as directed therein, notice is hereby given that a meeting of equity shareholders of the Company ("**Tribunal Convened Meeting**" or "**Meeting**") will be held on Tuesday, January 30, 2024 at 11:00 A.M. (IST) or any adjourned dates thereof, for the purpose of considering, and if thought fit, approving the proposed Scheme, by exercising the option to convene the meeting through Video Conferencing ('VC') or Other Audio Visual Means ('OAVM') mode without holding a general meeting requiring the physical presence of shareholders at a common venue, as per applicable operating procedures mentioned in Circular No. 14/2020 dated 08.04.2020 read with Circular Nos. 17/2020 dated 13.04.2020, 22/2020 dated 15.06.2020, 33/2020 dated 28.09.2020, 39/2020 dated 31.12.2020 and 10/2021 dated 23.06.2021, 2/2022 and 3/2022 dated 05.05.2022 and 10/2022, 11/2022 dated 28.12.2022 and 09/2023 dated 25.09.2023 issued by the Ministry of Corporate Affairs ("**MCA Circulars**"), with necessary modifications as stated herein or as may be required.

The NCLT has appointed Mr. Aditya Jain, Advocate and failing him Mr. K. J. Mallya, Independent Director of the Demerged Company as the Chairman of the Meeting. The above-mentioned Scheme, if approved at the Meeting, will be subject to the subsequent approval of the NCLT.

TAKE NOTICE that the equity shareholders shall have the facility and option of voting on the resolution for approval of the Scheme by casting their votes through remote e-voting prior to the Meeting during the period commencing from 9:00 A.M. IST on Friday, January 26, 2024 and ending at 5:00 P.M. IST on Monday, January 29, 2024. The voting rights of equity shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date determined as per applicable law ("**Cut-off Date**"). A person who is not an equity shareholder as on the Cut-off Date, should treat the Notice for information purpose only. The equity shareholders opting to cast their votes by remote e voting or e-voting during the Meeting through

VC/ OAVM are requested to read the instructions in the Notes of this Notice for further details on remote e-voting and e-voting during the Meeting.

TAKE FURTHER NOTICE that the following resolution is proposed under Sections 230 to 232 of the Act and the rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and the provisions of the Memorandum of Association and Articles of Association of the Company, for the purpose of considering, and if thought fit, approving the Scheme:

"RESOLVED THAT pursuant to the provisions of Sections 230 to 232 of the Companies Act, 2013, and any other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the rules, circulars and notifications made thereunder as may be applicable, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time), Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 issued by the Securities and Exchange Board of India ("SEBI") and as amended from time to time, read with the No Adverse Observation Letter / No Objection Letter letters dated May 23, 2023 and May 24, 2023 issued by BSE Limited and the National Stock Exchange of India Limited respectively and relevant provisions of other applicable laws, the provisions of the Memorandum of Association and Articles of Association of the Company, and subject to the approval of the Hon. National Company Law Tribunal, Mumbai Bench ("NCLT") and/or the National Company Law Appellate Tribunal or such other forum or authority as may be vested with the appellate jurisdiction in relation to approval of the Scheme and such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be deemed appropriate, at any time and for any reason whatsoever, or which may otherwise be considered necessary, desirable or as may be prescribed or imposed by the Hon. NCLT or by any regulatory or other authorities, while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of the Company, the proposed Scheme of Demerger and Arrangement between HERCULES HOISTS LIMITED ('Demerged Company') and INDEF MANUFACTURING LIMITED ('Resulting Company'), and their respective shareholders (the "Scheme"), be and is hereby approved.

RESOLVED FURTHER THAT any Directors of the Company or President & CEO or Chief Financial Officer or Company Secretary of the Company (referred to as Authorised Representative(s) of the Company) be and are hereby authorized to carry out or assent to any modifications/ amendments to the Scheme or to any conditions or limitations that the NCLT and/ or any other authority may deem fit to direct or impose, or which may otherwise be considered necessary, desirable or appropriate.

RESOLVED FURTHER THAT any of the Authorised Representative(s) be and hereby jointly or severally authorized to take all actions and decide all matters relating to and/or incidental to the aforesaid scheme, including but not limited to:

- a) Preparing and signing the scheme of arrangement, applications, petitions, affidavits, undertakings, vakalatnamas, declarations, letters, notices, documents, papers and the like on behalf of the Company in consultation with the advocates / legal representatives / firm of company secretaries appointed for the purpose of giving effect to the said composite scheme of arrangement;

- b) Filing applications with the NCLT Mumbai or such other appropriate authority seeking directions as to convening or dispensing with the meeting of the shareholders or creditors of the Company and where necessary to take steps to convene and hold such meetings as per the directions of the NCLT, Mumbai;
- c) Signing and issuing public advertisements and to issue notices to the members or any other class of persons, as per directions of the NCLT Mumbai, as the case may be;
- d) Filing and submitting the scheme of arrangement, necessary petitions, affidavits, letters, documents, papers and the like with the NCLT Mumbai, Registrar of Companies, Regional Director and/or any other authority as may be required pursuant to the relevant provisions of applicable laws, rules or regulations;
- e) Engaging Counsels, Advocates, Solicitors, Company Secretaries, Chartered Accountants and other professionals and signing and executing vakalatnama wherever necessary, and signing and issuing public advertisements and notices;
- f) Obtaining approval from such other authorities and parties including the shareholders, creditors, lenders as may be considered necessary to the said Scheme;
- g) To communicate and correspond with the stock exchanges, banks, institutions, investors, government authorities, local authorities and other authorities where required about the scheme and do all such acts, deeds, matters and things as may be at their discretion deem necessary or desirable for such purpose and with power of the Company to settle any queries, difficulties or doubts that may arise in this regard as they may in their absolute discretion, deem fit and proper for the purpose of giving effect to the above resolutions;
- h) Making any modifications/alterations/changes therein as may be suggested, prescribed, expedient or necessary for satisfying the requirement or conditions imposed by the NCLT Mumbai, Registrar of Companies, Regional Director, Income Tax Authorities, other Governmental Authorities and/or any other authority;
- i) Withdrawing the scheme at any stage in case the changes or modifications required in this Scheme or the conditions imposed by the NCLT Mumbai and/or any other authority, are not acceptable, and if the Scheme cannot be implemented otherwise and to do all such acts, deeds and things considered necessary in connection therewith or incidental thereto;
- j) Settling any question or difficulty that may arise with regard to the implementation of the above Scheme, and to give effect to the above resolution;
- k) Obtaining the order of the NCLT Mumbai, as the case may be, approving the scheme and filing the same with the Registrar of Companies, Mumbai, Maharashtra, so as to make the sanctioned scheme effective;
- l) Doing all further acts, deeds, matters and things as may be considered necessary, proper or expedient to give effect to the scheme and for matters connected therewith or incidental thereto; and

m) Filing a copy of the resolution duly certified and forward to the concerned authorities including the NCLT Mumbai, as the case may be.”

In accordance with the provisions of Sections 230 to 232 of the Act, the Scheme shall be considered approved by the equity shareholders only if the Scheme is approved by majority of persons representing three-fourth in value of the equity shareholders of the Company, voting through remote e-voting and e-voting facility made available during the Meeting through VC/ OAVM.

The Scheme, if approved in the Meeting, will be subject to the subsequent approval of the NCLT.

A copy of the Explanatory Statement, under Sections 230(3), 232(1) and (2) and 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the Scheme and the other enclosures as indicated in the Index are enclosed.

Sd/-
Aditya Jain (Advocate)
Chairman appointed for the Meeting.

Dated this Mumbai, December 29, 2023

Company: HERCULES HOISTS LIMITED

T: +91 22 45417301 | F: +91 2192 274125 | E: indef@indef.com | U: www.indef.com

Corporate Office: 501-504, Shelton Cubix, Sector 15, Plot #87, CBD Belapur, Navi Mumbai 400614, INDIA

Works: Khalapur, Chakan | Regional Offices: Pune, Delhi, Chennai, Kolkata

Registered Office: Bajaj Bhawan, 2nd Floor, 226, Jarnalal Bajaj Marg, Mumbai 400 021, INDIA

CIN: L45400MH1962PLC012385

Notes:

1. Only registered equity shareholders of the Company may attend (either in person or by Authorised Representative) the said Meeting of the Equity Shareholders of the Company, being conducted through VC/OAVM and vote at the Meeting.
2. Pursuant to the order pronounced on December 19, 2023, in Company Application No. CA (CAA) 181/MB/2023 ("**Order**"), passed by the Hon. National Company Law Tribunal, Mumbai Bench ("**NCLT**"), the meeting of the equity shareholders of Hercules Hoists Limited ("**Tribunal Convened Meeting**" or "**Meeting**") is being convened on Tuesday, January 30, 2023 at 11:00 A.M. IST through Video Conferencing ("**VC**")/Other Audio Visual Means ("**OAVM**") without the physical presence of the equity shareholders at a common venue, at the option of the Company and as per applicable procedure (with requisite modifications as may be required) referred to in General Circular No. 14/2020 dated 08.04.2020 read with Circular Nos. 17/2020 dated 13.04.2020, 22/2020 dated 15.06.2020, 33/2020 dated 28.09.2020, 39/2020 dated 31.12.2020 and 10/2021 dated 23.06.2021, 2/2022 and 3/2022 dated 05.05.2022 and 10/2022, 11/2022 dated 28.12.2022 and 09/2023 dated 25.09.2023 issued by the Ministry of Corporate Affairs, Government of India (collectively referred to as "**MCA Circulars**"), for the purpose of considering, and if thought fit, approving the Scheme of Demerger and Arrangement between HERCULES HOISTS LIMITED ('Demerged Company') and INDEF MANUFACTURING LIMITED ('Resulting Company'), and their respective shareholders, pursuant to the provisions of Sections 230 to 232, and other applicable provisions of the Companies Act, 2013 ("**Act**") (the "**Scheme**"). In accordance with the MCA Circulars, provisions of the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**"), the Meeting is being held through VC/ OAVM. As per Order and MCA Circulars, since the meeting is held through VC/OAVM, the deemed venue of the Meeting shall be registered office of the Company.
3. Explanatory Statement under Sections 230(3), 232(1), 232(2) and 102 of the Act read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ("**Merger Rules**") in respect of the business set out in the Notice, is annexed hereto.
4. Equity shareholders attending the Meeting through VC/ OAVM will be counted for the purpose of reckoning the quorum as prescribed under Section 103 of the Act. Further, in terms of the Order, in case the required quorum for the Meeting is not present at the commencement of the Meeting, then the Meeting shall be adjourned by 30 (thirty) minutes and thereafter, the persons present shall be deemed to constitute the quorum.
5. Pursuant to the Order of the Hon. NCLT, the Company has exercised the option to convene the Meeting of equity shareholders by VC/OAVM, and there is no requirement of appointment of proxies as per General Circular No. 14/2020 dated April 8, 2020. Accordingly, the facility of appointment of proxies by equity shareholders under Section 105 of the Act will not be available for the said Meeting.
6. 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 Meeting of Equity Shareholders through VC/ OAVM on its behalf and to vote through remote e-voting.

7. The Hon. NCLT has appointed M/s. S. N. Ananthasubramanian & Co., Practising Company Secretaries, Thane, as the Scrutinizer to scrutinize votes cast electronically through remote e-voting and e-voting during the Meeting in a fair and transparent manner. The Scrutinizer shall submit a consolidated report on votes cast to the Chairman of the Meeting or to the person so authorised by the Chairman. The Scrutinizer's decision on the validity of the votes cast electronically shall be final.
8. In terms of the directions contained in the Order, the Notice convening the Meeting will be published by Company through advertisement in the 'Business Standard' in English language and in the 'Navshakti' in Marathi language, both having wide circulation in the State of Maharashtra indicating the day, date, place and time of the Meeting and stating that the copy of the Scheme, the Explanatory Statement required to be furnished pursuant to Sections 230 to 232 of the Act can be obtained free of charge by emailing the Company at ksm@indef.com.
9. As the Company has exercised the option to convene the Meeting through VC/OAVM, the facility for appointment of proxies by the equity shareholders is not available for the Meeting and hence, the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.

DECLARATION OF RESULTS ON THE RESOLUTION

- (i) The Scrutinizer shall, after the conclusion of the Meeting, submit a consolidated Scrutinizer's report of the total votes cast in favour and against the resolution and invalid votes, if any and submit the same to the Chairman of the Meeting or a person authorized by Chairman in writing who shall countersign the same.
- (ii) The result of the voting shall be announced by the Chairman of the Meeting, or a person authorized by the Chairman in writing within 2 (two) working days from the conclusion of the Meeting upon receipt of the Scrutinizer's Report. The results declared, along with the Scrutinizer's Report, shall be displayed on the notice board of registered office of the Company and hosted on the website of the Company and on the website of Link Intime immediately after the result is declared. The Company shall also simultaneously forward the results along with the Scrutinizer's Report to BSE Limited and National Stock Exchange of India Limited, the stock exchanges where the Company's equity shares are listed.
- (iii) Subject to the receipt of requisite number of votes, the resolution shall be deemed to be passed on the date of the Meeting, i.e., on January 30, 2024.

VOTING THROUGH ELECTRONIC MEANS

- I) As per the directions of the Hon. NCLT and in terms of the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of the Listing Regulations, MCA Circulars and in terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, the Company is pleased to provide the facility of "e-voting" to its equity shareholders, to enable them to cast their votes on the resolution proposed to be passed during the Meeting, by electronic means. The Company has engaged the services of Link Intime India Private Limited (Link Intime), as the authorized agency to provide e-voting (i.e. remote e-voting and e-voting during the Meeting) facility as well as to enable the equity shareholders (or its authorized representatives, as the case may be) of the Company to attend and participate in the Meeting through VC/OAVM. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the Meeting as well as e voting during the Meeting will be provided by Link Intime India Private Limited (Link Intime). The equity shareholders opting to cast their votes by remote e voting or e-voting during the Meeting are requested to read the instructions in the Notes below carefully.
- II) The cut-off date to determine the eligibility to attend and vote by remote e-voting or e-voting during the Meeting shall be as per applicable law ("Cut-off Date"). Only those equity shareholders, who will be present at the Meeting through VC/OAVM facility and have not cast their vote by remote e-voting prior to the Meeting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the Meeting.
- III) The remote e-voting period shall commence on Friday , January 26, 2024 at 9:00 A.M. IST and end on Monday, January 29, 2024 at 5:00 P.M. IST. The remote e-voting module shall be disabled by Link Intime for remote e-voting thereafter.
- IV) The voting rights of the equity shareholders shall be in proportion to their share in the paid-up share capital of the Company as on the Cut-off Date i.e. January 23, 2024. Any person who is not an equity shareholder of the Company as on the said date should treat this Notice for information purposes only. In case of joint holders attending the Meeting, only such joint holder whose name appears first in order of names in the Register of Members of the Company in respect of such joint holding will be entitled to vote.
- V) Each equity shareholder can opt for only one mode of voting i.e. (a) remote e-voting prior to Meeting; or (b) vote through e-voting system during the Meeting through VC/OAVM as arranged by Link Intime on behalf of the Company. The equity shareholders who have cast their votes by remote e-voting prior to the Meeting will be eligible to participate at the Meeting but shall not be eligible to cast their vote during the Meeting.

THE PROCESS AND MANNER FOR REMOTE E-VOTING IS AS UNDER:

- 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 Meeting of Equity Shareholders 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 Meeting of Equity Shareholders 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 Meeting of Equity Shareholders 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 Meeting of Equity Shareholders.
- III) The members who have cast their vote-by e voting prior to the Meeting of Equity Shareholders may also attend the Meeting of Equity Shareholders 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 Friday, January 26, 2024 (9:00 am) and ends on Monday January 29, 2024 (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 January 23, 2024 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.nsd.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.nsd.com> Select "Register Online for IDeAS Portal" or click at <https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp>
 - c. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://eservices.nsd.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 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 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.
 3. 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:

1. Open the internet browser and launch the URL: <https://instavote.linkintime.co.in>
2. 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).
3. Click on ‘Login’ under ‘**SHARE HOLDER**’ tab.
4. Enter your User ID, Password, and Image Verification (CAPTCHA) Code and click on ‘**Submit**’.
5. After successful login, you will be able to see the notification for e-voting. Select ‘**View**’ icon.
6. E-voting page will appear.

7. 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).
8. 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 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.

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

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>

- o Click on '**Login**' under '**SHARE HOLDER**' tab and further Click '**forgot password?**'
- o 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 January 23, 2024.
- 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 Meeting of Equity Shareholders.
- 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 Meeting of Equity Shareholders, 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.

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 Meeting of Equity Shareholders of the Company scheduled to be held on January 30, 2024.

**IN THE HON. NATIONAL COMPANY LAW TRIBUNAL,
MUMBAI BENCH, COURT I
COMPANY APPLICATION NO. CA(CAA) 181/MB/2023**

In the matter of Companies Act, 2013

AND

In the matter of Section 230 to 232 of the
Companies Act, 2013 read with other
applicable provisions of the Companies Act,
2013 and Companies (Compromises,
Arrangements and Amalgamation) Rules,
2016

AND

In the matter of Scheme of Demerger and
Arrangement between HERCULES HOISTS
LIMITED ('First Applicant Company' or
'Demerged Company') and INDEF
MANUFACTURING LIMITED ('Second
Applicant Company' or 'Resulting Company')

HERCULES HOISTS LIMITED...

First Applicant Company / Demerged
Company

INDEF MANUFACTURING LIMITED ...

Second Applicant Company / Resulting
Company

EXPLANATORY STATEMENT UNDER SECTIONS 230(3), 231(1), 231(2) AND 102 OF THE COMPANIES ACT, 2013 READ WITH RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016

1. Pursuant to an order pronounced on December 19, 2023, by the Hon. National Company Law Tribunal Mumbai Bench ("NCLT") in the Company Application No. CA(CAA) 181/MB/2023 ("**Order**"), a meeting of the equity shareholders of Hercules Hoists Limited (the "**Demerged Company**") is being convened ("**Tribunal Convened Meeting**" or "**Meeting**") for the purpose of considering, and if thought fit, approving the Scheme of Demerger and Arrangement between HERCULES HOISTS LIMITED ('Demerged Company') and INDEF MANUFACTURING LIMITED ('Resulting Company') and their respective shareholders (the "**Scheme**"), pursuant to the provisions of Sections 230 to 232, and other applicable provisions of the Companies Act, 2013 ("**Act**"). This is a statement accompanying the notice for the Meeting as required under the Act. The Meeting is being convened as per the details given below:

| | |
|-------------|--|
| Day | Tuesday |
| Date | January 30, 2024 |
| Time | 11:00 A.M. (IST) |
| Mode | Through Video Conferencing /Other Audio Visual Means |

The copy of the order of the Hon. NCLT dated December 19, 2023 is enclosed herewith as **Annexure 1**.

2. A copy of the Scheme which has been, inter alia, approved by the Board of Directors ("Board") of the Companies at their respective meetings held on September 23, 2022 is enclosed as **Annexure 2**. Capitalised terms used herein but not defined shall have the meaning assigned to them in the Scheme, unless otherwise stated.
3. The equity shareholders of the Company would be entitled to vote by remote e voting prior to the Meeting or by e-voting during the Meeting. The quorum of the Meeting shall be 30 (thirty) equity shareholders of the Company present through VC / OAVM.
4. In terms of the said Order, the Hon.NCLT, has appointed Mr. Aditya Jain , Advocate failing him Mr. K. J. Mallya, Independent Director of the Demerged Company, as Chairman of the Meeting.
5. The Companies will file the Scheme with the Registrar of Companies, Mumbai Maharashtra in Form No. GNL-1.
6. **Details as per Rule 6(3) of the Merger Rules**
 - (i) Details of the order of the NCLT directing the calling, convening, and conducting of the Meeting:
Please refer to paragraph no. 1 of this Explanatory Statement for date of the Order and the date, time, and venue of the Tribunal Convened Meeting.

(ii) Details of the Companies:

Hercules Hoists Limited

- (a) Date of Incorporation: 15/06/1962
- (b) Corporate Identification Number: L45400MH1962PLC012385
- (c) Permanent Account Number: AAACH2706D
- (d) Type of Company: Listed public limited company.
- (e) Registered Office: Bajaj Bhawan, 2nd Floor, 226, Jamnalal Bajaj Marg, Nariman Point, Mumbai-400021, Maharashtra, India.
- (f) Email Address: cs1@indef.com
- (g) Name of the stock exchange(s) where securities of the company are listed: Equity shares of the Company are listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE").

Indef Manufacturing Limited

- (a) Date of Incorporation: 12/09/2022
- (b) Corporate Identification Number: U29308MH2022PLC390286
- (c) Permanent Account Number: AAGCI8441Q
- (d) Type of Company: Unlisted public limited company.
- (e) Registered Office: Bajaj Bhawan, 2nd Floor, 226, Jamnalal Bajaj Marg, Nariman Point, Mumbai-400021, Maharashtra, India.
- (f) Email Address: cs1@indef.com
- (g) Name of the stock exchange(s) where securities of the company are listed: The shares of the Company are not listed on any stock exchange.

(iii) Other Particulars of the Company as per Rule 6(3) of the Merger Rules:

Hercules Hoists Limited

a) Summary of the main objects as per the memorandum of association and main business carried on by the Company

To carry on the business of manufacturing, sales, distribution and marketing of mechanical hoists, electric chains hoists, wire rope hoists, crane, and other material handling equipments and other business by way of investments in various mutual funds schemes and equity instruments.

b) Details of change of name, registered office and objects of the Company during the last five years

- (A) Change of Name: There is no change of name during the last five years.
- (B) Change of Registered Office: There is no change of Registered Office during the last five years.
- (C) Change of objects: There has been no change in objects clause during last five years.

c) **Details of the capital structure of the Company including authorised, issued, subscribed and paid up share capital**

(A) The share capital structure of the Company as on March 31, 2023 is as under:

| Particulars | Amount (INR) |
|--|---------------------|
| Authorized Share Capital | |
| 4,00,00,000 equity shares of INR 1 each | 4,00,00,000 |
| TOTAL | 4,00,00,000 |
| Issued, Subscribed and Paid Up Share Capital | |
| 3,20,00,000 equity shares of INR 1 each, fully paid up | 3,20,00,000 |
| Total | 3,20,00,000 |

(B) The expected post Scheme capital structure of the Company will be as follows:

| Particulars | Amount (INR) |
|--|---------------------|
| Authorized Share Capital | |
| 4,00,00,000 equity shares of INR 1 each | 4,00,00,000 |
| TOTAL | 4,00,00,000 |
| Issued, Subscribed and Paid Up Share Capital | |
| 3,20,00,000 equity shares of INR 1 each, fully paid up | 3,20,00,000 |
| Total | 3,20,00,000 |

d) Details of the promoters and directors of the Company along with their addresses:

(A) The details of the promoters of the Company are as follows:

| Sr. No. | Name of promoter | Address |
|-----------------|-------------------------|--|
| Promoter | | |
| 1 | Kiran Bajaj | Bajaj Bhawan 2nd Floor 226 Nariman Point, Mumbai-400021, Maharashtra, India. |
| 2 | Kumud Bajaj | Bajaj Bhawan 2nd Floor 226 Nariman Point, Mumbai-400021, Maharashtra, India. |
| 3 | Madhur Bajaj | Bajaj Bhawan 2nd Floor 226 Nariman Point, Mumbai-400021, Maharashtra, India. |
| 4 | Niraj Bajaj Trust | Bajaj Bhawan 2nd Floor 226 Nariman Point, Mumbai-400021, Maharashtra, India. |
| 5 | Niraj Bajaj | Bajaj Bhawan 2nd Floor 226 Nariman Point, Mumbai-400021, Maharashtra, India. |
| 6 | Pooja Bajaj | Bajaj Bhawan 2nd Floor 226 Nariman Point, Mumbai-400021, Maharashtra, India. |
| 7 | Rajivnayan Bajaj | Bajaj Bhawan 2nd Floor 226 Nariman Point, Mumbai-400021, Maharashtra, India. |
| 8 | Sanjivnayan Bajaj Trust | Bajaj Bhawan 2nd Floor 226 Nariman Point, Mumbai-400021, Maharashtra, India. |
| 9 | Sanjivnayan Bajaj Trust | Bajaj Bhawan 2nd Floor 226 Nariman Point, Mumbai-400021, Maharashtra, India. |
| 10 | Shekhar Bajaj | Bajaj Bhawan 2nd Floor 226 Nariman Point, Mumbai-400021, Maharashtra, India. |
| 11 | Shri Sanjivnayan Bajaj | Bajaj Bhawan 2nd Floor 226 Nariman Point, Mumbai-400021, Maharashtra, India. |
| 12 | Vanraj Anant Bajaj | Bajaj Bhawan 2nd Floor 226 Nariman Point, Mumbai-400021, Maharashtra, India. |
| 13 | Kumud Bajaj Trust | Bajaj Bhawan 2nd Floor 226 Nariman Point, Mumbai-400021, Maharashtra, India. |

| | | |
|-----------------------|---|---|
| 14 | Madhur Bajaj Trust | Bajaj Bhawan 2nd Floor 226 Nariman Point, Mumbai-400021, Maharashtra, India. |
| 15 | Kumud Bajaj A/C Madhur Neelima Family Trust | Bajaj Bhawan 2nd Floor 226 Nariman Point, Mumbai-400021, Maharashtra, India. |
| 16 | Kumud Bajaj A/C Madhur Nimisha Family Trust | Bajaj Bhawan 2nd Floor 226 Nariman Point, Mumbai-400021, Maharashtra, India. |
| 17 | Madhur Bajaj A/C Kumud Bajaj Neelima Family Trust | Bajaj Bhawan 2nd Floor 226 Nariman Point, Mumbai-400021, Maharashtra, India. |
| 18 | Madhur Bajaj A/C Kumud Bajaj Nimisha Family Trust | Bajaj Bhawan 2nd Floor 226 Nariman Point, Mumbai-400021, Maharashtra, India. |
| Promoter Group | | |
| 19 | Bachhraj Factories Private Limited | Bajaj Bhawan, 2nd Floor, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai 400 021, Maharashtra, India. |
| 20 | Bajaj Holdings & Investment Limited | C/o Bajaj Auto Limited Complex, Mumbai-Pune Road, Akurdi, Pune - 411 035. |
| 21 | Bajaj Sevashram Private Ltd | Bajaj Bhawan, 2nd Floor, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai 400 021, Maharashtra, India. |
| 22 | Jamnalal Sons Private Limited | Bajaj Bhawan, 2nd Floor, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai 400 021, Maharashtra, India. |
| 23 | Shekhar Holdings Pvt Ltd | Bajaj Bhawan, 2nd Floor, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai 400 021, Maharashtra, India. |

(B) The details of the directors of the Company as on date of notice are as follows:

| Sr. No. | Name of Director | Designation | Address |
|---------|-----------------------|--|--|
| 1 | Mr. Shekhar Bajaj | Chairman | Flat No. 50, Bldg No. 4, Hill Park, A Graham Bell Marg, Malabar Hill, Mumbai-400006, Maharashtra, India. |
| 2 | Mr. Nirav Nayan Bajaj | Non-Executive - Non Independent Director | 97, Mount Unique, 62 A. G Deshmukh Marg, Mumbai-400026, Maharashtra, India. |

| | | | |
|---|-------------------------------------|--|---|
| 3 | Mr. Hariprasad Anandkishore Nevatia | Executive Director | Ashoka Garden B Wing, 1504 T K Road, Mumbai 400015, Maharashtra, India. |
| 4 | Mr. Gaurav Vinod Nevatia | Non-Executive - Independent Director | 74 Madhuli A B Road, Worli, Mumbai-400018, Maharashtra, India. |
| 5 | Mr. Vandan Sitaram Shah | Non-Executive - Independent Director | 2, Prabhat, 28 B Road, Near Inter Continental Hotel, Churchgate, Mumbai-400020, Maharashtra, India. |
| 6 | Mr. Jayavanth Kallianpur Mallya | Non-Executive - Independent Director | Flat No.23 A-6/7, Happy Jeevan, LIC Colony, Borivali West, Mumbai-400103, Maharashtra, India. |
| 7 | Mrs. Shruti Jatia | Non-Executive - Independent Director | 111-A, Somerset House, 61G, Bhulabhai Desai Road, Sohpie College, Breach Candy, Cumballa Hill, Mumbai-400026, Maharashtra, India. |
| 8 | Mrs. Neelima Aditya Bajaj Swamy | Non-Executive - Non Independent Director | Flat No 43, 4th Floor, Ashoka Apartment, Rungta Road, Napeansea Road, Malabar Hill, Mumbai-400006, Maharashtra, India. |

- e) **The date of the board meeting of the Company at which the Scheme was approved by the board of directors including the name of the directors who voted in favour of the resolution, who voted against the resolution and who did not vote or participate on such resolution:**

The Board of Directors of the Company approved the Scheme at their meeting dated September 23, 2022. Details of the manner in which the directors of the Company voted at this meeting are as follows:

| Sr. No. | Name of Director | Voted in favor/ against/ abstained |
|---------|-------------------------------------|------------------------------------|
| 1 | Mr. Shekhar Bajaj | In favour |
| 2 | Mr. Nirav Nayan Bajaj | In favour |
| 3 | Mr. Hariprasad Anandkishore Nevatia | In favour |
| 4 | Mr. Gaurav Vinod Nevatia | In favour |
| 5 | Mr. Vandan Sitaram Shah | In favour |
| 6 | Mrs. Shruti Jatia | In favour |

- f) As on March 31, 2023, the Company had 254 (Two Hundred and Fifty Four) unsecured creditors and amount due to such unsecured creditors is INR

14,64,96,766 (Rupees Fourteen Crores Sixty Four Lakhs Ninety Six Thousand Seven Hundred Sixty Six only).

- g) None of the directors, the Key Managerial Personnel (as defined under the Act) of Company and their respective Relatives (as defined under the Act) have any interests, financial or otherwise in the Scheme, except to the extent of their respective shareholding in the Company, if any, and/or to the extent the said directors / Key Managerial Personnel are common directors of the Company, if any. The effect of the Scheme on the material interests of the directors and Key Managerial Personnel of the Company and their respective Relatives, is not any different from the effect on other shareholders of the Company. The details of the shareholding of the directors and Key Managerial Personnel of the Company as on date of notice is as follows:

| Sr. No. | Name of Director | Designation | No. of shares held in the Company | No. of shares Held in IML |
|---------|-------------------------------------|--|-----------------------------------|---------------------------|
| 1 | Mr. Shekhar Bajaj | Chairman | 9,06,400 | - |
| 2 | Mr. Nirav Nayan Bajaj | Non-Executive - Non Independent Director | NIL | - |
| 3 | Mr. Hariprasad Anandkishore Nevatia | Executive Director | 1600 | 1 |
| 4 | Mr. Gaurav Vinod Nevatia | Non-Executive Independent Director | - | - |
| 5 | Mr. Vandan Sitaram Shah | Non-Executive Independent Director | 52040 | - |
| 6 | Mr. Jayavanth Kallianpur Mallya | Non-Executive Independent Director | 200 | - |

| | | | | |
|----|---------------------------------|--|-------|---|
| 7 | Mrs. Shruti Jatia | Non-Executive Independent Director | - | - |
| 8 | Mrs. Neelima Aditya Bajaj Swamy | Non-Executive - Non Independent Director | - | - |
| 9 | Mr. Amit Bhalla | Chief Executive Officer | 34180 | - |
| 10 | Mr. Vijay Singh | Chief Financial Officer | - | 1 |
| 11 | Mr. Kiran Mukadam | Company Secretary & Compliance Officer | 1 | 1 |

h) Disclosure about the effect of the Scheme on the various stakeholders of the Company:

| Sr. No. | Category of stakeholder | Effect of the Scheme on the stakeholders |
|---------|--------------------------------------|---|
| 1 | Shareholders | The effect of the Scheme on the shareholders, promoters, non-promoter shareholders, and key managerial personnel/directors of the Company has been set out in the report adopted by the Board of Directors of Company pursuant to the provisions of Section 232(2)(c) of the Act which is attached as Annexure 3 to this Statement. |
| 2 | Promoters | |
| 3 | Non-Promoter Shareholders | |
| 4 | Key Managerial Personnel/ Director | |
| 5 | Creditors | All debts, duties, obligations, and liabilities (including contingent liabilities) of Hercules Hoists Limited forming part of the Demerged Company shall stand transferred to Indef Manufacturing Limited to the extent that they are outstanding as on the Effective Date and shall become the debts, duties, obligations, and liabilities of Indef Manufacturing Limited. No compromise is proposed with the creditors (including debenture holders) of Hercules Hoists Limited nor is any of their liability is proposed to be reduced or extinguished under the Scheme. |
| 6 | Depositors | Not applicable. |
| 7 | Debenture holders | Not applicable. |
| 8 | Deposit trustee Debenture trustee | Not applicable. |
| 9 | Employees | On the Scheme coming into effect, all the staff, Workmen and employees of the Demerged |

| | | |
|--|--|--|
| | | <p>Company engaged in the Demerged Undertaking in service on such date shall be deemed to have become staff, workmen and employees of IML with effect from the Effective Date without any break in their service and on the basis of continuity of service and the terms and conditions of their employment with HHL shall not be less favourable than those applicable to them with reference to the Demerged Undertaking on the Effective Date. The position, rank and designation of the employees would however be decided by IML.</p> |
|--|--|--|

- i) No investigation or proceedings have been instituted or are pending against Hercules Hoists Limited under the Act.

(iv) Other Particulars of the Company as per Rule 6(3) of the Merger Rules:

Indef Manufacturing Limited

a) Summary of the main objects as per the memorandum of association and main business carried on by the Company.

The main objects of the Company as set out in Clause III of the Memorandum of Association are as follows:

- (i) To undertake, own, operate, manage, control, administer either alone or jointly in partnership, joint venture, collaboration the business of material handling equipment and in this regard to buy, sell, import, export, market, distribute, assemble, convert, design, develop, equip, fabricate, hire, let on hire, lease, running, hiring out on contract, install, maintain, operate, repair, overhaul, recondition, remodel, service, and to act as agent, broker, representative, consultant, stockist, or otherwise, including in fork lifts, earth-moving machines, all kinds of high-tech cranes, hot metal cranes, magnet cranes, high capacity cranes, EOT (Electric Overhead Travelling) cranes, winches, grab buckets, conveyors, elevators hoists, chain pulley blocks, elevators, conveyers, conveyer belts, crane wheels, crane rails, gear boxes, control gears, trolleys, dredges, barges, launches, tugs and ancillary equipment and all kinds of material handling equipment, light and heavy equipment, construction equipment, industrial, non industrial equipment, foundry equipment, and its spare parts or otherwise, in India or abroad.
- (ii) To manufacture, get manufactured from others, buy, sell, assemble, service, lease, exchange, export, import, machine, and generally deal in various items of iron and steel and its products, iron and steel castings, forgings, of all kinds required by various industries and to carry on the

business of iron-founders, mechanical engineers, manufacturers of machinery and implements of all kinds, tool-makers, brass founders, metal-workers, boiler makers, mill wrights, iron & steel converters, smiths, and to buy, sell, manufacture, repair, convert, alter, let on hire and deal in implements, machinery, rolling stock and hardware of all kinds.

- (iii) To manufacture and/or produce and/or otherwise engage generally in the manufacture or production of or dealing in spur gear chain pulley blocks, electric chain hoists of various capacities and hoisting equipment of all kinds and allied products and to do all acts and things necessary or required for the purpose.

b) Details of change of name, registered office and objects of the Company during the last five years

- (A) Change of Name: There is no change of name during the last five years.
- (B) Change of Registered Office: There is no change of Registered Office during the last five years.
- (C) Change of objects: There has been no change in objects clause during last five years.

c) Details of the capital structure of the Company including authorised, issued, subscribed and paid up share capital

- (A) The share capital structure of the Company as on March 31, 2023 is as under:

| Particulars | Amount (INR) |
|---|-----------------|
| Authorized Share Capital | |
| 1,00,000 equity shares of INR 1 each | 1,00,000 |
| TOTAL | 1,00,000 |
| Issued, Subscribed and Paid Up Share Capital | |
| 1,00,000 equity shares of INR 1 each, fully paid up | 1,00,000 |
| Total | 1,00,000 |

- (B) The expected post Scheme capital structure of the Company will be as follows:

| Particulars | Amount (INR) |
|--|--------------------|
| Authorized Share Capital | |
| 4,00,00,000 equity shares of INR 1 each | 4,00,00,000 |
| TOTAL | 4,00,00,000 |
| Issued, Subscribed and Paid Up Share Capital | |
| 3,20,00,000 equity shares of INR 1 each, fully paid up | 3,20,00,000 |
| Total | 3,20,00,000 |

- d) Details of the promoters and directors of the Company along with their addresses:

- (A) The details of the promoters of the Company are as follows:

| Sr. No. | Name of promoter | Address |
|---------|--------------------------|--|
| 1 | Hercules Hoists Limited* | Bajaj Bhawan, 2 nd Floor, 226, Jamnalal Bajaj Marg, Nariman Point, Mumbai 400021, Maharashtra, India. |

*Includes shares held by nominee shareholders.

(B) The details of the directors of the Company are as follows:

| Sr. No. | Name of Director | Designation | Address |
|---------|-------------------------------------|---------------------|--|
| 1 | Mr. Shekhar Bajaj | Director | Flat No. 50, Bldg No. 4, Hill Park, A Graham Bell Marg, Malabar Hill, Mumbai 400006, Maharashtra, India. |
| 2 | Mr. Nirav Nayan Bajaj | Director | 97, Mount Unique, 62 A. G Deshmukh Marg, Mumbai-400026, Maharashtra, India. |
| 3 | Mr. Hariprasad Anandkishore Nevatia | Whole-time director | Ashoka Garden B Wing, 1504 Tokersol Jivraj Road, Mumbai 400015, Maharashtra, India. |

- e) **The date of the board meeting of the Company at which the Scheme was approved by the board of directors including the name of the directors who voted in favour of the resolution, who voted against the resolution and who did not vote or participate on such resolution:**

The Board of Directors of the Company approved the Scheme at their meeting dated September 23, 2022. Details of the manner in which the directors of the Company voted at this meeting are as follows:

| Sr. No. | Name of Director | Voted in favor/ against/ abstained |
|---------|-------------------------------------|------------------------------------|
| 1 | Mr. Shekhar Bajaj | In favour |
| 2 | Mr. Nirav Nayan Bajaj | In favour |
| 3 | Mr. Hariprasad Anandkishore Nevatia | In favour |

- f) As on March 31, 2023, there are NIL amounts of unsecured creditors in Resulting Company.
- g) None of the directors, the Key Managerial Personnel (as defined under the Act) of Company and their respective Relatives (as defined under the Act) have any interests, financial or otherwise in the Scheme, except to the extent of their respective shareholding in the Company, if any, and/or to the extent the said directors / Key Managerial Personnel are common directors of the Company, if any. The effect of the Scheme on the material interests of the directors and Key Managerial Personnel of the Company and their respective Relatives, is not any different from the effect on other shareholders of the Company. The details of the shareholding of the directors and Key Managerial Personnel of the Company as on date of notice is as follows:

| Sr. No. | Name of Director | Designation | No. of shares held in the Company | No. of shares Held in HHL |
|---------|-------------------------------------|--|-----------------------------------|---------------------------|
| 1 | Mr. Shekhar Bajaj | Chairman | - | 906400 |
| 2 | Mr. Nirav Nayan Bajaj | Non-Executive - Non Independent Director | - | - |
| 3 | Mr. Hariprasad Anandkishore Nevatia | Executive Director | 1 | 1600 |

h) Disclosure about the effect of the Scheme on the various stakeholders of the Company:

| Sr. No. | Category of stakeholder | Effect of the Scheme on the stakeholders |
|---------|---------------------------------------|---|
| 1 | Shareholders | The effect of the Scheme on the shareholders, promoters, non-promoter shareholders, and key managerial personnel/directors of the Company has been set out in the report adopted by the Board of Directors of Company pursuant to the provisions of Section 232(2)(c) of the Act which is attached as Annexure 4 to this Statement. |
| 2 | Promoters | |
| 3 | Non-Promoter Shareholders | |
| 4 | Key Managerial Personnel/ Director | |
| 5 | Creditors | All debts, duties, obligations, and liabilities (including contingent liabilities) of Hercules Hoists Limited forming part of the Demerged Company shall be and stand transferred to Indef Manufacturing Limited to the extent that they are outstanding as on the Effective Date and shall become the debts, duties, obligations, and liabilities of Indef Manufacturing Limited. No compromise is proposed with the creditors (including debenture holders) of Indef Manufacturing Limited nor is any of their liability proposed to be reduced or extinguished under the Scheme. |
| 6 | Depositors | Not applicable. |
| 7 | Debenture holders | Not applicable. |
| 8 | Deposit trustee and Debenture trustee | Not applicable. |

| | | |
|---|-----------|--|
| 9 | Employees | The employees of Indef Manufacturing Limited shall continue on the rolls of Indef Manufacturing Limited as per the terms and conditions of their employment. |
|---|-----------|--|

- i) No investigation or proceedings have been instituted or are pending against Hercules Hoists Limited under the Act.
- (v) Other details regarding the Scheme required as per Rule 6(3) of the Merger Rules

(a) **Relationship between the Companies:**

As on the date of approval of the Scheme by the Boards of the Companies, Hercules Hoists Limited along with its nominees holds 100% of the issued equity share capital of Indef Manufacturing Limited.

(b) **Appointed Date, Effective Date, Demerger Record Date and Consideration for the Scheme:**

'Appointed Date' means 1st day of October 2022 or such other date as the Tribunal may direct or fix, for the purpose of the Scheme.

'Effective Date' means the last of the dates on which the certified copies of the order(s) of the Tribunal sanctioning the scheme are filed with the Registrar of Companies, Mumbai by HHL and IML.

'Record Date' means the date to be fixed by the Board of Directors of HHL, upon the Scheme coming into effect, and if required, in consultation with IML, for the purpose of reckoning name of the equity shareholders of HHL, who shall be entitled to receive the New Shares to be issued by the IML and for any other purpose as provided in this scheme.

(c) **Consideration for the Demerger:**

Upon the Scheme coming into effect, in consideration of the demerger of the Demerged Undertaking into IML pursuant to provisions of this Scheme, and without any further application, act, deed payment, consent acts, instruments or deed, IML will issue and allot fully paid-up equity shares of Rs. 1 each (the "New Shares") to shareholders of HHL in accordance with the terms of the Scheme. The New Shares will be issued by IML to such equity shareholders of HHL whose names are recorded in the register of members of HHL as on the Record Date in the ratio of 1:1, i.e. **"1 (One) equity share of IML of Face Value of INR 1 each fully paid up shall be issued for every 1 (One) equity share of Face Value of INR 1 each fully paid up held in HHL"**.

(d) **Summary of the Valuation Report and Fairness Opinion:**

For the purposes of the Scheme, a report in relation to the share entitlement ratio (hereinafter referred to as **"Registered Valuer's Report"**) for issuance and

allotment of shares of HHL to the shareholders of the Company pursuant to and in consideration of the Demerger was issued on September 22, 2022 by Paras K. Savla registered with Insolvency & Bankruptcy Board of India vide Regn. No. IBBI/RV/06/2018/10102. The Registered Valuer's Report and fairness opinion has been enclosed as **Annexure 5 and Annexure 6** respectively. In the Registered Valuer's Report, the valuer has understood that upon the Scheme being effective and in consideration of transfer and vesting of the Demerged Company to IML in terms of the Scheme, fully paid Equity Shares of Face Value INR 1 (One) each of IML shall be issued to the Shareholders of HHL ("New Shares"), which will be listed on the Stock Exchanges. As a part of the Scheme, the existing shares held by HHL in IML will be cancelled on demerger.

BSE Circular No. LIST/COMP/02/2017-18 dated 29th May, 2017 and NSE Circular No. NSE/CML/2017/12 dated 1st June, 2017 (collectively referred to as "Stock Exchange Circulars") require Valuation Report for a Scheme of Arrangement to provide certain requisite information in a specific format. In terms of the SEBI Scheme Circular viz. Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021, including amendments thereto, pursuant to the Proposed Scheme, there is no change in the shareholding pattern of Demerged Company and the Resulting Company, thus, the requirement for seeking a valuation report is not triggered.

(e) Detail of capital restructuring:

Upon the Scheme becoming effective and in consideration of the Demerger, IML shall issue equity shares credited as fully-paid up shares in IML to the shareholders of the HHL whose names appear in the register of members of the Company on the Demerger Record Date or to such of their respective heirs, executors, administrators or other legal representatives or successors in title as on such record date in Share Entitlement Ratio. The equity shares held by HHL in IML shall stand cancelled and extinguished.

(f) Detail of debt restructuring:

There shall be no debt restructuring of the Companies pursuant to the Scheme.

(g) Rationale and benefits of the Scheme as perceived by the board of directors of the Company:

The demerger of the Demerged Undertaking (as defined herein under) from HHL to IML is based on the following rationale:

- a) The demerger will result into splitting of manufacturing business and investment business of the Demerged Company with a view to unlocking value, enhance the scope of work of both, the Demerged Company and the Resulting Company, and further to draw new investors, JV, bringing technology partner, merger & acquisition for exploring other growth potential in it.

- b) The demerger will result in increased flexibility and enhance the ability of HHL and IML to undertake their respective businesses, thereby contributing to enhancement of future business potential.
- c) The demerger will allow the respective management to pursue independent growth strategies. The Scheme will also provide scope of separate companies for independent collaboration and expansion.
- d) The Scheme will ensure focused management attention, resources and skill set allocation of both HHL and IML of Remaining Undertaking and Demerged Undertaking respectively with a view to rationalize and simplify the structure of the Demerged Undertaking.
- e) The transfer and vesting of the Demerged Undertaking into Indef Manufacturing Limited, by way of demerger, would facilitate focused management attention, provide leadership vision, facilitate efficiency in operations due to individual specialization, provide greater leveraging due to financial independence and facilitate strategic financial investment to the Demerged Undertaking and enabling the management of HHL to focus on the Remaining Undertaking and allow it to grow aggressively.
- f) The transfer and vesting of the Demerged Undertaking along with assets and liabilities relating to the Demerged Undertaking into IML will benefit IML and its members.
- g) In consideration of the Demerger, the Shareholders of the Demerged Company will receive equity shares in the Resulting Company, which will be listed on Stock Exchange(s). The Shares held by the Demerged Company in the Resulting Company (if any) will be cancelled upon the effectiveness of the Scheme as the shareholding pattern of the Demerged Company and the Resulting Company will be exactly the same (i.e mirror shareholding pattern).
- h) The Demerger and the consequent issue of equity shares by the Resulting Company are proposed to allow shareholders of the Demerged Company and the Resulting Company and the investors to invest in the distinct key businesses and allow shareholders of the Demerged Company and the Resulting Company unlock the value of their investments.
- i) The proposed demerger will assist in the potential of the respective businesses being realized more fully and will have beneficial results for the said companies and their shareholders.
- j) The Scheme is in the interest of shareholders, creditors and there is no likelihood that any shareholder or creditor of either HHL or IML would be prejudiced as a result of the Scheme of Arrangement. The Scheme will neither impose any additional burden on the shareholders of the Demerged Company, nor will it adversely affect the interests of any of the shareholders or creditors of the Demerged Company and the Resulting

Company. Further, the Scheme is only for the transfer and vesting of the Demerged Undertaking by way of an arrangement from the Demerged Company into the Resulting Company and is not an arrangement or compromise with the creditors of any of the entities involved in the Scheme.

- (h) The pre-Scheme and post-Scheme shareholding patterns of HHL and IML, as applicable, are attached as **Annexures 7** and **8** respectively.
- (i) Details of availability of the documents for obtaining extracts from or making or obtaining copies:

Copies of the following documents will be available for obtaining extract from or for making or obtaining copies of or for inspection by the members of the Company at its registered office between 11:00 a.m. to 1:00 p.m. on any day (except Saturday, Sunday and public holidays) up to one day prior to the date of the Meeting.

An advance notice should be given by e-mail to the Company at ksm@indef.com, if it is desired to obtain copies of the Notice from the registered office of the Company. Alternatively, a request for obtaining an electronic/ soft copy of the Notice may be made by writing an e-mail to cs1@indef.com:

- (A) Certified copy of the order passed by the NCLT in Company Application No. CA(CAA) 181/MB/2023 pronounced on December 19, 2023 directing the Companies, to convene the respective Tribunal convened meetings;
 - (B) Copy of the Scheme;
 - (C) Copies of the Memorandum of Association and Articles of Association of the Companies;
 - (D) Copies of the un-audited financial statements of the Companies dated 30-09-2023 including consolidated financial statements, wherever applicable;
 - (E) contracts or agreements material to the compromise or arrangement if any
 - (F) Copy of the Registered Valuer's Report issued on September 22, 2022 by Paras K. Savla;
 - (G) The certificates issued by the statutory auditors of the Company to the effect that the accounting treatment, if any, proposed in the Scheme is in conformity with the Accounting Standards prescribed under Section 133 of the Act;
 - (H) Copy of the resolution passed by the board of directors of the Companies dated September 23, 2022 approving the Scheme;
 - (I) Observation letters issued by BSE and NSE dated May 23, 2023 and May 24, 2023 respectively to the Company; and
 - (J) Copy of the report adopted by the board of directors of the Companies as per the provisions of Section 232(2)(c) of the Act.
- (j) **Details of approvals, sanctions or no-objection(s) from regulatory or any other governmental authorities required, received or pending for the purpose of the Scheme:**

- (A) In terms of Regulation 37 of the Listing Regulations, BSE and NSE, by their respective letters, May 23, 2023 and May 24, 2023, have issued their observations on the Scheme to the Company conveying their no adverse observations/no objection to the Scheme. Copy of the observation letters received from BSE and NSE are enclosed as **Annexures 9** and **10**, respectively.
- (B) The details of indicative assets and liabilities of the demerged division that are being transferred as **Annexure 11**, copy of complaints report as **Annexure 12**, latest un-audited financial statements of the Company as on September 30, 2023 as **Annexure 13** and abridged prospectus of IML as **Annexure 14** are enclosed
- (C) The Scheme was filed by the Companies with the Mumbai Bench of the NCLT on June 22, 2023 and the NCLT has passed directions to convene Meeting(s) vide an Order pronounced on December 19, 2023.
- (D) The Scheme is subject to approval by the requisite majority of the shareholders the Company in terms of the applicable provisions of the Act and the Merger Rules.
- (E) The Scheme is conditional and subject to necessary sanctions and approvals as set out in the Scheme.

This statement may be treated as an Explanatory Statement under Section 230(3), 232(1), 232(2) and 102 of the Act and the statement for the purposes of Rule 6(3) of the Merger Rules.

On behalf of the Board of Directors

Date: 27-12-2023
Place: Mumbai

Aditya Jain (Advocate)
Chairman

Annexure 1
Order of the Hon. NCLT Mumbai Bench, Court I, dated December 19, 2023

THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH, COURT I

CA(CAA)/181/MB/2023

In the matter of

The Companies Act, 2013

And

In the matter of

The Section 232 r/w Section 230 of

The Companies Act, 2013

read with other applicable provisions of The

Companies Act, 2013 and Companies

(Compromises, Arrangements and

Amalgamation) Rules, 2016

and

In the matter of

Scheme of Demerger and Arrangement

Hercules Hoists Limited

CIN: L45400MH1962PLC012385

...Applicant No. 1 Company/

Demerged company

Indef Manufacturing Limited

CIN: U29308MH2022PLC390286

...Applicant No. 2 Company/

Resulting **company**

Order delivered on 19.12.2023

Coram:

Shri Prabhat Kumar

Hon'ble Member (Technical)

Justice V.G. Bisht (Retd.)

Hon'ble Member (Judicial)

Appearances (through)

For the Applicant(s) : : Mr. Ninad Sahasrabuddhe, PCS

ORDER

1. The present Scheme is a Scheme of Demerger and Arrangement between **Hercules Hoists Limited** ('First Applicant Company' or 'Demerged Company') and **Indef Manufacturing Limited** ('Second Applicant Company' or 'Resulting Company') and their respective shareholders.
2. The Demerged Company is a listed public limited company and is engaged in the business of manufacturing, sales, distribution and marketing of mechanical hoists, electric chains hoists, wire rope hoists and other material handling equipments and other business by way of investments in various mutual funds schemes and equity instruments.
3. The Resulting Company is an unlisted public limited company incorporated with a view to undertake the businesses of manufacturing of hoists, cranes and other material handling equipments i.e. the business of the Demerged Company and specifically the Manufacturing Business.
4. The Scheme of Arrangement (Demerger) is presented under Section 232r/w Section and other applicable provisions of the Companies Act, 2013 for demerger of manufacturing business i.e. undertaking related to manufacturing, sale, service of hoists, cranes and other material handling equipments of Hercules Hoists Limited (Demerged Company) into Indef Manufacturing Limited (Resulting Company).

5. The entire issued, subscribed and paid up share capital of the Resulting Company is currently held by the Demerged Company along with nominees.
6. The Board of Directors of the Applicant Companies vide their respective resolutions passed in the respective meetings of Board of Directors dated 23rd September 2022 approved the scheme of Demerger and Arrangement between the Applicant Companies. The appointed date for the Scheme is 1st October 2022 or such other date as the Tribunal may direct or fix for the purpose of the Scheme.
7. The management of the Applicant Companies believe that the scheme of Demerger and Arrangement between the Applicant Companies shall result in:
 - a) Splitting of manufacturing business and investment business of the Demerged Company with a view to unlocking value, enhance the scope of work of both, the Demerged Company and the Resulting Company, and further to draw new investors, JV, bringing technology partner, merger & acquisition for exploring other growth potential in it.
 - b) Increased flexibility and enhance the ability of Applicant Companies to undertake their respective businesses, thereby contributing to enhancement of future business potential.
 - c) Allowing the respective management to pursue independent growth strategies. The Scheme will also provide scope of separate companies for independent collaboration and expansion.
 - d) Focused management attention, resources and skill set allocation of both the Applicant Companies with a view to rationalize and simplify the structure of the Demerged Undertaking.
 - e) Facilitating focused management attention, provide leadership vision, facilitate efficiency in operations due to individual

specialization, provide greater leveraging due to financial independence and facilitate strategic financial investment to the Demerged Undertaking and enabling the management of Demerged Company to focus on the Remaining Undertaking and allow it to grow aggressively.

- f) The transfer and vesting of the Demerged Undertaking along with assets and liabilities relating to the Demerged Undertaking into IML, will benefit IML and its members.
- g) In consideration of the Demerger, the Shareholders of the Demerged Company will receive equity shares in the Resulting Company, which will be listed on Stock Exchange(s). The Shares held by the Demerged Company in the Resulting Company (if any) will be cancelled upon the effectiveness of the Scheme as the shareholding pattern of the Demerged Company and the Resulting Company will be exactly the same (i.e. mirror shareholding pattern).
- h) The Demerger and the consequent issue of equity shares by the Resulting Company are proposed to allow shareholders of the Demerged Company and the Resulting Company and the investors to invest in the distinct key businesses and allow shareholders of the Demerged Company and the Resulting Company unlock the value of their investments.
- i) The proposed demerger will assist in the potential of the respective businesses being realized more fully and will have beneficial results for the said companies and their shareholders.
- j) The Scheme is in the interest of shareholders, creditors and there is no likelihood that any shareholder or creditor of either Demerged Company or Resulting Company would be prejudiced as a result of the Scheme of Arrangement. The Scheme will neither impose any additional burden on the shareholders of the Demerged Company, nor will it adversely affect the interests of any of the shareholders or creditors of the Demerged Company and the

Resulting Company. Further, the Scheme is only for the transfer and vesting of the Demerged Undertaking by way of an arrangement from the Demerged Company into the Resulting Company and is not an arrangement or compromise with the creditors of any of the entities involved in the Scheme.

8. CONSIDERATION:

Upon the Scheme coming into effect, in consideration of the demerger of the Demerged Undertaking into Resulting Company pursuant to provisions of this Scheme, and without any further application, act, deed payment, consent acts, instruments or deed, Resulting Company will issue and allot fully paid-up equity shares of Re. 1 each (the "New Shares") to shareholders of Demerged Company in accordance with the terms of the Scheme. The New Shares will be issued by Resulting Company to such equity shareholders of Demerged Company whose names are recorded in the register of members of Demerged Company as on the Record Date in the ratio of 1:1, i.e. ***"1 (One) equity share of INDEF MANUFACTURING LIMITED of Face Value of INR 1 each fully paid up shall be issued for every 1 (One) equity share of Face Value of INR 1 each fully paid up held in HERCULES HOISTS LIMITED"***.

9. The valuation report recommending share entitlement ratio for the Scheme of Arrangement (Demerger) dated 22nd September 2022 is issued by Paras K. Savla, IBBI Registered Valuer (IBBI/RV/06/2018/10102) and is annexed as Exhibit 13 in the Company Scheme Application.
10. The Demerged Company is listed with the BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE'). Pursuant to the Securities and Exchange Board of India ('SEBI') Circular CFD/DIL3/CIR/P/2021/0000000665 dated 23.11.2021, as amended from time to time and read with Regulation 37 of the SEBI (Listing

Obligations and Disclosure Requirements) Regulations, 2015 the Demerged Company had applied to BSE and NSE for their Observation Letter / No Objection Letter to file the Scheme for sanction of the Tribunal. BSE and NSE vide their respective letters dated 23rd May 2023 and 24th May 2023 respectively have provided their No Adverse Observation Letter / No Objection Letter to the Scheme.

11. The Resulting Company is wholly owned subsidiary of the Demerged Company and the Resulting Company has obtained the consent of the Demerged Company to the Scheme by way of an affidavit dated 15th June 2023. In view of the fact that the Equity Shareholder of the Resulting Company has given its consent affidavit, the meeting of the Equity Shareholders of the Resulting Company is hereby dispensed with.
12. The Resulting Company do not have any Secured or Unsecured Creditors in its books of accounts as on 31st March 2023. In view of the above, the question of meeting of Secured / Unsecured Creditors of the Resulting Company does not arise.
13. That since the Demerged Company is a listed Company with the BSE and NSE and considering a fact that it is extremely demanding to obtain a prior approval of shareholders of the Demerged Company, the meeting of the Equity Shareholders of the Demerged Company be convened and held on 30.01.2024 at 11.00a.m. (IST), through Video Conferencing ('VC') or Other Audio Visual Means ('OAVM') mode without holding a general meeting requiring the physical presence of shareholders at a common venue, as per applicable operating procedures mentioned in Circular No. 14/2020 dated 08.04.2020 read with Circular Nos. 17/2020 dated 13.04.2020, 22/2020 dated 15.06.2020, 33/2020 dated 28.09.2020, 39/2020 dated 31.12.2020 and 10/2021 dated 23.06.2021, 2/2022 and 3/2022 dated 05.05.2022 and

10/2022, 11/2022 dated 28.12.2022 and 09/2023 dated 25.09.2023

issued by the Ministry of Corporate Affairs (MCA Circulars), with necessary modifications as stated herein or as may be required, and not in physical presence of shareholders.

14. In view of provisions of Section 230(4) read with Section 108 of the Companies Act, 2013 read with Rule 20 and other applicable provisions of the Companies (Management and Administration) Rules, 2014 and in accordance with Regulation 44(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Demerged Company proposes to provide the facility of remote e-voting to its Equity Shareholders in respect of the resolution to be passed at the aforesaid meeting. The Equity Shareholders of the Demerged Company are also allowed to avail the facility of e-voting during the aforesaid meeting to be held through VA/ OAVM on 30.01.2024 at 11.00 a.m. (IST). The e-voting facility for the Equity Shareholders of the Demerged Company shall be provided in compliance with the conditions specified under the Companies (Management and Administration) Rules, 2014, Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS2) issued by the Institute of Company Secretaries of India, as applicable.
15. That at least 30 (thirty) days before the said Meeting of the Equity Shareholders of the Demerged Company to be held as aforesaid, a Notice convening the said Meeting at the day, date and time as aforesaid, together with a copy of the Scheme, a copy of Explanatory Statement disclosing all material facts as required under Section 230(3) of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rule, 2016 notified on 14th December, 2016 shall be sent by email to those Equity Shareholders whose email addresses are duly registered with the

Demerged Company, addressed to each of the shareholders, at their last known email addresses as per the records of the Demerged Company. That at least 30 (thirty) days before the said Meeting of the Equity Shareholders of the Demerged Company to be held as aforesaid, a Notice convening the said Meeting at the day, date and time as aforesaid be published once each in 'Business Standard' in English and 'Navshakti' in Marathi, both having wide circulation in the State of Maharashtra.

16. That Mr. Aditya Jain, Advocate, email adv.adityajain88@gmail.com Mob: 9860088287 failing him Mr. K. J. Mallya, Independent Director of the Demerged Company shall be the Chairman of the aforesaid meeting of the Equity Shareholders of the Demerged Company to be held on Tuesday, 30.01.2024, 2023 at 11.00 a.m. (IST) or any adjournment or adjournments thereof. The Remuneration shall be fixed Rs. 1,50,000/- to be paid.
17. That the Scrutinizer for the meeting shall be M/s. S. N. Ananthasubramanian & Co., Practising Company Secretaries, Thane. The fee of the professional appointed as Scrutinizer for the meeting of the shareholders of the Demerged Company shall be Rs. 35,000/- (Rupees Thirty Five Thousand only) excluding applicable taxes.
18. That the Chairperson appointed for the aforesaid meeting of the Equity Shareholders of the Demerged Company to issue the notices of the meeting referred to above. The said Chairperson shall have all powers pursuant to sections 230 and 232 of the Companies Act, 2013 read with other applicable provisions of the Companies Act, 2013, the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, Companies (Management and Administration) Rules, 2014 and MCA Circulars, to the extent necessary and applicable, in relation to the conduct of the meeting including for deciding procedural questions that

may arise or at any adjournment thereof or any other matter including, an amendment to the Scheme or resolution, if any, proposed at the meeting by any person(s).

19. That the quorum of the aforesaid Meeting of the Equity Shareholders of the Demerged Company shall be as prescribed under Section 103 of the Companies Act, 2013 and would include Equity Shareholders present through VC/ OAVM means. In case the required quorum as stated above is not present at the commencement of the meeting, the meeting shall be adjourned by 30 (thirty) minutes and thereafter the persons present shall be deemed to constitute the quorum.
20. The voting by proxy shall not be permitted as the meeting would be held through VC/ OAVM. However, voting in case of body corporate be permitted, provided the prescribed form/authorization is filed with the Demerged Company no later than 48 hours before the start of the aforesaid meeting as required under Rule 10 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
21. That the value and number of the shares of each Shareholder shall be in accordance with the books / registers of the Demerged Company or depository records and where the entries in the books / register / depository records are disputed, the Chairperson of the meeting shall determine the value for the purpose of the aforesaid meeting and his/her decision in that behalf would be final.
22. That the Chairperson shall file a compliance report not less than 7 (Seven) days before the date fixed for the holding of the meeting of the Equity Shareholders of the Demerged Company and report to this Tribunal that the directions regarding the issue of notices and advertisements have been duly complied with as per Rule 12 of Companies (Compromises, Arrangements and Amalgamations) Rules,

2016. That the Chairperson shall report to this Tribunal, the result of the aforesaid meeting within thirty days of the conclusion of the said meeting of the Equity Shareholders of the Demerged Company, and the said report shall be verified by his undertaking.

23. That there are no secured creditors in the books of accounts of the Demerged Company as on 31st March 2023 and hence, the question of convening and holding the meeting of the Secured Creditors of the Demerged Company does not arise.

24. That there are 254 Unsecured Creditors of Rs 14,64,96,766/- in value as on 31st March 2023 in the Demerged Company. Since the present Scheme is an arrangement between the Applicant Companies and its shareholders as contemplated in Section 230(1)(b) and not in accordance with the provisions of Section 230(1)(a) of the Companies Act, 2013, as there is no compromise of arrangement with creditors as it does not affect the rights and interests of the Unsecured Creditors of the Applicant Companies. Further there is no diminution of liability of any of the Unsecured Creditors of the Demerged Company who will be paid off in the ordinary course of business. In view of above the meeting of the Unsecured Creditors of Demerged Company is hereby dispensed with. However, the Demerged Company is hereby directed to issue notices through Registered Post -AD, Speed Post and email along with copy of Scheme and state that *"If no response is received by the Tribunal from the concerned Authorities within 30 days of the date of receipt of the notice it will be presumed that the concerned Authorities has no objection to the proposed Scheme"* having outstanding amount of Rs.5,00,000 and above.

25. The Applicant Companies shall serve the Notice in terms of Section 230 (5) of the Companies Act, 2013, upon -

- a. The Central Government, through Regional Director, Everest, 5th Floor, 100 Marine Drive, Mumbai-400002;
- b. The Registrar of Companies, Mumbai;
- c. GST Department
- d. Jurisdictional Income Tax Authorities; within whose jurisdiction; the Applicant Company's assessment are made; and the Nodal Authority in the Income Tax Department having jurisdiction over such authority i.e. Pr. CCIT, Mumbai, Address:- 3 rd Floor, Aayakar Bhawan, Mahrishi Karve Road, Mumbai 400 020, Phone No. 022-22017654
[E-mail:Mumbai.pccit@incometax.gov.in];
- e. National Stock Exchange;
- f. Securities Exchange Board of India;
- g. Bombay Stock Exchange;
- h. Any other sectoral regulator as may be directed by this Hon'ble Tribunal.

26. The Notice shall be served through by Registered Post AD, Speed Post and email along with copy of Scheme and state that *"If no response is received by the Tribunal from the concerned Authorities within 30 days of the date of receipt of the notice it will be presumed that the concerned Authorities has no objection to the proposed Scheme"*. It is clarified that notice service through courier shall be taken on record only in cases where it is supported with Proof of Delivery having acknowledgement of the noticee.

27. The Applicant Companies will submit –

- i. Details of Corporate Guarantee, Performance Guarantee and Other Contingent Liabilities, if any.

- ii. List of pending IBC cases, if any, along with all other litigation;
- iii. pending against the Applicant Companies having material impact on the proposed Scheme.
- iv. The Applicant Companies shall submit details of all Letters of Credit sanctioned and utilized as well as Margin Money details; if any.

28. The Applicant Companies to file an affidavit of service within 10 working days after serving to notice to all the regulatory authorities as stated above and do report to this Tribunal that the directions regarding the issue of notices have been duly complied with.

Sd/-

Prabhat Kumar
Member (Technical)

Sd/-

Justice V.G. Bisht
Member (Judicial)

Annexure 2
Copy of the Scheme of Demerger and Arrangement
between
Hercules Hoists Limited
and
Indef Manufacturing Limited and their Shareholders.

SCHEME OF ARRANGEMENT
(DEMERGER)

BETWEEN

HERCULES HOISTS LIMITED

AND

INDEF MANUFACTURING LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS

UNDER SECTIONS 230 TO 232

AND

OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013

PREAMBLE

This Scheme of Arrangement (Demerger) is presented under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 for demerger of the Manufacturing Business, i.e the Demerged Undertaking (*as defined hereinafter*) of Hercules Hoists Limited ("**HHL or Demerged Company**") into Indef Manufacturing Limited ("**IML or Resulting Company**").

This Scheme also provides for various other matters consequential and otherwise integrally connected therewith,

This Scheme is divided into the following parts:

1. Part I – Introduction, Rationale and Operation of the Scheme
2. Part II – Definitions and Share Capital
3. Part III – Demerger of demerged undertaking of HHL into IML Consideration and Accounting Treatment
4. Part IV – General Clauses and Conditions

PART I

INTRODUCTION, RATIONALE AND OPERATION OF THE SCHEME

1. INTRODUCTION

1.1. HERCULES HOISTS LIMITED

HHL is a listed public limited Company incorporated under the provisions of the Companies Act, 1956 on 15th June 1962, having CIN as L45400MH1962PLC012385, having PAN as AAACH2706D and having its registered office situated at Bajaj Bhawan, 2nd Floor, 226, Jamnalal Bajaj Marg, Nariman Point, Mumbai – 400021. The equity shares of the HHL are listed with the Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited(NSE). HHL is primarily engaged in the business of manufacturing, sales, distribution and marketing of mechanical hoists, electric chains hoists, wire rope hoists and other material handling equipments ('Manufacturing Business'/ 'Hoists Business') and other business by way of investments in various mutual funds schemes and equity instruments.

1.2. INDEF MANUFACTURING LIMITED ('IML')

IML is an unlisted public company incorporated under the provisions of the Companies Act, 2013 on 12th September 2022, having CIN as U29308MH2022PLC390286 having PAN as AAGCI8441Q and having its registered office situated at Bajaj Bhavan 226 Jamnalal Bajaj

Marg Nariman Point Mumbai 400021. The Resulting Company was incorporated with a view to undertake the businesses manufacturing of hoists, cranes and other material handling equipments i.e the business of the Demerged Company and specifically the Manufacturing Business. The entire issued, subscribed and paid up share capital of the Resulting Company is currently held by the Demerged Company along with nominees.

2. RATIONALE

- 2.1. The demerger of the Demerged Undertaking (as defined herein under) from HHL to IML is based on the following rationale:
 - 2.1.1. The demerger will result into splitting of manufacturing business and investment business of the Demerged Company with a view to unlocking value, enhance the scope of work of both, the Demerged Company and the Resulting Company, and further to draw new investors, JV, bringing technology partner, merger & acquisition for exploring other growth potential in it.
 - 2.1.2. The demerger will result in increased flexibility and enhance the ability of HHL and Indef Manufacturing Limited to undertake their respective businesses, thereby contributing to enhancement of future business potential.
 - 2.1.3. The Scheme will allow the respective management to pursue independent growth strategies. The Scheme will also provide scope of separate companies for independent collaboration and expansion.
 - 2.1.4. The Scheme will ensure focused management attention, resources and skill set allocation of both HHL and IML of Remaining Undertaking and Demerged Undertaking respectively with a view to rationalize and simplify the structure of the Demerged Undertaking.

- 2.1.5. The transfer and vesting of the Demerged Undertaking into Indef Manufacturing Limited, by way of demerger, would facilitate focused management attention, provide leadership vision, facilitate efficiency in operations due to individual specialization, provide greater leveraging due to financial independence and facilitate strategic financial investment to the Demerged Undertaking and enabling the management of HHL to focus on the Remaining Undertaking and allow it to grow aggressively.
- 2.1.6. The transfer and vesting of the Demerged Undertaking along with assets and liabilities relating to the Demerged Undertaking into IML, will benefit IML and its members.
- 2.1.7. In consideration of the Demerger, the Shareholders of the Demerged Company will receive equity shares in the Resulting Company, which will be listed on Stock Exchange(s). The Shares held by the Demerged Company in the Resulting Company (if any) will be cancelled upon the effectiveness of the Scheme as the shareholding pattern of the Demerged Company and the Resulting Company will be exactly the same (i.e mirror shareholding pattern).
- 2.1.8. The Demerger and the consequent issue of equity shares by the Resulting Company are proposed to allow shareholders of the Demerged Company and the Resulting Company and the investors to invest in the distinct key businesses and allow shareholders of the Demerged Company and the Resulting Company unlock the value of their investments.
- 2.1.9. The proposed demerger will assist in the potential of the respective businesses being realized more fully and will have beneficial results for the said companies and their shareholders.
- 2.1.10. The Scheme is in the interest of shareholders, creditors and there is no likelihood that any shareholder or creditor of either HHL or IML would be prejudiced as a result of the Scheme of Arrangement. The Scheme will neither impose any additional burden on the shareholders of the Demerged Company, nor will it adversely affect the interests of any

of the shareholders or creditors of the Demerged Company and the Resulting Company. Further, the Scheme is only for the transfer and vesting of the Demerged Undertaking by way of an arrangement from the Demerged Company into the Resulting Company and is not an arrangement or compromise with the creditors of any of the entities involved in the Scheme.

3. OPERATION OF THE SCHEME

This Scheme of Arrangement (Demerger) is presented under Section 230 to 232 of the Companies Act, 2013, read with other applicable provisions of the Companies Act, 2013. This scheme provides for demerger, transfer and vesting of the Demerged Undertaking from HHL on a going concern basis into IML and continuance of interest of HHL in the Remaining Undertaking.

PART II

DEFINITIONS AND SHARE CAPITAL

4. DEFINITIONS

In this Scheme unless repugnant to the meaning or context thereof, the following expressions shall have the following meaning:

- 4.1. **'Act'** means the Companies Act, 2013, along with the rules and regulations issued thereunder, including any statutory modifications, re-enactments or amendments made thereto from time to time.
- 4.2. **'Appointed Date'** means 1st day of October 2022 or such other date as the Tribunal may direct or fix, for the purpose of the Scheme.
- 4.3. **'Applicable Laws'** means any statute, law, regulation, ordinance, rule, judgment, order, decree, by-law, approval from the concerned authority, Government resolution, order, directive, guideline, policy, requirement, or other governmental restriction or any similar form of decision of, or determination by, or any interpretation or adjudication having the force of law of any of the foregoing, or other similar directives made pursuant to such laws, whether in effect on the date of this Scheme or at any time after such date by any concerned authority having jurisdiction over the matter in question;
- 4.4. **'Board of Directors'** means and includes the respective Board of Directors of HHL and IML as the case may be, or any committee constituted by the Board of Directors of any of the respective Companies for the purpose of this Scheme.
- 4.5. **'Companies'** means the Demerged Company and the Resulting Company and shall mean and include its successors and assigns.
- 4.6. **'Demerged Company'** or **'HHL'** is a listed public limited Company incorporated under the provisions of the Companies Act, 1956 on 15th June 196/2, having CIN as L45400MH1962PLC012385, having PAN as AAACH2706D and having its registered office

situated at Bajaj Bhawan, 2nd Floor, 226, Jamnalal Bajaj Marg, Nariman Point, Mumbai – 400021. The equity shares of the HHL are listed with the Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

4.7. **‘Demerged Undertaking’** shall mean all the business, assets and liabilities, of whatsoever nature and kind and wheresoever situated pertaining to the manufacturing of hoists, cranes and other material handling equipments forming a part of Manufacturing Business on a going concern basis, and shall mean and include (without limitation):

4.7.1. All the assets and properties, movable and immovable, corporeal or incorporeal, present, future or contingent of whatsoever nature of the Demerged Company as on the Appointed Date, pertaining to the Manufacturing Business i.e the Demerged Undertaking.

a) Without prejudice to the generality of sub-clause 4.7.1 above, the Demerged Undertaking shall include all assets, reserves, properties whether movable and immovable, real and personal, in possession or reversion, corporeal and incorporeal, present and future, contingent or of whatsoever nature, wheresoever situated along with buildings, offices, plant and machineries, vehicles, investments (if any), capital work-in-progress, current assets, intangibles, office equipment’s, appliances, computers, accessories, licenses, permits, quotas, approvals, registrations, lease, tenancy rights, incentives (including any profit linked deductions), if any, municipal permissions, consents, powers of every kind, nature and description whatsoever in connection with or pertaining to or relatable to the Manufacturing Business and all other permissions, rights, contracts (including rights under any contracts, government contracts, memorandum of understanding, etc.), any development rights, all entitlements, deposits, advances and / or moneys paid or received by the Demerged Company in connection with or pertaining to or relatable to the Manufacturing

Business, all statutory licenses and / or permissions and / or approvals and / or filings to carry on the operations of the Manufacturing Business, benefits of all agreements, import entitlements contracts and arrangements and all other interests in connection with or relating to the Manufacturing Business’;

- b) all debts, loans whether secured or unsecured, liabilities including contingent liabilities and obligations of the Demerged Company pertaining to and / or arising out of and / or relating to and or availed for the purposes of the ‘Manufacturing Business’;
- c) all security created, all guarantees issued and all other obligations as stated in the any finance documents of the Demerged Company till the Effective Date, on a private placement basis, which are secured by, *inter alia*, the assets forming part of the Demerged Undertaking;
- d) all deposits and balances with Government, semi Government, local and other authorities and bodies, customers and other persons, earnest moneys and / or security deposits paid or received by the Demerged Company directly or indirectly in connection with or relating to the Manufacturing Business’;
- e) all agreements, rights, contracts, entitlements, permits, power of attorneys, licenses, registrations, insurance policies, approvals, consents, engagements, arrangements, subsidies, concessions, exemptions and all other privileges and benefits of every kind, nature and description whatsoever (including but not limited to benefits of tax relief including under the Income-tax Act, 1961 such as credit for advance tax, taxes deducted at source, tax collected at source, MAT credit, tax losses, unutilized deposits or credits, benefits under the VAT/ Sales Tax law, VAT/ sales tax set off, unutilized deposits or credits, benefits of any unutilized MODVAT/CENVAT/Service tax credits,

goods and services tax credits, consents or approvals from any governmental authority, lender or third party etc.) relating to the Manufacturing Business;

- f) all necessary books, records, agreements, contracts, appointment letters, files, papers, product specification, engineering and process information, records of standard operating procedures, computer programs along with their licenses, drawings, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records whether in physical or electronic form in connection with or relating to the Manufacturing Business and all books of accounts, documents and records relating to HHL;
- g) all the respective employees of the Demerged Company substantially engaged in the Manufacturing Business, and those employees that are determined by the Board of Directors of the Demerged Company to be substantially engaged in or relatable to the Manufacturing Business as on the Effective Date.

For the purposes of the definition of the Demerged Undertaking and this Scheme, it is clarified that liabilities pertaining to or relating to the Manufacturing Business shall mean:

- i. the debts, liabilities, including debentures (whether issued or to be issued) and obligations and duties of any kind, nature or description (including contingent liabilities) incurred or undertaken, or to be, incurred or undertaken, which arise out of the activities or operations of the Demerged Undertaking (comprising of the Manufacturing Business);
- ii. the specific loans, credit facilities, overdraft facilities and borrowings (including debentures, bonds, notes and other debt securities) raised, incurred and utilized solely for the activities or operations of the Demerged Undertaking (comprising of the Manufacturing Business); and

- iii. liabilities in cases, other than those referred to in sub-clauses (i) and (ii) above and not directly relatable to the Remaining Business of Demerged Company, being the amounts of general or multipurpose borrowings, if any, of the Demerged Company, allocated to the Demerged Undertaking in the same proportion which the value of the assets transferred pursuant to the demerger of the Demerged Undertaking bears to the total value of the assets of the Demerged Company immediately prior to the Appointed Date, as prescribed under the Income-tax Act, 1961.

Any question that may arise as to whether a specified asset or liability and / or employee pertains to or does not pertain to the Demerged Undertaking or whether it arises out of the activities or operations of the Manufacturing Business shall be decided by the Board of Directors of the Demerged Company.

It is hereby clarified that the Demerged Undertaking shall not include 'Remaining Business' or 'Remaining Undertaking'.

- 4.8. **'Effective Date'** means the last of the dates on which the certified copies of the order(s) of the Tribunal sanctioning the scheme are filed with the Registrar of Companies, Mumbai by HHL and IML.
- 4.9. **'NCLT'** or **'Tribunal'** the Hon. National Company Law Tribunal, Mumbai Bench having jurisdiction over the Demerged Company and the Resulting Company for the purpose of approving any scheme of compromises, arrangement and merger of companies under Sections 230 to 232 and other applicable sections of the Companies Act, 2013.
- 4.10. **'Resulting Company'** or **'IML'** is an unlisted private limited Company incorporated under the provisions of the Companies Act, 2013 on 12/09/2022 having CIN as U29308MH2022PLC390286 having PAN as AAGCI8441Q and having its registered office situated at Bajaj Bhavan 226 Jamnalal Bajaj Marg, Nariman Point, Mumbai 400021.

- 4.11. **'The Scheme' / 'Scheme of Arrangement' / 'Scheme of Demerger' / 'this Scheme' or 'Scheme'** means this Arrangement (Demerger) in its present form with any modification(s) as approved by the Board of Directors of all the Companies in its present form and with any modifications as may be approved or imposed or directed by the Hon'ble NCLT at Mumbai or any other appropriate authority.
- 4.12. **'Record Date'** means the date to be fixed by the Board of Directors of HHL, upon the Scheme coming into effect, and if required, in consultation with IML, for the purpose of reckoning name of the equity shareholders of HHL, who shall be entitled to receive the New Shares to be issued by the IML and for any other purpose as provided in this scheme.
- 4.13. **'Remaining Undertaking' or 'Remaining Business'** means all the undertakings, business activities and operations of HHL other than the Demerged Undertaking pertaining to the Manufacturing Business, as on the commencement of the Appointed Date and as modified and altered from time to time to the Effective Date.
- 4.14. **'ROC'** means Registrar of Companies, Mumbai in relation to the Demerged Company and the Resulting Company.
- 4.15. **'Government'** means any applicable Central, State Government or local body, legislative body, regulatory or administrative authority, agency or commission or any court, tribunal, board, bureau or instrumentality thereof or arbitration or arbitral body having jurisdiction over the territory of India.
- 4.16. **'IT Act'** means the Income-tax Act, 1961, including any statutory modifications, re-enactments or amendments thereof for the time being in force read with the relevant rules, regulations and/or circulars issued thereunder.
- 4.17. **'SEBI Circular'** means SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 having subject as Master Circular on (i) Scheme of Arrangement by Listed Entities and (ii) Relaxation under

Subrule (7) of rule 19 of the Securities Contracts (Regulation) Rules, 1957, as amended from time to time.

4.18. **'Stock Exchanges'** would mean BSE and NSE together and any reference to Stock Exchange would mean BSE or NSE as the case may be."

5. INTERPRETATION

5.1. All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning as prescribed to them under the Act, the IT Act, or any other Applicable Laws, rules, regulations, bye laws, as the case may be, including any statutory modification or re-enactment thereof from time to time.

5.1.1. In this Scheme, unless the context otherwise requires:

- a) the words "including", "include" or "includes" shall be interpreted in a manner as though the words "without limitation" immediately followed the same;
- b) any document or agreement includes a reference to that document or agreement as varied, amended, supplemented, substituted, novated or assigned, from time to time, in accordance with the provisions of such a document or agreement;
- c) the words "other", "or otherwise" and "whatsoever" shall not be construed ejusdem generis or be construed as any limitation upon the generality of any preceding words or matters specifically referred to;
- d) the headings are inserted for ease of reference only and shall not affect the construction or interpretation of the relevant provisions of this Scheme;
- e) the term "Clause" refers to the specified clause of this Scheme, as the case may be;
- f) reference to any legislation, statute, regulation, rule, notification or any other provision of law means and includes references to such legal provisions as amended, supplemented or re-enacted from time to time, and any reference to legislation or

statute includes any subordinate legislation made from time to time under such a legislation or statute and regulations, rules, notifications or circulars issued under such a legislation or statute;

g) words in the singular shall include the plural and *vice versa*;

6. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the NCLT, unless otherwise specified in the Scheme, shall be effective from the Appointed Date but shall be operative from the Effective Date.

7. SHARE CAPITAL

7.1. The Share Capital of the HHL as on 31st August 2022 is as follows:

| Particulars | Amount (In Rs) |
|---|-----------------------|
| Authorised Share Capital (4,00,00,000 Equity Shares of Re. 1 each) | 4,00,00,000 |
| Issued Subscribed and Paid Up Share Capital (3,20,00,000 Equity Shares of Re. 1 each) | 3,20,00,000 |

7.2. The Share Capital of the IML as on 12th September 2022 is as follows:

| Particulars | Amount (In Rs) |
|--|-----------------------|
| Authorised Share Capital (10000 Equity Shares of Rs. 10 each) | 1,00,000 |
| Issued Subscribed and Paid Up Share Capital (10000 Equity Shares of Rs. 10 each) | 1,00,000 |

PART III

DEMERGER OF THE DEMERGED UNDERTAKING OF HHL

8. TRANSFER AND VESTING OF THE DEMERGED UNDERTAKING

- 8.1. With effect from the Appointed Date, the Demerged Undertaking of HHL shall, without any further act or deed, be transferred and the same shall stand transferred to and vested in or deemed to have been transferred to or vested in HHL, as a going concern in accordance with Section 2(19AA) of the Income Tax Act, 1961, pursuant to the provisions of Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the relevant Act and the provisions of this Scheme in relation to the mode of transfer and vesting of assets.
- 8.2. The assets of the Demerged Undertaking, which are movable in nature of incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and acknowledgement of possession, shall be so transferred by HHL and shall become the property of IML without any act or deed on the part of HHL and IML and without requiring any separate deed or instrument or conveyance for the same to end and intent that the property and benefits therein passes to IML.
- 8.3. In particular, the Demerged Undertaking shall vest with and be available to the Resulting Company, in the manner described in sub-paragraph (a) to (o) as follows:
- a) Upon this scheme coming into effect from the Appointed Date, all assets and liabilities of the Demerged Undertaking of whatsoever nature and wheresoever situated, shall, under the provisions of Section 230 to Section 232 and all other applicable provisions, if any, of the Act, without any further act or deed, be transferred to and vested in and/ or be deemed to be transferred to and vested in the Resulting Company as a going concern. From the Appointed Date, the Demerged Undertaking of the Demerged Company shall vest in the Resulting Company along with all the rights, title, interest or obligations therein;

Provided that for the purpose of giving effect to the vesting order passed under Section 232 in respect of this Scheme, the Resulting Company shall be entitled to get effected the change in the title and the appurtenant legal right(s) upon the vesting of such properties in accordance with the provisions of the Act, at the office of the respective concerned authority, where any such property is situated;

- b) All immovable properties pertaining to the Demerged Undertaking, whether freehold or leasehold and any documents of title, rights and easements in relation thereto, shall stand transferred and vested in the Resulting Company, and shall become the property and an integral part of the Resulting Company without any further act, instrument or deed and without any approval or acknowledgement of any third party. Upon the Scheme coming into effect, the Resulting Company shall be entitled to exercise all rights and privileges and be liable to pay all taxes and charges, and fulfil all obligations, in relation to or applicable to such immovable properties. The mutation of the ownership or title, or interest in the immovable properties (whether freehold or leasehold) comprised in the Demerged Undertaking, in favor of the Resulting Company shall be made and duly recorded by the appropriate authorities pursuant to the sanction of this Scheme and it becoming effective in accordance with the terms thereof. The Demerged Company shall take all steps as may be necessary to ensure that lawful and peaceful possession, right, title, interest of such immovable property of the Demerged Undertaking is given to the Resulting Company in accordance with the terms hereof;
- c) All the movable assets comprised in the Demerged Undertaking including cash in hand, if any, capable of passing by manual delivery or constructive delivery or by endorsement and delivery, shall be so delivered or endorsed and delivered, as the

case may be, to the Resulting Company, to the end and intent that the ownership and property therein passes to the Resulting Company on such handing over in pursuance of the provisions of Section 232 of the Act (as an integral part of the Demerged Undertaking of the Demerged Company). The plant and machinery, which are fastened to land and/or buildings continue to remain movable properties inter alia because the said plant and machinery are fastened to land only with a view to have better enjoyment of the movable properties;

- d) In respect of all movables comprised in the Demerged Undertaking, other than those specified in sub-clause (c) above, including trade receivables, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, local and other authorities and bodies, customers and other persons, the same shall, without any further act, instrument or deed, be transferred to and stand vested in and/or be deemed to be transferred to and stand vested in the Resulting Company under the provisions of the Act;
- e) In relation to the assets, properties and rights including rights arising from contracts deeds, instruments and agreements including development agreements, if any, pertaining to the Demerged Undertaking, which require separate documents of transfer including documents for attornment or endorsement, as the case may be, the Resulting Company and the Demerged Company will execute the necessary documents of transfer including documents for attornment or endorsement, as the case may be, as and when required or will enter into a novation agreement;
- f) All debts, loans whether secured or unsecured, debentures, liabilities (including deferred tax liability, property tax), duties, guarantees, indemnities and obligations

of every kind, nature, description, whether or not provided for in the books of accounts and whether disclosed or unknown in the balance sheet pertaining to the Demerged Undertaking shall also, under the provisions of the Act, without any further act or deed, be transferred to or be deemed to be transferred to the Resulting Company on the same terms and conditions, as applicable, so as to become as from the Appointed Date the debts, loans (secured /unsecured), debentures, liabilities (including deferred tax liability, property tax), duties, guarantees, indemnities and obligations of the Resulting Company and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties, guarantees, indemnities and obligations have arisen, in order to give effect to the provisions of this sub-clause;

It is hereby clarified that between the date of approval of this Scheme by the Board of Directors of the Demerged Company and the Resulting Company and the Effective Date, both the Demerged Company and the Resulting Company shall be permitted to raise and avail of fresh loans and borrowings (in any form whatsoever including through the issuance of debentures and/or other debt securities) for the purposes of the Demerged Undertaking. All such loans and other borrowings raised and all liabilities and obligations pertaining to the Demerged Undertaking and incurred by the Demerged Company after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used or incurred for and on behalf of the Resulting Company and to the extent they are outstanding on the Effective Date, shall also without any further act or deed be and stand transferred to the Resulting Company and shall become the liabilities and obligations of the Resulting Company who shall meet and discharge the same.

Without prejudice to the foregoing provisions of this Section, upon the coming into effect of the Scheme, all debentures, bonds, notes or other debt securities and other instruments of like nature (whether convertible into equity shares or not), and other non-convertible debentures if any related to the Demerged Undertaking shall, pursuant to the provisions of Sections 230 to 232 and other relevant provisions of the Act, without any further act, instrument or deed, become the debt securities of the Resulting Company in accordance with the terms thereof and all rights, powers, duties and obligations in relation thereto shall be and stand transferred to and vested in or be deemed to have been transferred to and vested in and shall be exercised by or against the Resulting Company as if it was the issuer of such debt securities, so transferred and vested.

Where any of the debts, liabilities, loans raised and used, liabilities and obligations incurred, duties and obligations of the Demerged Company pertaining to the Demerged Undertaking as on the Appointed Date deemed to be transferred to the Resulting Company have been discharged by the Demerged Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Resulting Company;

- g) However, the Resulting Company may, at any time, after the coming into effect of this Scheme in accordance hereof, if so required, under any law or otherwise, execute deeds of confirmation in favor of the creditors, or lenders, as the case may be, or in favor of any other party to the contract or arrangement to which the Demerged Company is a party or any writing, as may be necessary, in order to give formal effect to the provisions mentioned herein. The Resulting Company shall under the provisions of the Scheme be deemed to be authorized to execute any

such writings on behalf of the Demerged Company as well as to implement and carry out all such formalities and compliances referred to above;

- h) The transfer and vesting of the Demerged Undertaking of the Demerged Company as aforesaid shall be subject to the existing securities, charges and mortgages, if any, subsisting, over or in respect of the property and assets or any part thereof of the Demerged Company.

Provided however, that any reference in any security documents or arrangements (to which the Demerged Company is a party) pertaining to the assets of the Demerged Company offered or agreed to be offered as security for any financial assistance or obligations, shall be construed a reference only to such assets, as are offered or agreed to be offered as security, pertaining to the Demerged Company as is vested in the Demerged Company, to the end and intent that such security, charge and mortgage shall not extend or be deemed to extend, to any of the assets of the Demerged Undertaking or any of the assets of the Resulting Company. Further, the filing of the certified copy of the order of the NCLT sanctioning this Scheme with the relevant Registrar of Companies, Maharashtra, Mumbai shall be deemed to be sufficient for creating or modifying the charges in favour of the secured creditors, if any, of the Demerged Company, as required as per the provisions of this Scheme and of the Resulting Company, in relation to the Demerged Undertaking, on the Effective Date.

- i) It is hereby clarified that –
Existing security, if any, in respect of liabilities of the Demerged Undertaking shall extend to and operate only over the assets comprised in the Demerged Undertaking which has been charged and secured in respect of the abovementioned liabilities.

- j) If any security or charge exists on the assets comprising of the Demerged Undertaking in respect of the loans and liabilities which have not been transferred to the Resulting Company pursuant to this Scheme, the Demerged Company shall create adequate security over the assets of the Demerged Company other than the Demerged Undertaking to the satisfaction of the lenders and upon creation of such security, the assets of the Demerged Undertaking shall be released and discharged from such encumbrance;
- k) All existing and future incentives (including any profit linked deductions), unavailed credits and exemptions, benefit of carried forward losses, refunds available and other statutory benefits, including in respect of income tax (including tax deducted at source, tax collected at source and advance tax), excise (including MODVAT/ CENVAT), customs, VAT, sales tax, service tax (including input credit), goods and services tax etc. which the Demerged Undertaking of the Demerged Company is entitled to shall be available to and vest in Resulting Company;
- l) In so far as the various incentives (including any profit linked deductions), subsidies, special status and other benefits or privileges enjoyed (including minimum alternate tax, sales tax, excise duty, custom duty, service tax, value added tax, goods and services tax and other incentives, including any profit linked deductions), granted by any Government body, local authority or by any other person and availed of by the Demerged Undertaking of the Demerged Company, the same shall vest with and be available to the Resulting Company on the same terms and conditions as presently available to the Demerged Company;
- m) Upon coming into effect of this Scheme and till such time that the names of the bank accounts of the Demerged Undertaking of the Demerged Company is replaced with that of the Resulting Company, the Resulting Company shall be

entitled to operate the bank accounts of the Demerged Company, in their names, in so far as may be necessary;

- n) With effect from the Appointed Date, all permits, quotas, rights, entitlements, tenancies and licenses relating to brands, trademarks, patents, copy rights, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Demerged Undertaking of the Demerged Company and which are subsisting or having effect immediately before the Appointed Date, shall be and remain in full force and effect in favor of the Resulting Company and may be enforced fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a beneficiary or obligee thereto;
- o) With effect from the Appointed Date, any statutory licenses, permissions, approvals and/ or consents (including from any third parties) held by the Demerged Company as required to carry on its operations shall stand vested in, or transferred to, the Resulting Company without any further act or deed and shall be appropriately mutated by the statutory authorities or any other person concerned therewith in favor of the Resulting Company. The benefit of all statutory and regulatory permissions, licenses, environmental approvals and consents including the statutory licenses, permissions or approvals or consents required to carry on the operations of the Demerged Undertaking of the Demerged Company shall vest in, and become available to, the Resulting Company upon the Scheme coming into effect by virtue of the order of the NCLT.

8.4. The assets of the Demerged Undertaking on the Appointed Date shall, upon the Scheme coming into effect, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred and vested in IML pursuant to the provisions

of Sections 230 to 232 of the Companies Act, 2013, and other applicable provisions of the relevant Act and the vesting of all such assets shall take place from the Effective Date.

- 8.5. The assets of the Demerged Undertaking, acquired by HHL on and from the Appointed Date up to the Effective Date, shall also without any further act, instrument or deed, stand transferred to or be deemed to have been transferred to IML upon the Scheme coming into effect.
- 8.6. For avoidance of doubt, upon the Scheme coming into effect, all the rights, title, interest and claims of HHL in any leave and licensed/leasehold properties in relation to the Demerged Undertaking shall, pursuant to Section 232 of the Companies Act, 2013 and other applicable provisions of relevant Act, without any further act or deed, be transferred to and vested in or be deemed to have been transferred to and vested in IML however the said transfer shall be subject to payment of applicable duties to be paid by HHL.
- 8.7. For avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the Scheme coming into effect, all approvals, environmental approval and consents, permissions (municipal and any other statutory permission), licenses, certificates, clearances, membership, subscriptions, entitlements, incentives, engagements, remissions, remedies, subsidies, concession and any exemptions or waivers, authorities, power of attorney(s) given by, issued to or executed in favour of HHL, in relation to the Demerged Undertaking, shall stand transferred to IML as if the same were originally given by, issued to or executed in favour of IML and IML shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to IML. HHL and IML shall make applications to any Governmental Authorities or any third persons (as the case may be) as may be necessary in this behalf.

- 8.8. Without prejudice to the other provisions of this Scheme and notwithstanding the fact that the vesting of the Demerged Undertaking occurs by virtue of this Scheme itself, IML may, at any time after the Scheme coming into effect in accordance with the provisions hereof, if so required under any law or otherwise, at the costs and expenses of HHL, execute deeds (including but not limited to deeds of adherence), confirmations or other writings or tripartite arrangements with a party to any contract or arrangements to which HHL is a party or any writing as may be necessary to be executed in order to give formal effect to the above provisions. IML, shall under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of HHL and to carry out or perform all such formalities and compliances referred to above in relation to the Demerged Undertaking being transferred by HHL.
- 8.9. IML shall be entitled to the benefit of all insurance policies which have been issued in respect of the Demerged Undertaking and the name of IML shall be substituted as "Insured" in the policies as if IML was initially a party.
- 8.10. With effect from the Appointed Date, all debts, liabilities and obligations, whether recorded or not, of HHL relating to the Demerged Undertaking, as on the close of the business on the day immediately preceding the Appointed Date, shall without any further act or deed, pursuant to an order passed under the provisions of Section 232 of the Companies Act 2013, become the debts liabilities, duties and obligations of IML, who shall upon the Scheme coming into effect, meet, discharge and satisfy the same to the exclusion of HHL.
- 8.11. With effect from the Appointed Date, and subject to the provisions of this Scheme, the liabilities of the Demerged Undertaking including, but not limited to all secured and unsecured debts, sundry creditors, liabilities (including contingent liabilities) and all duties and obligations in relation to the Demerged Undertaking (including any guarantees,

indemnities, letter of credit or any other instrument or arrangement which may give rise to a contingent liability in whatever form) of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized for its business activities and operations, shall, pursuant to the sanction of this Scheme by the Tribunal and under the provisions of Sections 230 to 232 read and other applicable provisions, if any, of the Act, without any further act, instrument or deed or matter or thing, be transferred to and vested in or be deemed to have been transferred to and vested in IML, along with any charge, encumbrance, lien or security thereon, and the same shall be assumed by IML to the extent that they are outstanding as on the Effective Date so as to become as and from the Appointed Date, the liabilities of IML on the same terms and conditions as were applicable to HHL, without any consent of any third party or other person who is a party to the contract or arrangements by virtue of which such liabilities have arisen, in order to give effect to the provisions of this clause. Further, any existing credit facilities which have been sanctioned to HHL in relation to the Demerged Undertaking by the bankers, financial institutions and any third party and which is standing as on the Appointed Date but before the Effective Date shall upon the Scheme coming into effect shall ipso facto extend to IML in relation to the Demerged Undertaking.

8.12. Where any such debts, loans raised, liabilities, duties and obligations of HHL in relation to the Demerged Undertaking as on the Appointed Date have been discharged or satisfied by HHL after the Appointed Date and prior to the Effective Date, such discharge or satisfaction shall be deemed to be for and on account of IML.

8.13. With effect from the Appointed Date, all guarantees, indemnities and contingent liabilities of HHL in relation to the Demerged Undertaking shall also, without any further act or deed, be transferred to or be deemed to be transferred to IML so as to become as and from the Appointed Date, the guarantees, indemnities and contingent liabilities of IML and it shall

not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such guarantees, indemnities and contingent liabilities have arisen or given, in order to give effect to the provisions of this clause.

- 8.14. The transfer and vesting of the Demerged Undertaking as aforesaid, shall be subject to the existing securities, charges, hypothecation and mortgages, if any, subsisting over or in respect of the property and assets or any part thereof of the Demerged Undertaking, provided however, any reference in any security documents or arrangements, to which HHL is a party, wherein the assets of the Demerged Undertaking have been or are offered or agreed to be offered as security for any financial assistance or obligations, shall be construed as reference only to the assets pertaining to the Demerged Undertaking as are vested in IML by virtue of this Scheme, to the end and intent that such security, charges, hypothecation and mortgage shall not extend or be deemed to extend to any of the other assets of HHL or any of the assets of IML, provided further that the securities, charges, hypothecation and mortgages (if any subsisting) over and in respect of the assets or any part thereof of IML shall continue with respect to such assets or part thereof and this Scheme shall not operate to enlarge such securities, charges, hypothecation or mortgages to the end and intent that such securities, charges, hypothecation and mortgages shall not extend or be deemed to extend, to any of other assets of the Demerged Undertaking vested in HHL. Notwithstanding anything contrary provided in this Scheme, it is clarified that this Scheme shall not operate to enlarge the security for any loan, deposit or facility created by HHL in relation to the Demerged Undertaking which shall vest in IML by virtue of the vesting of the Demerged Undertaking with IML and IML shall not be obliged to create any further or additional security therefore after the demerger has become operative.

- 8.15. All the loans, advances, credits, overdraft and other facilities sanctioned to HHL in relation to the Demerged Undertaking by its bankers, financial institutions and any third party as on the Appointed Date, whether utilised, partly drawn or unutilised shall be deemed to be the loans and advances sanctioned to IML and the said loans, advances and other facilities can be drawn and utilised either partly or fully by HHL from the Appointed Date till the Effective Date and all the loans, advances and other facilities so drawn by HHL in relation to the Demerged Undertaking (within the overall limits sanctioned by their bankers and financial institutions) shall on the Effective Date be treated as loans, advances and other facilities made available to IML and all the obligations of HHL in relation to the Demerged Undertaking under any loan agreement shall be construed and shall become the obligation of IML without any further act or deed on the part of IML.
- 8.16. All existing and future incentives (including any profit linked deductions), unavailed credits and exemptions, benefit of carried forward losses, refunds available and other statutory benefits, including in respect of income tax (including tax deducted at source, tax collected at source and advance tax), excise (including MODVAT/ CENVAT), customs, VAT, sales tax, service tax (including input credit), goods and services tax etc. which the Demerged Undertaking of the Demerged Company is entitled to shall be available to and vest in Resulting Company;
- 8.17. In so far as the various incentives (including any profit linked deductions), subsidies, special status and other benefits or privileges enjoyed (including minimum alternate tax, sales tax, excise duty, custom duty, service tax, value added tax, goods and services tax and other incentives, including any profit linked deductions), granted by any Government body, local authority or by any other person and availed of by the Demerged Undertaking of the Demerged Company, the same shall vest with and be available to the Resulting Company on the same terms and conditions as presently available to the Demerged Company;.

- 8.18. Upon coming into effect of this Scheme and as per the provisions of Section 72A (4) and other applicable provisions of the Income Tax Act, 1961, all accumulated tax losses, if any and unabsorbed depreciation, if any of HHL as pertaining to the Demerged Undertaking shall be transferred to IML.
- 8.19. All taxes, including, income-tax, tax on book profits, Service Tax, Value Added Tax, Goods and Service Tax etc. paid or payable by HHL in respect of the operations and/ or the profits of the Demerged Undertaking before the Appointed Date, shall be on account of HHL and, in so far as it relates to the tax payment (including, without limitation, income tax, tax on book profits, value added tax, etc.) whether by way of deduction at source, advance tax or otherwise howsoever, by IML in respect of the profits of activities or operation of the Demerged Undertaking after the Appointed Date, the same shall be deemed to be the corresponding item paid by IML and shall, in all proceedings, be dealt with accordingly. Upon the Scheme becoming effective, pursuant to the provisions of this Scheme, HHL is expressly permitted to revise their returns and IML is expressly permitted to file its income tax return including tax deducted at source certificates, sales tax/value added tax returns, excise returns, service tax returns goods and service tax returns and other tax returns and to claim refunds/credits. Further, HHL and IML shall have the right to revise their respective financial statements, returns and related withholding tax certificates (including withholding tax certificates relating to transactions between HHL and IML along with prescribed forms, filings and annexures under the Income Tax Act, 1961, Central Sales tax, applicable state Value Added Tax, Service Tax laws, Excise Duty laws and other tax laws, and to claim refunds and/or credit for taxes paid (including Minimum Alternate Tax, taxes deducted at source, Wealth Tax, etc.) and for matters incidental thereto, if required.
- 8.20. Any refund, under the Income Tax Act, 1961, Integrated Goods and Services Tax, Central Goods and Services Tax, State Goods and Services Tax, service tax laws, excise duty laws,

Central Sales Tax, applicable State Value Added Tax laws or other applicable laws / regulations dealing with taxes/ duties/ levies due to HHL in relation to the Demerged Undertaking consequent to the assessment made on IML (including any refund for which no credit is taken in the accounts of IML) as on the date immediately preceding the Appointed Date shall also belong to and be received by IML, upon this Scheme becoming effective.

8.21. Any tax liabilities under the Income Tax Act, 1961, Integrated Goods and Services Tax, Central Goods and Services Tax, State Goods and Services Tax, service tax laws, excise duty laws, Central Sales Tax, applicable state Value Added Tax laws or other applicable laws/regulations dealing with taxes/ duties/ levies of HHL in relation to the Demerged Undertaking to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date shall be transferred to IML.

8.22. All intangible assets brand names, trademark, tradenames, trained workforce, trade secrets, research, studies, work force, technical know how and all such other industrial or intellectual property rights of whatsoever in nature, whether registered or unregistered, and all rights of commercial nature including goodwill, title, interest, quality certifications and approvals, forming a part of the Demerged Undertaking, belonging to but not recorded in the books of account of HHL and all intangible assets relating to the Demerged Undertaking arising or recorded in the process of the demerger, if any, that gets transferred in books of account of IML shall, for all purposes, be regarded as an intangible asset in terms of explanation 3(b) to Section 32(1) of the Income Tax Act, 1961 and IML shall be eligible for depreciation thereunder at the prescribed rates.

8.23. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of HHL pertaining to the Demerged Undertaking after

the Effective Date shall be accepted by the bankers of IML and credited to the account of IML, if presented by IML. Similarly, the banker of IML shall honour all cheques issued by HHL pertaining to the Demerged Undertaking for payment after the Effective Date. If required, HHL shall allow maintaining of bank accounts in the name of HHL by IML for such time as may be determined to be necessary by HHL and IML for presentation and deposition of cheques and pay orders that have been issued in the name of HHL in connection with the Demerged Undertaking. It is hereby expressly clarified that any legal proceedings by or against HHL in relation to cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of HHL pertaining to the Demerged Undertaking shall be instituted, or as the case may be, continued, by or against, IML after the coming into effect of the Scheme.

8.24. Pursuant to the order of the Tribunal, IML shall file the relevant notifications and communications in relation to assignment, transfer, cancellation, modification, or encumbrance of any license/ certificate and any other registration including but not limited to Central Goods and Services Tax, State Goods and Services Tax, Integrated Goods and Service Tax, VAT, CST, Excise, Service Tax, Income Tax, IEC Code, ESJ, Company Registration Number, PF, etc. if any, for the record of the appropriate authorities, which shall take them on record.

9. CONSIDERATION

9.1. Upon the Scheme coming into effect, in consideration of the demerger of the Demerged Undertaking into IML pursuant to provisions of this Scheme, and without any further application, act, deed payment, consent acts, instruments or deed, IML will issue and allot fully paid-up equity shares of Rs. 1 each (the "New Shares") to shareholders of HHL in accordance with the terms of the Scheme. The New Shares will be issued by IML to such equity shareholders of HHL whose names are recorded in the register of members of HHL

as on the Record Date in the ratio of 1:1, i.e. ***“1 (One) equity share of IML of Face Value of INR 1 each fully paid up shall be issued for every 1 (One) equity share of Face Value of INR 1 each fully paid up held in HHL”***.

- 9.2. The shares issued pursuant to the provisions of the Scheme as per clause 9.1 (“New Shares”), shall be issued to the shareholders of the Demerged Company in Demat form, unless otherwise notified in writing by a shareholder(s) of the Demerged Company to the Resulting Company on or before such date as may be determined by the Board of Resulting Company. In the event that such notice has not been received by the Resulting Company in respect of any of the shareholder(s) of the Demerged Company, the equity shares, shall be issued to such shareholders in dematerialized form provided that the shareholder(s) of the Demerged Company shall be required to have an account with a depository participant and shall be required to provide details thereof and such other confirmations as may be required. In the event that the Resulting Company has received notice from any shareholder that the equity shares are to be issued in physical form or if any shareholder has not provided the requisite details relating to his/ her/ its account with a depository participant or other confirmations as may be required or if the details furnished by any shareholder do not permit electronic credit of the shares of the Resulting Company, then the Resulting Company shall issue the equity shares in physical form to such shareholder or shareholders.
- 9.3. The Board of Directors of IML shall consolidate all fractional entitlements, if any.
- 9.4. The New Shares, to be issued and allotted by IML, in terms of the Scheme, shall be subject to the provisions of the Memorandum of Association and Articles of Association of IML. The New Shares, to be issued and allotted, shall rank pari passu in all respects with the existing shares of IML, including in respect of dividends, if any, that may be declared by IML, on or after the Effective Date.

- 9.5. The issue and allotment of the New Shares in IML to the shareholders of HHL as provided in the Scheme shall be carried out and the same would not require following of the procedure laid down under Sections 42 and 62 of the Companies Act, 2013 and any other applicable provisions of the relevant Act.
- 9.6. Upon the Scheme being effective and on allotment of New Shares by the Resulting Company, the shares held in Resulting Company by the Demerged Company shall stand automatically cancelled without any further act or deed. Further, it is clarified that no shares will be issued for the shares that are held by the Demerged Company in Resulting Company.
- 9.7. The new shares to be issued and allotted by the Resulting Company in terms of clause 9 of this Scheme shall be listed and shall be admitted for trading on the Stock Exchanges. The Resulting Company shall make all requisite applications and shall otherwise comply with the provisions of Applicable Laws, including, as applicable, the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the SEBI Circulars. The Equity Shares allotted pursuant to this Scheme shall remain frozen in the depositories system till relevant directions in relation to listing/trading are provided by the Stock Exchanges.
- 9.8. IML, shall, to the extent required, increase and reclassify its authorised share capital in order to facilitate and issue the New Shares under this Scheme prior to the allotment of New Shares.
- 9.9. The New Shares to be issued by the Resulting Company pursuant to Clause 9.1 above in respect of such of the equity shares of the Demerged Company which are held in abeyance under the provisions of Section 126 of the Act or otherwise shall, pending allotment or settlement of dispute by order of Court or otherwise, also be kept in abeyance by the Resulting Company.”

10. REMAINING UNDERTAKING OF THE DEMERGED COMPANY

- 10.1. The Remaining Undertaking shall continue with HHL.
- 10.2. The Remaining Undertaking and all the assets, liabilities incentives, rights and obligations pertaining thereto shall continue to belong to, be vested in and be managed by HHL.
- 10.3. All assets and properties acquired by the Demerged Company in relation to the Remaining Business on and after the Appointed Date shall belong to and continue to remain vested in the Demerged Company;
- 10.4. All liabilities (including contingent liabilities) loans, debts (whether secured or unsecured) raised or incurred, duties and obligations of every kind, nature and description whatsoever and howsoever arising or accruing in relation to the Remaining Business shall belong to and continue to remain vested in the Demerged Company.
- 10.5. All legal, taxation or other proceedings whether civil or criminal (including before any statutory or quasi-Judicial authority or tribunal), by or against HHL under any statute, whether pending as on the Appointed Date or which may be instituted at any time thereafter, and in each case, relating to the Remaining Undertaking (including those relating to any property, right, power, liability, obligation or duties of the Remaining Undertaking), shall be continued and enforced by or against HHL after the Effective Date.
- 10.6. With effect from the Appointed Date and up to and including the Effective Date:
 - 10.6.1. HHL shall carry on and shall be deemed to have been carrying on all business and activities relating to the Remaining Undertaking for and on its own behalf;
 - 10.6.2. HHL / The Demerged Company may enter into such contracts as the Demerged Company may deem necessary in respect of the Remaining Business and
 - 10.6.3. all profits accruing to HHL thereon or losses arising or incurred by it (including the effect of taxes, if any, thereon) relating to the Remaining Undertaking shall, for all purposes, be treated as the profits or losses, as the case may be, of HHL.

11. REDUCTION OF SHARE CAPITAL OF THE RESULTING COMPANY

Simultaneously, with the issue and allotment of the New Shares by the Resulting Company to the equity shareholders of the Demerged Company in accordance with Clause 9 above of this Scheme, in the books of the Resulting Company, all the equity shares held by the Demerged Company in the Resulting Company shall stand cancelled, extinguished and annulled on and from the Effective Date, without any further act, instrument or deed. Such cancellation of the share capital of the Resulting Company shall be effected as a part of the Scheme itself. The order of NCLT sanctioning the Scheme shall be deemed to be an order under Section 66 of the Act confirming the reduction and no separate sanction under Section 66 of the Act shall be necessary.

PART IV

ACCOUNTING TREATMENT

12. ACCOUNTING TREATMENT IN BOOKS OF HHL

Upon the Scheme becoming effective and with effect from the Appointed Date, the transfer and vesting of the Demerged Undertaking from the Demerged Company into the Resulting Company shall be accounted in the financial statements of the Demerged Company as per the accounting standards notified under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India, in the following manner:

- 12.1. The assets, liabilities and reserves pertaining to the Demerged Undertaking of the Demerged Company being transferred to the Resulting Company, shall be, at values appearing in the books of account of the Demerged Company as on the Appointed Date.
- 12.2. Any inter-company balance(s), debts, borrowings (secured or unsecured), if any between the Demerged Company, in respect of the Demerged Undertaking, and the Resulting Company, shall stand cancelled and corresponding effect shall be given in the books of account and the records of the Demerged Company for the reduction of any assets or liabilities, as the case may be. There would be no accrual of interest or other charges and there shall be no obligation/outstanding in that behalf in respect of any such intercompany loans, debt, securities or balances with effect from the Appointed Date.
- 12.3. The excess / deficit of assets over liabilities of the Demerged Undertaking transferred pursuant to Clauses 12.1 and 12.2 above and the cancellation of investment in the equity shares held by the Demerged Company in the paid-up share capital of the Resulting Company as per clause 11 above, shall be adjusted against Reserves.

13. ACCOUNTING TREATMENT IN THE BOOKS OF IML

Upon the Scheme becoming effective and with effect from the Appointed Date, the transfer and vesting of the Demerged Undertaking from the Demerged Company into the Resulting Company shall be accounted in the financial statements of the Resulting Company as per the accounting standards notified under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India, in the following manner:

- 13.1. The Resulting Company shall record the assets, liabilities and reserves pertaining to the Demerged Undertaking of the Demerged Company being transferred to the Resulting Company at values appearing in the books of account of the Demerged Company as on the Appointed Date.
- 13.2. Any inter-company balance(s), debts, borrowings (secured or unsecured), if any between the Demerged Company, in respect of the Demerged Undertaking and the Resulting Company shall stand cancelled and corresponding effect shall be given in the books of account and the records of the Resulting Company for the reduction of any assets or liabilities, as the case may be. There would be no accrual of interest or other charges and there shall be no obligation/outstanding in that behalf in respect of any such intercompany loans, debt, securities or balances with effect from the Appointed Date.
- 13.3. The Resulting Company shall credit to the Equity Share Capital Account in its books of accounts, the aggregate face value of the New Shares issued and allotted to the equity shareholders of the Demerged Company as per Clause 9 above.
- 13.4. The excess / deficit of assets over liabilities recorded in the books of Resulting Company as per the Clauses 13.1 and 13.2 and the value of share issued as per the Clause 13.3 above shall be adjusted against Goodwill / Capital Reserves.

13.5. Upon the Scheme being effective, the existing shareholding of the Demerged Company in the Resulting Company shall stand cancelled as per clause 11 above. Upon cancellation, the Resulting Company shall debit to its Equity Share Capital Account, the aggregate face value of existing equity shares held by the Demerged Company in the Resulting Company, which stands cancelled and the same shall be credited to the General Reserve of the Resulting Company.

PART V

GENERAL CLAUSES

14. STAFF, WORKMAN AND EMPLOYEES

- 14.1. On the Scheme coming into effect, all the staff, Workmen and employees of the Demerged Company engaged in the Demerged Undertaking in service on such date shall be deemed to have become staff, workmen and employees of IML with effect from the Effective Date without any break in their service and on the basis of continuity of service and the terms and conditions of their employment with HHL shall not be less favourable than those applicable to them with reference to the Demerged Undertaking on the Effective Date. The position, rank and designation of the employees would however be decided by IML.
- 14.2. In so far as the Provident Fund, Gratuity Fund or any other Special Fund created or existing for the benefit of the staff, workmen and employees of the Demerged Undertaking are concerned, upon the Scheme coming into effect, IML shall stand substituted for HHL for all purposes whatsoever in relation to the administration or operation of such Fund or Funds or in relation to the obligation to make contributions to the said Fund or Funds in accordance with the provisions thereof as per terms provided in the respective Trust Deeds, if any, to the end and intent that all rights, duties, powers and obligations of HHL in relation to such Fund or Funds shall become those of IML, respectively, and all the rights, duties and benefits of the staff, workmen and employees employed in the Demerged Undertaking under such Funds and Trusts shall be protected, subject to the provisions of law for the time being in force. It is clarified that the services of the staff, workmen and employees of the Demerged Undertaking will be treated as having been continuous for the purpose of the said Fund or Funds.
- 14.3. The accumulated balances, if any, standing to the credit of the employees of the Demerged Undertaking in the existing Provident Fund, Gratuity Fund, Superannuation Fund and other

funds of which they are members, will be transferred to such Provident Fund, Gratuity Fund, Superannuation Fund and other funds nominated by the Resulting Company and/or such new Provident Fund, Gratuity Fund, Superannuation Fund and other funds to be established and caused to be recognized by the concerned authorities by the Resulting Company. Pending the transfer as aforesaid, the dues of the employees of Demerged Undertaking relating to the said funds would be continued to be deposited in the existing Provident Fund, Gratuity Fund, Superannuation Fund and other funds respectively.

15. CONTRACT DEEDS AND STATUTORY CONSENTS

- 15.1. Subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements (including any power purchase agreement, powers supply agreement etc.), arrangements and other instruments of whatsoever nature relating to the Demerged Undertaking which are subsisting or having effect immediately before the Effective Date shall be in full force against or in favour of IML respectively, and may be enforced as fully and effectively as if, instead of HHL, IML, had been a party or beneficiary thereto. IML shall, if necessary, to give formal effect to this Clause, enter into and / or issue and/or execute deeds, writings or confirmations or enter into a tripartite arrangement, confirmation or novation to which HHL is a party.
- 15.2. IML shall be entitled, pending the sanction of the Scheme, to apply to the Central Government, State Government or any other agency, department or other authorities concerned as may be necessary under law, for such consents, approvals and sanctions which IML, respectively, may require to own and operate the Demerged Undertaking.
- 15.3. IML may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, enter into, or issue or execute deeds, writings, confirmations novation, declarations or other documents with, or in favour of any party to any contract or arrangement to which the Demerged Company

is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. IML shall be deemed to be authorized to execute any such writings on behalf of the Demerged Company and to carry out or perform all such formalities or compliances required for the purposes referred to above on the part of Demerged Company.

16. SAVING OF CONCLUDED TRANSACTIONS:

The transfer and vesting of the properties and liabilities of the Demerged Undertaking under Clause 8 above, the continuance of the proceedings by or against the Resulting Company under Clause 17 below and the effectiveness of contracts and deeds under this Clause 17 shall not affect any transaction or proceeding relating to the Demerged Undertaking already completed by the Demerged Company on or before the Effective Date to the end and intent that the Resulting Company accepts all acts, deeds and things relating to the Demerged Undertaking done and executed by and/or on behalf of the Demerged Company as acts, deeds and things done and executed by and on behalf of the Resulting Company.

17. LEGAL PROCEEDINGS

17.1. If any legal, taxation or other proceedings of whatever nature, whether civil or criminal (including before any statutory or quasi judicial authority or tribunal) (the "Proceedings") by or against HHL in relation to the Demerged Undertaking is pending/ arising at the Appointed Date, the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the transfer of the Demerged Undertaking or of anything contained in the Scheme, but the proceedings may be continued, prosecuted and enforced by or against IML, in the same manner and to the same extent as it would be or might have been continued, prosecuted and enforced by or against HHL as if the Scheme had not been

made. On and from the Effective Date, IML, as the case may be, shall and may initiate any legal proceedings for and on behalf of the Demerged Undertaking.

- 17.2. It is clarified that after the Appointed Date, in case the Proceedings referred above with respect to the Demerged Undertaking of HHL, cannot be transferred for any reason, HHL shall prosecute or defend the same at the cost of and in consultation with IML, and IML shall reimburse, indemnify and hold harmless HHL against all liabilities and obligations incurred by HHL in respect thereof.
- 17.3. In the event that the Proceedings referred to above, require HHL and IML to be jointly treated as parties thereto, IML shall be added as party to such proceedings and shall prosecute or defend such proceedings in co-operation with HHL.
- 17.4. Pending the sanction of the Scheme, HHL in relation to the Demerged Undertaking shall, in consultation with HHL, continue to prosecute, enforce or defend, the proceedings, whether pending or initiated pending the sanction of the Scheme.

18. CONDUCT BUSINESS TILL EFFECTIVE DATE

18.1. With effect from the Appointed Date and up to the Effective Date:

- 18.1.1. HHL shall carry on their businesses and activities in the normal course of business till the vesting of the Demerged Undertaking on the sanction of the Scheme by the Tribunal, and shall be deemed to have held or stood possessed of and shall hold and stand possessed of all the assets of the Demerged Undertaking for and an account of and in trust for IML and, the Demerged Company shall not (without the prior written consent of the Resulting Company) alienate, charge or otherwise deal with or dispose of the Demerged Undertaking or any part thereof except in the usual course of business.

- 18.1.2. All income or profit/benefit accruing or arising to the Demerged Company, in respect of the Demerged Undertaking, and all costs, charges, expenses and losses (including brought forward losses, book losses, etc.) or taxes (including but not limited to advance tax, tax deducted at source, tax collected at source, goods and services tax, minimum alternative tax, credit, taxes withheld, etc.), incurred by the Demerged Company, in respect of the Demerged Undertaking, shall for all purposes be treated as the income, profits, costs, charges, expenses and losses or taxes, as the case may be, of the Resulting Company and shall be available to the Resulting Company for being disposed off in any manner as it thinks fit.
- 18.1.3. HHL shall not vary the material terms and conditions of any agreements or contracts in relation to the Demerged Undertaking without consent of/ intimation to IML;
- 18.1.4. HHL shall carry on its business and activities with reasonable diligence and business prudence;
- 18.1.5. HHL and IML shall be entitled, pending sanction of the Scheme to apply to the Central/State Government and all other agencies, departments and authorities concerned as are necessary under any law or rules for such consents, approvals and sanctions, which may be required in relation to the Scheme;
- 18.1.6. All the taxes of HHL in relation to the Demerged Undertaking paid or payable by HHL shall be deemed to be taxes paid or payable (as the case may be) by IML;
- 18.1.7. With effect from the Effective Date, the Resulting Company shall commence and carry on and shall be authorized to carry on the businesses carried on by the Demerged Company, in respect of the Demerged Undertaking;
- 18.1.8. The Demerged Company shall continue to comply with the provisions of the Act, including those relating to preparation, presentation, circulation and filing of accounts as and when they become due for compliance; and

18.1.9. HHL shall, with intimation to IML, take major decisions in respect of its assets and liabilities of those pertaining to the Demerged Undertaking and their present capital structures.

19. RATIFICATION

Except as provided in the Clauses above, IML, shall accept all acts, deeds and things relating to the Demerged Undertaking, respectively done and executed by and/or on behalf of HHL on and after the Appointed Date as acts, deeds and things done and executed by and/or on behalf of IML, as the case may be.

20. DIVIDEND, PROFIT, BONUS, RIGHT SHARES

At any time up to the Effective Date, HHL shall not declare dividend, distribute profits or issue or allot any right shares or bonus shares or any other security converting into equity shares or other share capital or obtain any other financial assistance converting into equity shares or other share capital, unless agreed to by the Board of Directors of IML.

PART VI

GENERAL TERMS AND CONDITIONS

21. COMPLIANCE WITH TAX LAWS

- 21.1. This Scheme has been drawn up to comply with the conditions as specified under Section 2(19AA) of the Income-tax Act, 1961 and other relevant provisions of the Income tax Act, 1961 involving demerger as aforesaid. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said section at a later date including resulting from a retrospective amendment of law or for any other reason whatsoever, till the time the Scheme becomes effective, the provisions of the said section of the Income-tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(19AA) of the Income tax Act, 1961 and other relevant provisions of the Income-tax Act, 1961.
- 21.2. On or after the Effective Date, the Demerged Company and the Resulting Company are expressly permitted to revise their financial statements and returns along with prescribed forms, filings and annexure under the Income-tax Act, 1961, (including for the purpose of re-computing tax on book profits and claiming other tax benefits), service tax law, goods and services tax law and other tax laws, and to claim refunds and/or credits for taxes paid, and to claim tax benefits, etc., and for matters incidental thereto, if required to give effect to the provisions of the Scheme from the Appointed Date.
- 21.3. All taxes/ credits including income-tax, tax on book profits, credit on Minimum Alternate Tax under section 115JAA of the Income-tax Act, 1961, sales tax, excise duty, custom duty, service tax, value added tax, goods and services tax or any other direct or indirect taxes as may be applicable, etc. paid or payable by the Demerged Company, in respect of the Demerged Undertaking, in respect of the operations and/ or the profits of the undertaking before the Appointed Date, shall be on account of the Demerged Company and, in so far

as it relates to the tax payment (including, without limitation, income-tax, tax on book profits, sales tax, excise duty, custom duty, service tax, value added tax, goods and services tax etc.) whether by way of deduction at source, advance tax, MAT credit or otherwise howsoever, by the Demerged Company in respect of the profits or activities or operation of the business after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Resulting Company and shall, in all proceedings, be dealt with accordingly. Further, any tax deducted at source, tax collected at source by the Demerged Company/ Resulting Company in respect of the Demerged Undertaking on payables to the Resulting Company/ the Demerged Company respectively which has been deemed not to be accrued, shall be deemed to be advance taxes paid by the Resulting Company and shall, in all proceedings, be dealt with accordingly.

21.4. Obligation for deduction of tax at source on any payment made by or to be made by the Demerged Company, in respect of the Demerged Undertaking, under the Income-tax Act, 1961, service tax laws, customs law, state value added tax, Goods and Services tax laws or other Applicable Laws / regulations dealing with taxes/ duties / levies shall be made or deemed to have been made and duly complied with by the Resulting Company.

21.5. Without prejudice to the generality of the above, all benefits, incentives (including any profit linked deductions), losses, credits (including, without limitation income tax, tax on book profits, service tax, applicable state value added tax, goods and services tax etc.) to which the Demerged Company, in respect of Demerged Undertaking , are entitled to in terms of Applicable Laws, shall be available to and vest in the Resulting Company.

21.6. Upon this Scheme becoming effective and from the Appointed Date, the Resulting Company is expressly permitted to revise and file its income tax returns and other statutory returns, including tax deducted at source returns, services tax returns, goods and services tax, excise tax returns, sales tax and value added tax returns, as may be applicable and has

expressly reserved the right to make such provisions in its returns and to claim refunds or credits etc. if any. Such returns may be revised and filed notwithstanding that the statutory period for such revision and filing may have lapsed.

22. APPLICATION TO THE TRIBUNAL

HHL and IML shall, with all reasonable despatch, make applications/petitions (either jointly or severally as may be advised) under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the relevant Act to the Tribunal, for sanctioning of this Scheme and all matters ancillary or incidental thereto.

23. MODIFICATIONS / AMENDMENTS TO THE SCHEME

23.1. Upon prior approval from the Tribunal, HHL and IML, (by their respective Board of Directors) may assent from time to time on behalf of persons concerned to any modifications/amendments to this Scheme (including but not limited to the terms and conditions thereof) or any conditions or limitations which the Tribunal, or any authorities under the law may deem fit to approve or impose and to resolve any doubt or difficulties that may arise for carrying out this Scheme and to do and execute all such acts, deeds, matters and things necessary for putting the Scheme into effect.

23.2. For the purpose of giving effect of this Scheme or to any modifications or amendments, thereof, the Directors of HHL and IML or any person authorised in that behalf by the concerned Board of Directors, may give and is/are authorised to give all such directions that are necessary or are desirable including directions for settling any doubts or difficulties that may arise.

24. CONDITIONALITY OF THE SCHEME

24.1. This Scheme is specifically conditional upon and subject to:

- 24.1.1. The approval of the Scheme by the requisite majority of the respective members and such class of persons of HHL and IML as required in terms of the applicable provisions of the relevant Act as well as any requirements that may be stipulated by the Tribunal in this respect;
- 24.1.2. Receipt of approvals of the relevant Stock Exchanges where the equity shares of the Demerged Company are listed and traded, and SEBI in terms of applicable provisions of SEBI Circular as more particularly defined in clause 4.17.
- 24.1.3. Sanction of the Tribunal, being obtained under Sections 230 to 232 of the Companies Act, 2013, and other applicable provisions of the relevant Act, if so required on behalf of HHL and IML; and
- 24.1.4. All other sanctions and approvals as may be required. by law or otherwise may be necessary for the implementation of this Scheme (if applicable).

25. REVOCATION OF THE SCHEME

- 25.1. In the event of any of the said sanction and approval referred to in the preceding Clauses 19 and 20 above not being obtained and/or the Scheme not being sanctioned by the Tribunal and/or the Order(s) not being passed as aforesaid within three hundred and sixty five (365) days from the date of filing of the Company Applications with the Tribunal, or within such further period(s) as may be agreed upon from time to time between HHL and IML (through their respective Board of Directors), or in any event at any time and for any reason with the mutual consent of the Board of Directors of both, HHL and the Resulting Company, this Scheme shall stand revoked, cancelled and be of no effect and in that event, no rights and liabilities whatsoever shall accrue to or be incurred inter se between HHL and IML, or their respective shareholders or employees or any other persons, save and except in respect of any act or deed done prior thereto as is

contemplated hereunder or as to any right, obligation and/or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in this Scheme and or otherwise arise as per Jaw. For the purpose of giving full effect to this Scheme, the respective Board of Directors of the HHL and IML, are hereby empowered and authorised to agree to and, extend the aforesaid period from time to time without any limitations in exercise of their power through and by their respective delegates.

25.2. The Board of Directors of HHL and IML, shall be entitled to revoke, cancel and declare the Scheme of no effect if such Boards of Directors of HHL and IML are of the view that the coming into effect of the Scheme in terms of the provisions of this Scheme or filing of the drawn up/certified/authenticated orders with any authority could have adverse implication on all/ any of the companies or in case any condition or alteration imposed by the Tribunal or any other authority is not on terms acceptable to them.

25.3. If any part of this Scheme hereof is invalid, ruled illegal by any court of competent jurisdiction or unenforceable under present or future laws, then it is the intention of the parties that such part shall be severable from the remainder of the Scheme and the Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case the parties shall attempt to bring about a modification in the Scheme, as will best preserve for the parties the benefits and obligations of the Scheme, including but not limited to such part.

26. COST, CHARGES AND EXPENSES CONNECTED WITH THE SCHEME

All costs, charges, taxes including duties, levies and any other expenses in relation to or in connection with or incidental to this Scheme shall be borne by HHL.



Annexure 3

Report of the Board of Directors of the Demerged Company (Hercules Hoists Limited), pursuant to Section 232(2)(c) of the Act

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF HERCULES HOISTS LIMITED AT ITS MEETING HELD ON SEPTEMBER 23, 2022, EXPLAINING THE EFFECT OF THE SCHEME ON EACH CLASS OF SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTER AND NON-PROMOTER SHAREHOLDERS IN ACCORDANCE WITH SECTION 232(2)(C) OF THE COMPANIES ACT, 2013

1. BACKGROUND:

a. The Board of Directors of the Company vide resolution dated September 23, 2022, approved the Scheme.

b. The Scheme, inter alia, provides for -

demerger, transfer and vesting of the Demerged Undertaking (as defined in the Scheme) from the Demerged Company into the Resulting Company on a going concern basis, and issue of equity shares by the Resulting Company to the shareholders of the Demerged Company, in consideration thereof, in accordance with the provisions of Section 2(19AA) of the Income Tax Act, 1961; and

Pursuant to the Demerger, the equity shares of the Resulting Company forming part of the Demerger Undertaking shall stand cancelled.

c. This report of the Board is accordingly being made pursuant to the requirements of Section 232(2)(c) of the Companies Act, 2013.

d. In terms of section 232(2)(c) of the Companies Act, 2013, this report, explaining the effect of the Scheme on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders, is required to be circulated for the meeting order by Hon'ble Hon. National Company Law Tribunal ('NCLT')

2. EFFECT OF THE SCHEME ON EQUITY SHAREHOLDERS (PROMOTER AND NON-PROMOTER SHAREHOLDERS) AND KEY MANAGERIAL PERSONNEL OF THE COMPANY:

ñ Shareholders

Upon the Scheme becoming effective, in consideration of transfer and vesting of the Demerged Undertaking from HHL to IML in terms of the Scheme, and based on Registered Valuer's Report, IML shall issue and allot equity shares to the equity shareholders of HHL as per the following share entitlement ratio ("Share Entitlement Ratio"):

"1 (One) equity share of INDEF MANUFACTURING LIMITED of Face Value of INR 1 each fully paid up shall be issued for every 1 (One) equity share of Face Value of INR 1 each fully paid up held in HERCULES HOISTS LIMITED".

The shares of IML (including those issued and allotted to the shareholders of HHL as above) are proposed to be listed on the BSE Limited and the National Stock Exchange of India Limited (collectively "Stock Exchanges"), subject to receipt of necessary approvals.

Upon the Scheme becoming effective, pursuant to the Demerger, which inter alia entails the transfer of the Demerged Undertaking, including the equity shares held by HHL in IML (representing HHL's investment in IML), the existing shareholding of HHL in IML shall stand cancelled without any further act, instrument or deed.

ñ Promoters/Non-Promoters

Upon the Scheme becoming effective, the shareholding of the promoters and non-promoters of HHL will remain similar to the pre-Scheme shareholding in HHL. The promoters and non-promoters of HHL will receive shares in IML in accordance with the Share Entitlement Ratio. The promoters of HHL will become the promoters of IML post listing of the equity shares of IML on the Stock Exchanges. The promoters of HHL will be treated on par with the other equity shareholders of the Company.

ñ Directors/Key Managerial Personnel (KMP)

There will be no change in the Director(s)/ KMP(s) of HHL pursuant to Scheme.

None of the Director(s)/ KMP(s) of the Company has/have any material interest, concern or any other interest in the Scheme except to the extent of their shareholding, if any, in the companies involved in the Scheme.

3. Difficulties in Valuation, if any:

The Share Entitlement Ratio is as recommended in the Registered Valuer's Report.

No special valuation difficulties were reported.

The Board has adopted this Report after noting and considering the information set forth in this Report. The Board or any fully authorized committee by the Board is entitled to make relevant

modifications to this Report, if required and such modifications or amendments shall be deemed to form part of this Report.

For and on Behalf of the Board of Directors of
HERCULES HOISTS LIMITED

Sd/-

H A Nevatia

Whole-time Director

DIN: 00066955

September 23, 2022



Annexure 4
Report of the Board of Directors of the Resulting Company
(Indef Manufacturing Limited), pursuant to Section 232(2)(c) of the Act

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF INDEF MANUFACTURING LIMITED IN THEIR MEETING HELD ON SEPTEMBER 23, 2022 EXPLAINING THE EFFECT OF THE SCHEME ON EACH CLASS OF SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTER AND NON-PROMOTER SHAREHOLDERS IN ACCORDANCE WITH SECTION 232(2)(C) OF THE COMPANIES ACT, 2013

4. BACKGROUND:

e. The Board of Directors of the Company vide resolution dated September 23, 2022, approved the Scheme.

f. The Scheme, inter alia, provides for -

demerger, transfer and vesting of the Demerged Undertaking (as defined in the Scheme) from the Demerged Company into the Resulting Company on a going concern basis, and issue of equity shares by the Resulting Company to the shareholders of the Demerged Company, in consideration thereof, in accordance with the provisions of Section 2(19AA) of the Income Tax Act, 1961; and

Pursuant to the Demerger, the equity shares of the Resulting Company forming part of the Demerger Undertaking shall stand cancelled.

g. This report of the Board is accordingly being made pursuant to the requirements of Section 232(2)(c) of the Companies Act, 2013.

h. In terms of section 232(2)(c) of the Companies Act, 2013, this report, explaining the effect of the Scheme on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders, is required to be circulated for the meeting order by Hon'ble Hon. National Company Law Tribunal ('NCLT')

5. EFFECT OF THE SCHEME ON EQUITY SHAREHOLDERS (PROMOTER AND NON-PROMOTER SHAREHOLDERS) AND KEY MANAGERIAL PERSONNEL OF THE COMPANY:

ñ Shareholders

Upon the Scheme becoming effective, consideration of transfer and vesting of the Demerged Undertaking from HHL to IML in terms of the Scheme, and based on Registered Valuer's Report, IML shall issue and allot equity shares to the equity shareholders of HHL as per the following share entitlement ratio ("Share Entitlement Ratio"):

"1 (One) equity share of INDEF MANUFACTURING LIMITED of Face Value of INR 1 each fully paid up shall be issued for every 1 (One) equity share of Face Value of INR 1 each fully paid up held in HERCULES HOISTS LIMITED".

The shares of IML (including those issued and allotted to the shareholders of HHL as above) are proposed to be listed on the BSE Limited and the National Stock Exchange of India Limited (collectively "Stock Exchanges"), subject to receipt of necessary approvals.

Upon the Scheme becoming effective, pursuant to the Demerger, which inter alia entails the transfer of the Demerged Undertaking, including the equity shares held by HHL in IML (representing HHL's investment in IML), the existing shareholding of HHL in IML shall stand cancelled without any further act, instrument or deed.

ñ Promoters/Non-Promoters

The promoters and non-promoters of HHL will receive shares in IML in accordance with the Share Entitlement Ratio. The promoters of HHL will become the promoters of IML post listing of the equity shares of IML on the Stock Exchanges. The promoters of HHL will be treated on par with the other equity shareholders of the Company.

ñ Directors/Key Managerial Personnel (KMP)

There will be no change in the Director(s)/ KMP(s) of HHL pursuant to Scheme. The Director(s)/KMP(s) of the Company may change as per business and regulatory requirements.

None of the Director(s)/ KMP(s) of the Company has/have any material interest, concern or any other interest in the Scheme except to the extent of their shareholding, if any, in the companies involved in the Scheme.

6. Difficulties in Valuation, if any:

The Share Entitlement Ratio is as recommended in the Registered Valuer's Report.

No special valuation difficulties were reported.

The Board has adopted this Report after noting and considering the information set forth in this Report. The Board or any fully authorized committee by the Board is entitled to make relevant modifications to this Report, if required and such modifications or amendments shall be deemed to form part of this Report.

For and on Behalf of the Board of Directors of
INDEF MANUFACTURING LIMITED

Sd/-

H A Nevatia

Whole-time Director

DIN: 00066955

September 23, 2022

Annexure 5
Valuation report issued
by
Paras K. Savla
in relation to the share entitlement
for issuance and allotment of
shares of IML to the shareholders
of the Company pursuant
to and in consideration of the
Demerger (“Registered Valuer’s Report”)

Determination of Share Entitlement Ratio
for the proposed Demerger

of

Manufacturing Business Undertaking

of

Hercules Hoists Limited
("Demerged Company")

into

Indef Manufacturing Limited
("Resulting Company")

Through Scheme of Arrangement
u/s 230-232 of the Companies Act, 2013

September 22, 2022

Prepared by:

Paras K. Savla

IBBI Registered Valuer

Asset Class – Securities or Financial Assets

Reg. No. IBBI/RV/06/2018/10102

Address:

904, Centrum IT Park,
Opp. TMC Office, Wagle Estate,
S G Barwe Road, Thane 400604

Table of Contents

| | |
|--|----|
| Company Background | 2 |
| Brief Background of Demerged Company [HHL] | 2 |
| Brief Background of Resulting Company [IML] | 3 |
| Valuation Background and Purpose | 3 |
| Sources of Information | 4 |
| Valuation Base | 5 |
| Valuation Approach and Date | 5 |
| Valuation Methodology | 5 |
| Recommendation of Fair Share Entitlement Ratio | 7 |
| Conclusion | 8 |
| Annexure I - Summary of Share Entitlement Ratio | 10 |
| Annexure II - Statement of Assumptions and Limiting Conditions | 11 |



Date: September 22, 2022

To,

Board of Directors

Hercules Hoists Limited

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

Board of Directors

Indef Manufacturing Limited

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

Dear Sirs,

Sub: Recommendation of Fair share entitlement ratio for the proposed demerger of Manufacturing Business of Hercules Hoists Limited into Indef Manufacturing Limited

I have been requested to recommend the fair share entitlement ratio for the proposed demerger of **Manufacturing Business ("Demerged Undertaking")** of **Hercules Hoists Limited ("Demerged Company" or "HHL")** into **Indef Manufacturing Limited ("Resulting Company" or "IML")** in this report ("**Report**") for the proposed scheme of arrangement ("the Scheme") as on October 01, 2022 being the 'Appointed Date', as required under Section 230 read with Section 232 and other relevant provisions of the Companies Act 2013 and in accordance with the terms of engagement letter dated 19-04-2021.

HHL and IML are collectively referred to as '**Companies**' and management of HHL and IML are hereinafter collectively referred to as the '**Management**'.

Company Background

Brief Background of Demerged Company [HHL]

HHL is a public limited company incorporated on 15/06/1962 under the provisions of the Indian Companies Act, 1956 having its registered office at Bajaj Bhawan, 226 Jamnalal Bajaj Marg, Nariman Point, Mumbai-400 021.

HHL is primarily engaged in the business of manufacturing, sales, distribution and marketing of mechanical hoists, electric chains hoists, wire rope hoists and other material handling equipment's and other business by way of investments in various mutual funds schemes and equity instruments.

The equity shares of the Company are listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE").

HHL (along with its nominees) holds 100% of the share capital of IML.

The authorized, issued, subscribed and paid-up share capital of the Demerged Company as on August 31, 2022 are as under:



| Particulars | Amount (INR) |
|--|--------------------|
| Authorized Share Capital | |
| 4,00,00,000 equity shares of INR 1 each | 4,00,00,000 |
| TOTAL | 4,00,00,000 |
| Issued, subscribed and paid-up Share Capital | |
| 3,20,00,000 equity shares of INR 1 each, fully paid up | 3,20,00,000 |
| TOTAL | 3,20,00,000 |

Brief Background of Resulting Company [IML]

IML is an unlisted public Company incorporated under the provisions of the Companies Act, 2013 on 12/09/2022 having CIN: U29308MH2022PLC390286 and having its registered office situated at Bajaj Bhavan 226 Jamnalal Bajaj Marg Nariman Point Mumbai 400021.

The Resulting Company was incorporated with a view to undertake the businesses of manufacturing of hoists, cranes and other material handling equipment's.

IML is currently a wholly owned subsidiary of HHL.

The authorized, issued, subscribed and paid-up share capital of IML as on September 12, 2022 are as under:

| Particulars | Amount (INR) |
|---|-----------------|
| Authorized Share Capital | |
| 10,000 equity shares of INR 10 each, fully paid up | 1,00,000 |
| TOTAL | 1,00,000 |
| Issued, subscribed and paid-up Share Capital | |
| 10,000 equity shares of INR 10 each, fully paid up | 1,00,000 |
| TOTAL | 1,00,000 |

As per the scheme, IML shall, to the extent required, increase and reclassify its authorised share capital in order to facilitate and issue the New Shares under this Scheme prior to the allotment of New Shares.

Valuation Background and Purpose

I have been informed that the Board of Directors of the companies are considering a scheme of arrangement with effect from "October 01, 2022" ("Appointed Date") for Demerger of the Manufacturing Business of Hercules Hoists Limited into Indef Manufacturing Limited in accordance with the provisions of Section 230 to 232 including Section 66 of Companies Act, 2013 ("the Act"), read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, as amended



from time to time and any other applicable law for the time being in force including the applicable provisions of master circular in relation to scheme of arrangement issued by SEBI bearing no. SEBI/HO/CFD/DIL1/CIR/P/2021/000000665 dated November 23, 2021 covering all circulars issued by SEBI and LODR Regulations and the rules framed therein and in a manner provided in the Scheme of Arrangement ("the Scheme").

Based on discussion with management, I understand that the Manufacturing Business of HHL will be demerged into its wholly owned subsidiary i.e., IML. Further, I understand that as a part of the Scheme, the outstanding issued and paid-up share capital of IML would be cancelled by way of capital reduction. Subject to necessary approvals, Demerged Undertaking of HHL would be demerged into IML, with effect from Appointed Date. The proposed transaction is hereinafter referred to as "Proposed Demerger".

Pursuant to proposed demerger of HHL into IML, fully paid Equity Shares of Face Value INR 1 (One) each of IML shall be issued to the shareholders of HHL ("New Shares"), which will be listed on the stock exchanges. As a part of the Scheme the existing shares held by HHL in IML will be cancelled on demerger. In this regard, I have been requested to issue a report containing recommendation of the fair equity share entitlement ratio for the proposed Demerger. The recommendation of fair share entitlement ratio is for the consideration of the Board of Directors of the Companies.

Sources of Information

For the purpose of this valuation exercise, I have relied upon the following sources of information as provided to me by the management of the companies:

- (a) Draft scheme of arrangement between the Companies
- (b) Audited Financial Statements of HHL for the year ended March 31, 2022
- (c) Limited Reviewed Financial Statements of HHL for the period ended June 30, 2022
- (d) MCA databases and other relevant information and documents for the purpose of engagement
- (e) Discussion with management of the companies and its representatives
- (f) Such other information and explanations as I have required, and which have been provided by the Management of the Companies including Management Representations.

I have been informed by the Management that –

- i. There no material events has occurred between date of limited reviewed financial statements i.e. June 30, 2022 and till the date of this report
- ii. There would not be any capital variation in the Companies till the proposed demerger becomes effective without approval of the shareholders and other relevant authorities.
- iii. Till the proposed demerger becomes effective, neither of the Companies would declare any dividend which are materially different from those declared in the past few years
- iv. There are no unusual / abnormal events in the Companies other than those represented to us by the Management till report date materially impacting their operating / financial performance
- v. There would be no significant variation between the draft Scheme of arrangement and the final scheme approved and submitted with the relevant authorities



The Management has been provided with the opportunity to review the Draft Report (excluding the recommended Share Entitlement Ratio) as a part of my standard practice to make sure that factual inaccuracies/omissions are avoided in the final report.

Valuation Base

As per Indian Valuation Standard 102 issued by The Institute of Chartered Accountants of India, Valuation Base means the indication of the type of value being used in engagement. In this engagement, Fair Value as determined shall be considered as the valuation base.

Valuation Approach and Date

- i. The valuation exercise involves selecting a method suitable for the purpose of valuation, by the exercise of judgment by the valuer, based on the facts and circumstances as applicable to the business of the company to be valued.
- ii. As mentioned earlier, the present valuation exercise is being undertaken in order to derive the fair share entitlement ratio for the purpose of the demerger of Manufacturing Business of HHL into IML.
- iii. Appointed Date is a future date i.e., October 1, 2022. In view of this the valuation date is the date of the report.

Valuation Methodology

- i. Valuation by its very nature, cannot be regarded as an exact science and the conclusions arrived at in many cases will be subjective and dependent on the exercise of individual judgment. Given the same set of facts and using the same assumptions, expert opinions may differ due to the number of separate judgment decisions. There can, therefore, be no standard formulae to establish an indisputable value, although certain formulae are helpful in assessing reasonableness. The International Accounting Standard Board (IASB), which is the independent standard setting body of the IFRS Foundation, has set out two internationally accepted valuation methodologies for arriving at the fair value of a share namely, the income approach and the market approach.
- ii. For the purpose of determining fair value, a valuer may, therefore, use any of the approaches as per the generally / internationally accepted valuation methodologies which in its opinion are most appropriate based on the facts of each valuation.
- iii. The internationally / generally accepted valuation methodologies have been discussed hereinafter, along with the reasons for the choice of approach used based on the facts of the company.



Market Approach

Market Price Method

Under this method, the market price of an equity shares of the company as quoted on a recognized stock exchange is normally considered as the fair value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded. The market value generally reflects the investors' perception about the true worth of the company. Regulation 164(1) of Chapter V of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 prescribes the method for calculating pricing of frequently traded shares. If the equity shares of the issuer have been listed on a recognised stock exchange for a period of 90 trading days or more as on the relevant date, the price of the equity shares to be allotted pursuant to the preferential issue shall be not less than higher of the following:

- a. the 90 trading days' volume weighted average price of the related equity shares quoted on the recognised stock exchange preceding the relevant date; or
- b. the 10 trading days' volume weighted average prices of the related equity shares quoted on a recognised stock exchange preceding the relevant date.

Comparable Companies Method

This valuation approach is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. The value is determined on the basis of multiples derived from valuations of comparable companies, as manifest in the stock market valuations of listed companies. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.

Asset Approach

Under this approach, the book value / replaceable value / realizable value of the underlying assets of the company is determined to arrive at the value of the business, depending on the facts and circumstances applicable to a company. Usually, under the asset-based approach, the methods that maybe applied are Net Book Value Method, Net Replaceable Value, Net Realizable Value.

Income Approach

Usually, under the Income-Based Approach, the methods that maybe applied are Discounted Cash Flow (DCF) Method or the Price Earning Capacity Value (PECV) Method.

Discounted Cash Flow Method

Under DCF approach, the future free cash flows of the business are discounted to the valuation date to arrive at the present value of the cash flows of the business or capitalized using a discount rate depending on the capital structure of the company. This approach also takes into account the value of the business in perpetuity by the calculation of terminal value using the exit multiple method or the perpetuity growth method, whichever is appropriate.

Profit Earning Capacity Value Method

Under PECV method, the average earning on the basis of the past 3-5 year are first determined,



adjustments are then made for any exceptional transactions or items of non-recurring nature. The adjusted average earnings are then capitalized at an appropriate rate to arrive at the value of business. The capitalization rate so factored has to be decided depending upon various factors such as the earning trend in the industries, P/E prevailing in the industries etc. After this, the normalized earnings are then capitalized at an appropriate discount rate.

Recommendation of Fair Share Entitlement Ratio

- i. Our exercise is to work out the relative value of shares to facilitate the determination of a fair share entitlement ratio.
- ii. As mentioned earlier, as a part of the Scheme of Arrangement, the Manufacturing Business of HHL is proposed to be demerged into its wholly owned subsidiary i.e., IML. HHL has identified all the assets and liabilities of Manufacturing Business which are to be taken over by and transferred to IML. Also, as part of the Scheme, all the outstanding issued and paid share capital of IML would be cancelled by way of capital reduction.
- iii. I understand that, upon the Scheme being effective, all the shareholders of HHL would also become the shareholders of IML, which will be listed on the stock exchanges and with the outstanding and paid-up share capital of IML getting cancelled by way of a capital reduction which would be a part of the same scheme, their shareholding in IML would mirror their existing shareholding in HHL prior to the demerger.
- iv. I have been informed that, pursuant to the Scheme, IML shall, to the extent required, increase and reclassify its authorised share capital in order to facilitate and issue the New Shares under the Scheme prior to the allotment of New Shares.
- v. Considering the above facts and circumstances, any share entitlement ratio can be considered appropriate and fair for the proposed demerger as the proportionate equity shareholding of any shareholder pre-demerger and post-demerger would remain same and not vary and I have therefore not carried out any independent valuation of Manufacturing Business IML.
- vi. The management has proposed a share entitlement ratio as follows:

"1 (One) equity share of IML of Face Value of INR 1 each fully paid up shall be issued for every 1 (One) equity share of Face Value of INR 1 each fully paid up held in HHL".

I understand that the Share Entitlement Ratio has been recommended keeping in mind the future equity servicing capacity and minimum share capital requirements of IML.

- vii. The effect of demerger is that each shareholder of HHL becomes the owner of shares in two companies instead of one. No shareholder is, under the Scheme, required to dispose off any part of its shareholding either to any of the shareholders or in the market or otherwise. The Scheme does not envisage the dilution of the holding of any one or more shareholders as a result of the



operation of the Scheme. Post demerger, the percentage holding of a shareholder in HHL and in IML would remain same and not vary.

- viii. I understand that, upon issuance of equity shares on the basis of the share entitlement ratio, and after the cancellation of pre-demerger equity share capital of IML, the equity shareholders of HHL and IML would be the same.
- ix. Therefore, in my view, the above share entitlement ratio is fair and equitable, considering that all the shareholders of HHL, will, upon the proposed demerger, have their inter-se economic interests, rights, obligations in IML post demerger in the same proportion as their existing economic interests, rights and obligations in HHL pre-merger.

Conclusion

On the basis of the foregoing, any share entitlement ratio can be considered fair for the above demerger as the proportionate shareholding of any shareholder would not vary. Considering the desired capital structure of the Resulting company, the Management has proposed a share entitlement ratio of 1 (One) equity share of IML of Face Value of INR 1 each fully paid up shall be issued for every 1 (One) equity share of Face Value of INR 1 each fully paid up held in HHL.

Based on the foregoing and on consideration of all the relevant factors and circumstances as discussed and outlined hereinabove, pursuant to the Proposed Scheme of Arrangement, I recommend the following share entitlement ratio of -

"1 (One) equity share of IML of Face Value of INR 1 each fully paid up shall be issued for every 1 (One) equity share of Face Value of INR 1 each fully paid up held in HHL".

The Report assumes that the company complies fully with relevant laws and regulations applicable in all its area of operations unless otherwise states, and the company will be managed in a competent and responsible manner. Further, except as specifically stated to the contrary, this valuation Report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigation and other contingent liabilities that are not recorded in the financial statements of the Companies.

In the ultimate analysis, the valuation will have to involve the exercise of judicious discretion and judgment taking into account all the relevant factors. There will always be several factors. E.g., present and prospective competition, yield on comparable securities and market sentiments, etc. which are not evident from the face of balance sheets, but which will strongly influence the worth of a share. This concept is also recognised in judicial decisions. For example, Viscount Simon Bd in Gold Coast Selection Trust Ltd. vs. Humphrey reported in 30 TC 2019 (House of Lords) and quoted with approval by the Supreme Court of India in the case reported in 176 ITR 417 as under:

"If the asset takes the form of fully paid shares, the valuation will take into account not only the terms of agreement but a number of other factors, such as prospective yield, marketability, the general outlook for the type of business of the company which has allotted the share, the result of



a contemporary prospectus offering similar shares for subscription, the capital position of the company, so forth. There may also be an element of value in the fact that the holding of the shares gives control of the company. If the asset is difficult to value, but is nonetheless of a money value, the best valuation possible must be made. Valuation is art, not an exact science. Mathematical certainty is not demanded nor indeed is it possible."

This conclusion is subject to the Summary of Share Entitlement Ratio in Annexure-I and Statement of Assumptions and Limiting Conditions stated in Annexure-II. I have no obligation to update this report or my conclusion of value for information that comes to my attention after the date of this report.

In accordance with my standard practice, the Management has been provided with an opportunity to review factual information in my draft Certificate to ensure that factual inaccuracies, omissions etc. are avoided in my final Certificate. I state that I am independent of the shareholders, directors and management of HHL and IML and do not have any financial association with the shareholders, directors and management of HHL and IML other than receipt of fees in connection with the professional services provided. My fee for the engagement is not contingent upon the results reported.



Paras K. Savla
Registered Valuer
Reg. No. IBBI/RV/06/2018/10102

Encl.

1. Annexure-I – Summary of Share Entitlement Ratio
2. Annexure-II - Statement of Assumptions and Limiting Conditions

Annexure I - Summary of Share Entitlement Ratio

BSE Circular No. LIST/COMP/02/2017-18 dated 29 May 2017 and NSE Circular No. NSE/CML/2017/12 dated 1 June 2017 (collectively referred to as "Stock Exchange Circulars") require the Valuation Report for a Scheme of Arrangement to provide certain requisite information in a specified format. In terms of the SEBI Scheme Circular viz. Master Circular No. SEBI/HQ/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021, including amendments thereto, pursuant to the Proposed Scheme, there is no change in the shareholding pattern of the Demerged Company and the Resulting Company, thus, the requirement for seeking a valuation report is not triggered.

Hence, as stated above, no relative valuation of the Companies is required to be undertaken. Accordingly, I have not carried out valuation of the Companies. However, we have given below the disclosures as required under "Stock Exchange Circulars".

| Valuation Approach | HHL | | IML | |
|--------------------------|-----------------|--------|-----------------|--------|
| | Value per share | Weight | Value per share | Weight |
| Asset Approach | NA | NA | NA | NA |
| Income Approach | NA | NA | NA | NA |
| Market Approach | NA | NA | NA | NA |
| Relative Value per Share | NA | NA | NA | NA |

NA – Not Adopted / Not Applicable

Notes:

1. Asset Approach

As per the Proposed Scheme of Arrangement, Manufacturing Business of HHL will be demerged into its wholly owned subsidiary i.e., IML and upon cancellation of the entire outstanding issued and paid-up equity shares held by HHL in IML by way of capital reduction, fresh issue of shares would be made to the existing shareholders of HHL on a proportionate basis such that their shareholding in IML would mirror their existing shareholding in HHL. Hence, I have not carried out any independent valuation of Manufacturing Business of Manufacturing Business and IML.

In view of the above, I have not carried out any independent valuation of Manufacturing Business of HHL and IML under Asset Approach.

2. Income Approach

In view of the explanation at Note 1, I have not carried out any independent valuation of Manufacturing Business of HHL and IML under Income Approach.

3. Market Approach

In view of the explanation at Note 1, I have not carried out any independent valuation of Manufacturing Business of HHL and IML under Market Approach.



Annexure II - Statement of Assumptions and Limiting Conditions

This valuation is subject to the following assumptions and limiting conditions:

1. This document has been prepared for the purposes stated herein and should not be relied upon for any other purpose. Our client is the only authorized user of this report and is restricted for the purpose indicated in the engagement letter. This restriction does not preclude the client from providing a copy of the report to third-party advisors whose review would be consistent with the intended use. We do not take any responsibility for the unauthorized use of this report.
2. We owe responsibility to only to the client that has appointed us under the terms of the engagement letters. We will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions or advice given by any other person. In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or wilful default on part of the client or companies, their directors, employees or agents.
3. While our work has involved an analysis of financial information and accounting records, our engagement does not include an audit in accordance with generally accepted auditing standards of the clients existing business records. Accordingly, we express no audit opinion or any other form of assurance on this information.
4. We do not provide assurance on the achievability of the results forecast by the management/owners as events and circumstances do not occur as expected; differences between actual and expected results may be material. We express no opinion as to how closely the actual results will correspond to those projected/forecast as the achievement of the forecast results is dependent on actions, plans and assumptions of management.
5. The valuation of companies and assets is made based on the available facts and circumstances and the conclusions arrived at in many cases will be subjective and dependent on the exercise of individual judgment. Although every scientific method has been employed in systematically arriving at the value, there is no indisputable single value and the estimate of the value is normally expressed as falling within a likely range. To comply with the client's request, we have provided a single value for the overall purpose of this report. Whilst, we consider the valuation to be both reasonable and defensible based on the information available, others may place a different value.
6. The client and its management/representatives warranted to us that the information they supplied was complete, accurate and true and correct to the best of their knowledge. We have relied upon the representations of the clients, their management and other third parties concerning the financial data, operational data and maintenance schedule of all plant-machinery-equipment-tools-vehicles, real estate investments and any other investments in tangible assets except as specifically stated to the contrary in the report. We shall not be liable for any loss, damages, cost or expenses arising from fraudulent acts, misrepresentations, or wilful default on part of the companies, their directors, employee or agents.
7. We have relied on data from external sources also to conclude the valuation. These sources are believed to be reliable and therefore, we assume no liability for the truth or accuracy of any data, opinions or



estimates furnished by others that have been used in this analysis. Where we have relied on data, opinions or estimates from external sources, reasonable care has been taken to ensure that such data has been correctly extracted from those sources and /or reproduced in its proper form and context.

8. The report assumes that the company complies fully with relevant laws and regulations applicable in its area of operations and usage unless otherwise stated, and that the companies will be managed in a competent and responsible manner. Further, as specifically stated to the contrary, this report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigations and other contingent liabilities that are not recorded/reflected in the balance sheet/fixed assets register provided to us.
9. The valuation report is tempered by the exercise of judicious discretion by the valuers, taking into account the relevant factors. There will always be several factors, e.g. management capability, present and prospective competition, yield on comparable securities, market sentiment, etc. which may not be apparent from the Balance Sheet but could strongly influence the value.
10. We are fully aware that based on the opinion of value expressed in this report, we may be required to give testimony or attend court / judicial proceedings with regard to the subject assets, although it is out of scope of the assignment, unless specific arrangements to do so have been made in advance, or as otherwise required by law. In such event, the party seeking our evidence in the proceedings shall bear the cost/professional fee of attending court / judicial proceedings and our tendering evidence before such authority shall be under the applicable laws.
11. While our work has involved an analysis of financial information and accounting records, our engagement does not include an audit in accordance with generally accepted auditing standards of the client existing business records. Accordingly, we assume no responsibility and make no representations with respect to the accuracy or completeness of any information provided by and on behalf of you and the client. Our report is subject to the scope and limitations detailed hereinafter. As such the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein and in the context of the purpose for which it is made.
12. The actual market price achieved may be higher or lower than our estimate of value depending upon the circumstances of the transaction (for example the competitive bidding environment), the nature of the business (for example the purchaser's perception of potential synergies). The knowledge, negotiating ability and motivation of the buyers and sellers and the applicability of a discount or premium for control will also affect actual market price achieved. Accordingly, our valuation conclusion will not necessarily be the price at which any agreement proceeds. The final transaction price is something on which the parties themselves have to agree. We also emphasize that our opinion is not the only factor that should be considered by the parties in agreeing the transaction price.
13. An analysis of such nature is necessarily based on the prevailing stock market, financial, economic and other conditions in general and industry trends in particular as in effect on, and the information made available to us as of, the date hereof. Events occurring after the date hereof may affect this report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this Report.



14. In the course of the valuation, we were provided with both written and verbal information. We have however, evaluated the information provided to us by the Company through broad inquiry, analysis and review but have not carried out a due diligence or audit of the information provided for the purpose of this engagement. Our conclusions are based on the assumptions, forecasts and other information given by/on behalf of the Company.
15. We are independent of the client/company and have no current or expected interest in the Company or its assets. The fee paid for our services in no way influenced the results of our analysis.
16. Our report is meant for the purpose mentioned above and should not be used for any purpose other than the purpose mentioned therein. The Report should not be copied or reproduced without obtaining our prior written approval for any purpose other than the purpose for which it is prepared.
17. The user to which this valuation is addressed should read the basis upon which the valuation has been done and be aware of the potential for later variations in value due to factors that are unforeseen at the valuation date. Due to possible changes in market forces and circumstances, this valuation report can only be regarded as relevant as at the valuation date.
18. Our engagement for this valuation consulting work does not include any procedures designed to discover any defalcations or other irregularities, should any exist.
19. Possession of this report, or a copy thereof, does not carry with it the right of publication of all or part of it nor may it be used for any purpose by anyone other than those enumerated in this report without our written consent.
20. Neither all nor any part of the contents of this report (especially the conclusion of value, the identity of any valuation specialist(s), or the firm with which such valuation specialists are connected or any reference to any of their professional designations) should be disseminated to the public (except in cases where the report needs to be provided before any Government Authority) through advertising media, public relations, news media, sales media, mail, direct transmittal, or any other means of communication without our prior written consent and approval. We retain the right to deny permission for the same.
21. Though some similarities exist between the conclusion of value as used for this purpose and others, it would be incorrect to use the fair value as determined within our report for any other purposes due to specific timing, performance, and marketability issues that arise in evaluating the fair market value of a company. Accordingly, any such use of the value as determined within this report for other purposes would be inaccurate and possibly misleading and no such use shall be made out of the context presented herein.
22. Addressee shall hold harmless the Firm, its partners/directors and employees free from all actions, claims, proceedings, losses, damages, costs and expenses, whatsoever and however caused, incurred, sustained or arising, which Firm, its partners/directors and employees may suffer, arising from, or in connection with, the provision of the services.



Annexure 6
Fairness Opinion issued
by
GreteX Corporate Services Limited,
Merchant Banker



GRETEX CORPORATE SERVICES LIMITED

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Website: www.gretexcorporate.com, Email ID: info@gretexgroup.com

Phone : 022-4002 5273, 9836822199, 9836821999

CIN: U74999MH2008PLC288128

Date: 22/09/2022

To,
The Board of Directors,
Hercules Hoist Limited,
Bajaj Bhawan, 2nd Floor,
226, Jammalal Bajaj Marg,
Nariman Point, Mumbai-400021.

Sub: Fairness Opinion for the proposed Demerger of the "Manufacturing Business" of Hercules Hoist Limited into its proposed wholly owned subsidiary i.e., Indef Manufacturing Limited, pursuant to the Scheme of Arrangement under the relevant provisions of the Companies Act, 2013.

Dear Sir/ Madam,

Please refer to the engagement letter dated 17/05/2022 regarding the Fairness Opinion in terms of the SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020 for the proposed transfer of Manufacturing Business of Hercules Hoist Limited ("hereinafter referred to as 'HHL' or 'Demerged Company') to Indef Manufacturing Limited ("hereinafter referred to as 'IML' or 'Resulting Company') pursuant to the Scheme of Arrangement in terms of provisions of sections 230 to 232 read with section 66 and other applicable provisions of the Companies Act 2013 (including any statutory modifications, re-enactments or amendments thereof) and other applicable securities and capital market laws and rules issued thereunder to the extent applicable.

1. Background of the Companies that are parties to the Scheme:

Hercules Hoist Limited:

Hercules Hoist Limited (Demerged Company) is a company within the meaning of the Companies Act, 2013 having corporate identity number (CIN) L45400MH1962PLC012385. Its registered office is presently located at Bajaj Bhawan, 2nd Floor, 226, Jammalal Bajaj Marg, Nariman Point, Mumbai-400 021 in the State of Maharashtra, India.

The Company has been engaged in the manufacturing of manufacturing, sales, distribution and marketing of mechanical hoists, electric chains hoists, wire rope hoists and other material handling equipment ("Manufacturing Business"/ "Hoists Business") and other business by way of investment in various mutual funds schemes and equity instruments.

The equity shares of Demerged Company shares are presently listed on BSE Limited, Mumbai ('BSE') with Scrip Code: 505720 and National Stock Exchange of India Limited, Mumbai ('NSE') with Symbol: HERCULES.

For the period ended March 31, 2022, the accumulated profit of the Demerged Company was Rs. 22,201.03 Lakhs and the Share Capital of the company stands at Rs. 320.00 Lakhs.

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CIN: U74999MH2008PLC288128

The share capital structure of the Demerged Company as per the last audited balance sheet as at March 31, 2022 and as on date, is as under:

| Particulars | Amount (Rs.) |
|---|----------------|
| Authorised Share Capital | |
| 4,00,00,000 Equity Shares of Re. 1/- Each | 4,00,00,000.00 |
| Issued, Subscribed and Paid-up Share Capital | |
| 3,20,00,000 Equity Shares of Re. 1/- each | 3,20,00,000.00 |

The shareholding pattern of the Demerged Company, as on March 31, 2022, is as under:

| Category of Shareholder | No. of Shares | % of Shareholding |
|---------------------------|--------------------|-------------------|
| Promoter & Promoter Group | 2,22,75,720 | 69.61% |
| Public | 97,24,280 | 30.39% |
| Total | 3,20,00,000 | 100.00% |

Indef Manufacturing Limited:

The Resulting Company ("Indef Manufacturing Limited") was originally incorporated as a Public Limited Company under the Companies Act, 2013, on September 12, 2022 in the State of Maharashtra. The Corporate Identification Number (CIN) of the Company is U29308MH2022PLC390286.

The Resulting Company currently is an Unlisted Public Limited Company. Pursuant to the scheme of arrangement, the Resulting Company shall become Wholly Owned Subsidiary of the Demerged Company.

The main object clauses of the Memorandum of Association of the Resulting Company would authorize the Resulting Company:

1. To undertake, own, operate, manage, control, administer either alone or jointly in partnership, joint venture, collaboration the business of material handling equipment and in this regard to buy, sell, import, export, market, distribute, assemble, convert, design, develop, equip, fabricate, hire, let on hire, lease, running, hiring out on contract, install, maintain, operate, repair, overhaul, recondition, remodel, service, and to act as agent, broker, representative, consultant, stockist, or otherwise, including in fork lifts, earth-moving machines, all kinds of high-tech cranes, hot metal cranes, magnet cranes, high capacity cranes, EOT (Electric Overhead Travelling) cranes, winches, grab buckets, conveyors, elevators hoists, chain pulley blocks, elevators, conveyers, conveyer belts, crane wheels, crane rails, gear boxes, control gears, trolleys, dredges, barges, launches, tugs and ancillary equipment and all kinds of material handling equipment, light and heavy equipment, construction equipment, industrial, non-industrial equipment, foundry equipment, and its spare parts or otherwise, in India or abroad.
2. To manufacture, get manufactured from others, buy, sell, assemble, service, lease, exchange, export, import, machine, and generally deal in various items of iron and steel and its products, iron and steel castings, forgings, of all kinds required by various industries and to carry on the business of iron-founders, mechanical engineers, manufacturers of machinery and implements of all kinds, tool-

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makers, brass founders, metal-workers, boiler-makers, mill-wrights, iron & steel converters, smiths, and to buy, sell, manufacture, repair, convert, alter, let on hire and deal in implements, machinery, rolling stock and hardware of all kinds.

3. To manufacture and/or produce and/or otherwise engage generally in the manufacture or production of or dealing in spur gear chain pulley blocks, electric chain hoists of various capacities and hoisting equipment of all kinds and allied products and to do all acts and things necessary or required for the purpose.

Since the company is incorporated on September 12, 2022, the financial data of the company is not available.

The share capital structure of the Resulting Company as on September 12, 2022 is as under:

| Particulars | Amount (Rs.) |
|---|--------------|
| Authorized Share Capital | |
| 10,000 Equity Shares of Rs. 10/- each | 1,00,000 |
| Issued, Subscribed and Paid Up Capital | |
| 10,000 Equity Shares of Rs. 10/- each | 1,00,000 |

The Shareholding Pattern of the Resulting Company, as on date is as under:

| Name of the Shareholder | No. of Shares | % of Shareholding |
|---|---------------|-------------------|
| Shekhar Bajaj (as represented by Hercules Hoists Limited) | 9,994 | 99.94 |
| H A Nevatia | 1 | 0.01 |
| Vivek Mahendra | 1 | 0.01 |
| Vijay Singh | 1 | 0.01 |
| Devi Prasad Padhy | 1 | 0.01 |
| Kiran Mukadam | 1 | 0.01 |
| Nihit Agarwal | 1 | 0.01 |
| Total | 10,000 | 100.00 |

2 Scheme of Arrangement

We have been informed that it is proposed to demerge the Manufacturing business of Hercules Hoist Limited, the Demerged Company into Indef Manufacturing Limited, the Resulting Company. The draft scheme would need approval from the jurisdictional National Company Law Tribunal ("NCLT") and other regulatory authorities as applicable.

The salient features of the Draft Scheme are as follows:

Hercules Hoist Limited is a company within the meaning of the Companies Act, 2013 having corporate identity number (CIN) L45400MH1962PLC012385. Its registered office is presently located at Bajaj Bhawan, 2nd Floor, 226, Jammalal Bajaj Marg, Nariman Point, Mumbai-400021.

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CIN: U74999MH2008PLC288128

The Company has been engaged in the manufacturing sales, distribution and marketing of mechanical hoists, electric chains hoists, wire rope hoists and other material handling equipments at its facility located at Mumbai, Maharashtra catering largely to commercial vehicles and sells its products under the brand name of "Hercules Hoists".

The equity shares of the Company are listed on the Exchanges NSE and BSE.

For the period ended March 31, 2022, the accumulated profit of the Demerged Company was Rs. 39,374.81 Lakhs and the Share Capital of the company stands at Rs. 320.00 Lakhs.

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the NCLT, unless otherwise specified in the Scheme, shall be effective from the Appointed Date but shall be operative from the Effective Date.

With effect from the Appointed Date, the Demerged Undertaking of HHL shall, without any further act or deed, be transferred and the same shall stand transferred to and vested in or deemed to have been transferred to or vested in HHL, as a going concern in accordance with Section 2(19AA) of the Income Tax Act, 1961, pursuant to the provisions of Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the relevant Act and the provisions of this Scheme in relation to the mode of transfer and vesting of assets.

The assets of the Demerged Undertaking, which are movable in nature of incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and acknowledgement of possession, shall be so transferred by HHL and shall become the property of IML without any act or deed on the part of HHL and IML and without requiring any separate deed or instrument or conveyance for the same to end and intent that the property and benefits therein passes to IML.

3 Scope of Engagement

For the aforesaid purpose, HHL has appointed us to issue a fairness opinion for the intended Scheme in terms of SEBI Master Circular dated December 22, 2020. This report is intended only for the sole use of HHL and IML, and in connection with the proposed Scheme including for the purpose of obtaining judicial and regulatory approvals for the Scheme.

4 Sources of Information:

We have relied on the following information in issuing this fairness opinion for the purpose of the Scheme:

- i. Copy of Memorandum of Association and Articles of Association of HHL and IML,
- ii. reviewed the management certified copy of Draft Scheme Document and the Valuation Report;
- iii. Shareholding pattern of HHL and IML as on September 12, 2022;
- iv. Audited financial statement of HHL for the year ended March 31, 2022;

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- v. sought various clarifications from the respective senior management teams of the relevant companies,
- vi. reviewed published & secondary sources of data, whether or not made available by the Companies; and
- vii. performed such other financial analysis and considered such other information and factors as we deemed appropriate.

5. Key Factors From the Scheme:

Based on the information provided by the management of the entities forming part of the Scheme and after analyzing the Scheme, we understand that since the Resulting Company is a proposed wholly owned subsidiary of the Demerged Company, the Resulting Company shall be issuing shares to the Demerged Company. The Scheme is intended to transfer the Transferred Undertaking to the wholly owned subsidiary and does not involve movement of assets or liabilities to any company outside the group.

The rationale for the proposed scheme is as under:

1. The demerger will result into splitting of manufacturing business and investment business of the Demerged Company with a view to unlocking value, enhance the scope of work of both, the Demerged Company and the Resulting Company, and further to draw new investors, JV, bringing technology partner, merger & acquisition for exploring other growth potential in it.
2. The demerger will result in increased flexibility and enhance the ability of HHL and (name of the Resulting Company) to undertake their respective businesses, thereby contributing to enhancement of future business potential.
3. The Scheme will allow the respective management to pursue independent growth strategies. The Scheme will also provide scope of separate companies for independent collaboration and expansion.
4. The Scheme will ensure focused management attention, resources and skill set allocation of both HHL and IML of Remaining Undertaking and Demerged Undertaking respectively with a view to rationalize and simplify the structure of the Demerged Undertaking.
5. The transfer and vesting of the Demerged Undertaking into Indef Manufacturing Limited, by way of demerger, would facilitate focused management attention, provide leadership vision, facilitate efficiency in operations due to individual specialization, provide greater leveraging due to financial independence and facilitate strategic financial investment to the Demerged Undertaking and enabling the management of HHL to focus on the Remaining Undertaking and allow it to grow aggressively.
6. The transfer and vesting of the Demerged Undertaking along with assets and liabilities relating to the Demerged Undertaking into IML, will benefit IML and its members.
7. In consideration of the Demerger, the Shareholders of the Demerged Company will receive equity shares in the Resulting Company, which will be listed on Stock Exchange(s). The Shares held by the

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Demerged Company in the Resulting Company (if any) will be cancelled upon the effectiveness of the Scheme as the shareholding pattern of the Demerged Company and the Resulting Company will be exactly the same (i.e mirror shareholding pattern).

8. The Demerger and the consequent issue of equity shares by the Resulting Company are proposed to allow shareholders of the Demerged Company and the Resulting Company and the investors to invest in the distinct key businesses and allow shareholders of the Demerged Company and the Resulting Company unlock the value of their investments.

9. The proposed demerger will assist in the potential of the respective businesses being realized more fully and will have beneficial results for the said companies and their shareholders.

10. The Scheme is in the interest of shareholders, creditors and there is no likelihood that any shareholder or creditor of either HHL or IML would be prejudiced as a result of the Scheme of Arrangement. The Scheme will neither impose any additional burden on the shareholders of the Demerged Company, nor will it adversely affect the interests of any of the shareholders or creditors of the Demerged Company and the Resulting Company. Further, the Scheme is only for the transfer and vesting of the Demerged Undertaking by way of an arrangement from the Demerged Company into the Resulting Company and is not an arrangement or compromise with the creditors of any of the entities involved in the Scheme.

6. Exclusions and Limitations:

Our Opinion is limited to the extent of review of documents as provided to us by the Company including the Valuation Report prepared by the Valuer and the Draft Scheme Document.

We have assumed and relied upon the accuracy and completeness of all information and documents provided to us, data publicly available or otherwise reviewed by or discussed with us. We have relied upon the Companies' assurance that they are not aware of any facts or circumstances that would make such information or data incomplete, inaccurate or misleading in any material respect.

We have not carried out any due diligence or independent verification or validation of such information to establish its accuracy or sufficiency. We have not conducted any independent valuation or appraisal of any of the assets or liabilities of the Companies, and / or their subsidiaries/affiliates. In particular, we do not express any opinion as to the value of any asset of Companies, and / or their subsidiaries/affiliates, whether at current time or in the future. No investigation of Company's claim to title of assets has been made for the purpose of the exercise and the claim to such rights has been assumed to be fully valid.

We have reviewed the underlining assumptions adopted to recommend the valuation and issue of shares. One should note that valuation is not an exact science and that estimating values necessarily involves selecting a method or approach that is suitable for the purpose. Moreover, in this case where equity shares of Resulting Company are being issued as consideration to the Demerged Company, it is not the absolute per share value that is important for framing an opinion but the relative per share value of Resulting Company vis-à-vis per share value of Demerged

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GRETEX CORPORATE SERVICES LIMITED

Formerly known as GRETEX CORPORATE SERVICES PRIVATE LIMITED

Office No. 13, 1st Floor, (New Bansilal Building),

9-15, Homi Modi Street, Fort, Near BSE, Mumbai – 400 001

Website: www.gretexcorporate.com, Email ID: info@gretexatfop.com

Phone : 022 4002 5273, 9836822199, 9836821999

CIN: U74999MH2008PLC288128

Company.

We have assumed, with the Company's consent that the Scheme will be in compliance with all applicable laws and other requirements and will be implemented on the terms described in the Draft Scheme Document, without any waiver or modification of any material terms or conditions, and that in the course of obtaining the necessary regulatory or third party approvals for the Scheme, no delay, limitation, restriction or condition will be imposed that would have an adverse effect on the Company, and / or their relevant subsidiaries/ affiliates and their respective shareholders. We have assumed, at the directions of the Company that the final Scheme will not differ in any material respect from the Draft Scheme Document. We understand from the Company's management that the Scheme will be given effect to in totality and not in parts.

We express no view or opinion as to any terms or other aspects of the Scheme (other than the Recommendation of valuation and issue of shares, from a financial point of view) including, without limitation, the form or structure of the proposed transaction. We were not requested to, and we did not, participate in the negotiations for the proposed transaction. Our Opinion is limited to the fairness, from a financial point of view, of the valuation and issue of shares proposed by the Valuer, to the Demerged Company. Our analysis relates to the relative values of the Demerged Company. However, the actual transaction value may be significantly different from the result of our analysis and would depend on a number of other factors. We express no opinion or view with respect to the financial implications of the proposed transaction for any stakeholders, including creditors of the Company.

We express no view as to, and our Opinion does not address, the underlying business decision of the Company to effect the proposed transaction, the relative merits of the proposed transaction as compared to any other alternative business strategy, the effect of the proposed transaction on the Company or its affiliates, including, without limitation, possible implications on ownership structure, listing format, capital structure or trading price of Demerged Company's shares post completion of the proposed transaction. The Company remains solely responsible for the commercial assumptions on the basis of which it agrees to proceed with the proposed transaction. Our Opinion is necessarily based only upon information as referred to in this opinion. We have relied solely on representations, whether verbal or otherwise, made by the management of the Company for areas where the same has been made.

We do not express any Opinion as to any tax or other consequences that might arise from the Scheme on the Company, and / or their subsidiaries/affiliates, and their respective shareholders, nor does our Opinion address any legal, tax, accounting or structural matters as to which we understand that the respective companies have obtained such advice as they deemed necessary from qualified professionals. We have undertaken no independent analysis of any potential or actual litigation, regulatory action, possible unasserted claims, Governmental investigation or other contingent liabilities to which the Company, and/or their subsidiaries/affiliates, are/or may be a party.

Our Opinion is necessarily based on financial, economic, monetary, market and other conditions as in effect on, and the information made available to us as of, the date hereof.

The opinion rendered in this report only represents the opinion of Gretex Corporate Services

BRANCH 90, Phears Lane, 5th Floor, Kolkata-700012, Phone: 033.2236 0083





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Limited based upon information furnished by the Management and other sources and the said opinion shall be considered advisory in nature. It should be understood that subsequent developments may affect this Opinion and we assume no responsibility for updating or revising our Opinion based on circumstances or events occurring after the date hereof. It is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein.

Our Opinion also does not address any matters otherwise than as expressly stated herein, including but not limited to matters such as corporate governance, shareholders rights or any other equitable considerations. We have also not opined on the fairness of any terms and conditions of the Scheme other than the fairness, from a financial point of view, of the share recommendation proposed by the Valuer, to the Demerged Company.

Our engagement as a fairness opinion provider is independent of our other business relationships, which we may have with the company, and / or their relevant subsidiaries/ affiliates. In addition, in the ordinary course of their respective business, affiliates of Gretex Corporate Services Limited may invest in the securities of the companies, and / or their subsidiaries or group companies, for their own accounts and for the accounts of their clients, subject to the compliance of the SEBI (Prohibition of Insider Trading) Regulations, may at any time hold a position in such securities. We will not be responsible to any other person/party for any decision. Our engagement and opinion expressed herein solely for the benefit of the Board of Directors of the Company (in its capacity as such) in connection with its consideration of the Scheme and for none other. Delivery of our opinion does not create any fiduciary, equitable or contractual duties on Gretex Corporate Services Limited (including, without limitation, any duty of trust or confidence). Further, our Opinion is being provided only for the limited purpose of complying with the SEBI Regulations / SEBI Circulars and the requirement of the stock exchanges on which the Company is listed or as required under applicable law, and for no other purpose. Neither Gretex Corporate Services Limited, nor its affiliates, partners, directors, shareholders, managers, employees or agents of any of them, make any representation or warranty, express or implied, as to the information and documents provided to us, based on which the Opinion has been issued. All such parties and entities expressly disclaim any and all liability for, or based on or relating to any such information, contained therein.

The Company has been provided with the opportunity to review the draft Opinion as part of our standard practice to make sure that factual inaccuracy / omissions are avoided in our final Opinion.

The fee for our services is not contingent upon the results of the proposed Scheme. This document is subject to the laws of India.

Our Opinion is not intended to and does not constitute a recommendation to any party as to how such party should vote or act in connection with the Scheme or any matter related thereto.

This Fairness Opinion is for the purpose of submission to Stock Exchanges and disclosure on the companies and Stock Exchange Websites as required under the requirements of SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020 and shall not be disclosed or referred to publicly or to any third party other than the purpose as mentioned above.

BRANCH :90, Phears Lane, 5thFloor, Kolkata-700012, Phone: 033 2236 0083





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CTN: U74999MH2008PLC288128

7. Opinion & Conclusion:

With reference to the above and based on the information provided by the management of the entities forming part of the scheme and after analyzing the Draft Scheme, we understand that the present Scheme has been intended to demerge the Manufacturing Business of the Demerged Company to the Resulting Company. All the Assets and liabilities of the Manufacturing Business shall be transferred at fair value and IML shall issue and allot fully paid-up shares of Face Value Rs.10/- each to shareholders of HHL (Demerged Company) in lieu of such transfer. The New Shares will be issued by IML to such equity shareholders of HHL, whose names are recorded in the register of members of HHL as on the Record Date in the ratio of 1:1, i.e. "1 (One) equity share of IML of Face Value of Re. 1/- each fully paid up shall be issued for every 1 (One) equity share of Face Value of Rep. 1 each fully paid up held in HHL." Also, proposed demerger of the Manufacturing Business into its proposed wholly owned subsidiary does not involve any movement of assets and liabilities to any company outside the group.

In light of the foregoing and subject to the limitations as detailed hereinbefore, we as a Merchant Banker hereby certify that, in our opinion the consideration for demerger worked out by the independent registered valuer is fair and reasonable and the interest of the shareholders of Hercules Hoist Limited is not prejudicially affected.

Thanking You,

Yours faithfully,

For Gretex Corporate Services Limited


Rashmi Ranjan
Authorised Signatory



Annexure 7

The pre-Scheme and post-Scheme shareholding patterns of Hercules Hoists Limited

(prepared as per 30-09-2023 dated shareholding pattern Regulation 31(b) of SEBI (LODR) Regulations 2015)

| Sr. No. | Category | Pre-Scheme | | Post Scheme | |
|---------|---|---------------|-------|---------------|-------|
| | | No. of shares | % | No. of shares | % |
| (A) | Promoter and Promoter Group | | | | |
| 1 | Indian | | | | |
| (a) | Individuals / Hindu Undivided Family | | | | |
| | Kiran Bajaj | 1134666 | 3.55 | 1134666 | 3.55 |
| | Kumud Bajaj | 1000 | 0 | 1000 | 0 |
| | Madhur Bajaj | 1000 | 0 | 1000 | 0 |
| | Niraj Bajaj trust | 552000 | 1.73 | 552000 | 1.73 |
| | Niraj Bajaj | 1094400 | 3.42 | 1094400 | 3.42 |
| | Pooja Bajaj | 554667 | 1.73 | 554667 | 1.73 |
| | Rajivnayan Bajaj | 2928 | 0.01 | 2928 | 0.01 |
| | Sanjivnayan Bajaj trust | 2928 | 0.01 | 2928 | 0.01 |
| | Sanjivnayan Bajaj trust | 2928 | 0.01 | 2928 | 0.01 |
| | Shekhar Bajaj | 906400 | 2.83 | 906400 | 2.83 |
| | Sanjivnayan Bajaj | 2400 | 0.01 | 2400 | 0.01 |
| | Vanraj Anant Bajaj | 554667 | 1.73 | 554667 | 1.73 |
| | Kumud Bajaj Trust | 506133 | 1.58 | 506133 | 1.58 |
| | Madhur Bajaj Trust | 506133 | 1.58 | 506133 | 1.58 |
| | Kumud Bajaj A/c Madhur Neelima Family Trust | 126534 | 0.4 | 126534 | 0.4 |
| | Kumud Bajaj A/c Madhur Nimisha Family Trust | 126534 | 0.4 | 126534 | 0.4 |
| | Madhur Bajaj A/c Kumud Bajaj Neelima Family Trust | 126533 | 0.4 | 126533 | 0.4 |
| | Madhur Bajaj A/c Kumud Bajaj Nimisha Family Trust | 126533 | 0.4 | 126533 | 0.4 |
| | | 6328384 | 19.78 | 6328384 | 19.78 |

| | | | | | |
|------------|---|-----------------|--------------|-----------------|--------------|
| (b) | Bodies Corporate | | | | |
| | Bachhraj Factories Private Limited | 1235280 | 3.86 | 1235280 | 3.86 |
| | Bajaj Holdings and Investment Limited | 6251040 | 19.53 | 6251040 | 19.53 |
| | Bajaj Sevashram Private Limited | 1868000 | 5.84 | 1868000 | 5.84 |
| | Jamnalal Sons Private Limited | 6193016 | 19.35 | 6193016 | 19.35 |
| | Shekhar Holdings Pvt Limited | 400000 | 1.25 | 400000 | 1.25 |
| | | 15947336 | 49.84 | 15947336 | 49.84 |
| | Sub Total(A)(1) | 22275720 | 69.61 | 22275720 | 69.61 |
| 2 | Foreign | | | | |
| | Sub Total(A)(2) | - | - | - | - |
| | Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2) | 22275720 | 69.61 | 22275720 | 69.61 |
| (B) | Public shareholding | | | | |
| 1 | Institutions | | | | |
| (a) | Mutual Funds | - | - | - | - |
| (b) | Financial Institutions / Banks | - | - | - | - |
| (c) | Insurance Companies | - | - | - | - |
| (d) | Alternate Investment Funds | - | - | - | - |
| (f) | Foreign Portfolio Investors (Corporate) / FIs | 33909 | 0.11 | 33909 | 0.11 |
| (g) | Foreign Banks | - | - | - | - |
| | Sub-Total (B)(1) | | | | |
| 2 | Central Government/ State Government(s) | - | - | - | - |
| | Sub-Total (B)(2) | 33909 | 0.11 | 33909 | 0.11 |
| 3 | Non-Institutions | | | | |
| (a) | Individuals | | | | |
| | i. Individual shareholders holding nominal share capital up to Rs. 2 lakh | 5287579 | 16.52 | 5287579 | 16.52 |
| | ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakh | 1981750 | 6.19 | 1981750 | 6.19 |
| (b) | NBFCs registered with RBI | - | - | - | - |

| | | | | | |
|-------|---|-----------------|---------------|-----------------|---------------|
| (c) | Others | | | | |
| i. | Trusts | | | | |
| ii. | Foreign Nationals | 665 | 0.00 | 665 | 0.00 |
| iii. | Hindu Undivided Family | 311443 | 0.97 | 311443 | 0.97 |
| iv. | Non Resident Indians | 85884 | 0.27 | 85884 | 0.27 |
| v. | Clearing Members | 217 | 0.00 | 217 | 0.00 |
| vi. | Foreign Portfolio Investor (Individual) | - | - | - | - |
| vii. | IEPF | 28831 | 0.09 | 28831 | 0.09 |
| viii. | Body Corporate - Limited Liability Partnership | 15696 | 0.05 | 15696 | 0.05 |
| ix. | Overseas Bodies Corporate | - | - | - | - |
| x. | Unclaimed Suspense Account | - | - | - | - |
| xi. | Bodies Corporate | 287685 | 0.90 | 287685 | 0.90 |
| xii | KMP | 34181 | 0.11 | 34181 | 0.11 |
| xiii | Director & their relatives | 4400 | 0.18 | 4400 | 0.01 |
| xv | Foreign Companies | 1600000 | 5.00 | 1600000 | 5.00 |
| xv | Independent Director & their relatives | 52040 | 0.16 | 52040 | 0.16 |
| | Sub-Total (B)(3) | 9690371 | 30.28 | 9690371 | 30.28 |
| | Total Public Shareholding (B)={B}(1)+{B}(2)+{B}(3) | 9724280 | 30.39 | 9724280 | 30.39 |
| (C) | Non-promoter non-public holding | | | | |
| i. | Employee Benefit Trust | - | - | - | - |
| | Total non-promoter non-public holding (C) | - | - | - | - |
| | Grand Total (A)+(B)+(C) | 32000000 | 100.00 | 32000000 | 100.00 |

Annexure 8

The pre-Scheme and post-Scheme shareholding patterns of Indef Manufacturing Limited

(prepared as per 30-09-2023 dated shareholding pattern Regulation 31(b) of SEBI (LODR) Regulations 2015)

| Sr. No. | Category | Pre-Scheme | | Post Scheme | |
|------------|---|---------------|---|---------------|------|
| | | No. of shares | % | No. of shares | % |
| (A) | Promoter and Promoter Group | | | | |
| 1 | Indian | | | | |
| (a) | Individuals / Hindu Undivided Family | | | | |
| | Kiran Bajaj | - | - | 1134666 | 3.55 |
| | Kumud Bajaj | - | - | 1000 | 0 |
| | Madhur Bajaj | - | - | 1000 | 0 |
| | Niraj Bajaj trust | - | - | 552000 | 1.73 |
| | Niraj Bajaj | - | - | 1094400 | 3.42 |
| | Pooja Bajaj | - | - | 554667 | 1.73 |
| | Rajivnayan Bajaj | - | - | 2928 | 0.01 |
| | Sanjivnayan Bajaj trust | - | - | 2928 | 0.01 |
| | Sanjivnayan Bajaj trust | - | - | 2928 | 0.01 |
| | Shekhar Bajaj | - | - | 906400 | 2.83 |
| | Sanjivnayan Bajaj | - | - | 2400 | 0.01 |
| | Vanraj Anant Bajaj | - | - | 554667 | 1.73 |
| | Kumud Bajaj Trust | - | - | 506133 | 1.58 |
| | Madhur Bajaj Trust | - | - | 506133 | 1.58 |
| | Kumud Bajaj A/c Madhur Neelima Family Trust | - | - | 126534 | 0.4 |
| | Kumud Bajaj A/c Madhur Nimisha Family Trust | - | - | 126534 | 0.4 |
| | Madhur Bajaj A/c Kumud Bajaj Neelima Family Trust | - | - | 126533 | 0.4 |

| | | | | | |
|------------|---|---------------|---------------|-----------------|--------------|
| | Madhur Bajaj A/c Kumud Bajaj Nimisha Family Trust | - | - | 126533 | 0.4 |
| | | - | - | 6328384 | 19.78 |
| (b) | Bodies Corporate | - | - | | |
| | Bachhraj Factories Private Limited | - | - | 1235280 | 3.86 |
| | Bajaj Holdings and Investment Limited | - | - | 6251040 | 19.53 |
| | Bajaj Sevashram Private Limited | - | - | 1868000 | 5.84 |
| | Jamnalal Sons Private Limited | - | - | 6193016 | 19.35 |
| | Shekhar Holdings Pvt Limited | - | - | 400000 | 1.25 |
| | Hercules Hoists Limited | 100000 | 100.00 | - | - |
| | | 100000 | 100.00 | 15947336 | 49.84 |
| | Sub Total(A)(1) | 100000 | 100.00 | 22275720 | 69.61 |
| 2 | Foreign | - | - | | |
| | Sub Total(A)(2) | - | - | - | - |
| | Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2) | - | - | 22275720 | 69.61 |
| (B) | Public shareholding | - | - | | |
| 1 | Institutions | - | - | | |
| (a) | Mutual Funds | - | - | - | - |
| (b) | Financial Institutions / Banks | - | - | - | - |
| (c) | Insurance Companies | - | - | - | - |
| (d) | Alternate Investment Funds | - | - | - | - |
| (f) | Foreign Portfolio Investors (Corporate) / FIIs | - | - | 33909 | 0.11 |
| (g) | Foreign Banks | - | - | - | - |
| | Sub-Total (B)(1) | - | - | | |
| 2 | Central Government/ State Government(s) | - | - | - | - |
| | Sub-Total (B)(2) | - | - | 33909 | 0.11 |
| 3 | Non-Institutions | - | - | | |

| | | | | | |
|-----|---|---------------|---------------|-----------------|---------------|
| (a) | Individuals | - | - | | |
| | i. Individual shareholders holding nominal share capital up to Rs. 2 lakh | - | - | 5287579 | 16.52 |
| | ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakh | - | - | 1981750 | 6.19 |
| (b) | NBFCs registered with RBI | - | - | - | - |
| (c) | Others | - | - | | |
| | i. Trusts | - | - | | |
| | ii. Foreign Nationals | - | - | 665 | 0.00 |
| | iii. Hindu Undivided Family | - | - | 311443 | 0.97 |
| | iv. Non Resident Indians | - | - | 85884 | 0.27 |
| | v. Clearing Members | - | - | 217 | 0.00 |
| | vi. Foreign Portfolio Investor (Individual) | - | - | - | - |
| | vii. IEPF | - | - | 28831 | 0.09 |
| | viii. Body Corporate - Limited Liability Partnership | - | - | 15696 | 0.05 |
| | ix. Overseas Bodies Corporate | - | - | - | - |
| | x. Unclaimed Suspense Account | - | - | - | - |
| | xi. Bodies Corporate | - | - | 287685 | 0.90 |
| | xii. KMP | - | - | 34181 | 0.11 |
| | xiii. Director & their relatives | - | - | 4400 | 0.01 |
| | xv. Foreign Companies | - | - | 1600000 | 5.00 |
| | xv. Independent Director & their relatives | - | - | 52040 | 0.16 |
| | Sub-Total (B)(3) | - | - | 9690371 | 30.28 |
| | Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3) | - | - | 9724280 | 30.39 |
| (C) | Non-promoter non-public holding | - | - | | |
| | i. Employee Benefit Trust | - | - | - | - |
| | Total non-promoter non-public holding (C) | - | - | - | - |
| | Grand Total (A)+(B)+(C) | 100000 | 100.00 | 32000000 | 100.00 |

**Includes shares held by nominees of HHL*

Annexure 9
Copy of the observation letter received
from BSE

DCS/AMAL/TL/IP/2770/2023-24

May 23, 2023

The Company Secretary,
HERCULES HOISTS LTD.
Bajaj Bhawan, 2nd Floor, 226,
Jamnala Bajaj Marg, Nariman Point,
Mumbai, Maharashtra, 400021

Dear Sir,

Sub: Observation letter regarding the Scheme of Arrangement (Demerger) between Hercules Hoists Limited and Indef Manufacturing Limited and their respective Shareholders

We are in receipt of the Scheme of Arrangement of Hercules Hoists Limited as required under SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017; SEBI vide its letter dated May 23, 2023 has inter alia given the following comment(s) on the draft scheme of Arrangement:

- a) "Company shall disclose all details of ongoing adjudication & recovery proceedings, prosecution initiated and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and shareholders, while seeking approval of the scheme."
- b) "Company shall ensure that additional information, if any, submitted by the Company after filing the scheme with the stock exchange, from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges."
- c) "Company shall ensure compliance with the SEBI circulars issued from time to time."
- d) "The entities involved in the Scheme shall duly comply with various provisions of the Circular."
- e) "Company is advised that the information pertaining to all the Unlisted Companies involved in the Scheme shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval."
- f) "Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old."
- g) "Company is advised to disclose the details of Assets & Liabilities which are being transferred to the Demerged Undertaking, details of Assets & Liabilities of the Resulting Company and the rationale for arriving at the share entitlement ratio, as a part of the explanatory statement or notice or proposal accompanying resolution to be passed to be forwarded by the Company to the shareholders while seeking approval u/s 230 to 232 of the Companies Act, 2013, so that the public shareholders can make an informed decision in the matter"
- h) "Company is advised that the details of the proposed scheme under consideration as provided by Company to the stock exchange shall be prominently disclosed in the notice sent to the shareholders."
- i) "Company is advised that the proposed equity shares to be issued in terms of the 'Scheme' shall mandatorily be in demat form only."
- j) "Company shall ensure that the "Scheme" shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the scheme document."
- k) "Company shall ensure that no changes to the draft scheme except those mandated by the regulators/ authorities / tribunals shall be made without specific written consent of SEBI."

- l) "Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before Hon'ble NCLT and the Company is obliged to bring the observations to the notice of Hon'ble NCLT."
- m) "Company is advised to comply with all applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed scheme."
- n) "It is to be noted that the petitions are filed by the company before Hon'ble NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations."

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT.

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted companies involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017.

However, the listing of equity shares of Indef Manufacturing Limited shall be subject to SEBI granting relaxation under Rule 19(2)(b) of the Securities Contract (Regulation) Rules, 1957 and compliance with the requirements of SEBI circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017. Further, Indef Manufacturing Limited shall comply with SEBI Act, Rules, Regulations, directions of the SEBI and any other statutory authority and Rules, Byelaws, and Regulations of the Exchange.

The Company shall fulfill the Exchange's criteria for listing the securities of such company and also comply with other applicable statutory requirements. However, the listing of shares of Indef Manufacturing Limited is at the discretion of the Exchange. In addition to the above, the listing of Indef Manufacturing Limited pursuant to the Scheme of Arrangement shall be subject to SEBI approval and the Company satisfying the following conditions:

1. To submit the Information Memorandum containing all the information about Indef Manufacturing Limited in line with the disclosure requirements applicable for public issues with BSE, for making the same available to the public through the website of the Exchange. Further, the company is also advised to make the same available to the public through its website.
2. To publish an advertisement in the newspapers containing all details of Indef Manufacturing Limited in line with the details required as per the aforesaid SEBI circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017. The advertisement should draw a specific reference to the aforesaid Information Memorandum available on the website of the company as well as BSE.
3. To disclose all the material information about Indef Manufacturing Limited on a continuous basis so as to make the same public, in addition to the requirements if any, specified in Listing Agreement for disclosures about the subsidiaries.
4. The following provisions shall be incorporated in the scheme:
 - "The shares allotted pursuant to the Scheme shall remain frozen in the depository system till listing/trading permission is given by the designated stock exchange."

- "There shall be no change in the shareholding pattern of Indef Manufacturing Limited between the record date and the listing which may affect the status of this approval."

Further you are also advised to bring the contents of this letter to the notice of your shareholders, all relevant authorities as deemed fit, and also in your application for approval of the scheme of Arrangement.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the **validity of this Observation Letter shall be Six Months from the date of this Letter**, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Further, it may be noted that with reference to Section 230 (5) of the Companies Act, 2013 (Act), read with Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (Company Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order passed by the Hon'ble National Company Law Tribunal, a Notice of the proposed scheme of compromise or arrangement filed under sections 230-232 or Section 66 of the Companies Act 2013 as the case may be **is required to be served upon the Exchange seeking representations or objections if any.**

In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has **already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.**

Any service of notice under Section 230 (5) or Section 66 of the Companies Act 2013 seeking Exchange's representations or objections if any, **would be accepted and processed through the Listing Centre only and no physical filings would be accepted.** You may please refer to circular dated February 26, 2019 issued to the company.

Yours faithfully,


Prasad Bhide
Senior Manager

TZ


Tanmayi Lele
Assistant Manager

Annexure 10
**Copy of the observation letter received
from NSE**



National Stock Exchange Of India Limited

Ref: NSE/LIST/32868

May 24, 2023

The Company Secretary
Hercules Hoists Limited
Survey Nos.43/2B, 43/5,45/2
Near Naik Navre Chemicals
At Village-Dhamani, Savroli Kharpad Road
Taluka-Khalapur, Khopoli
Dist-Raigad - 410202.

Kind Attn.: Ms. Kiran Mukadam

Dear Madam,

Sub: Observation letter for Draft Scheme of Arrangement (Demerger) between Hercules Hoists Limited and Indef Manufacturing Limited and their respective Shareholders.

We are in receipt of draft scheme of arrangement (Demerger) between Hercules Hoists Limited and Indef Manufacturing Limited and their respective shareholders under sections 230-232 and other applicable provisions of the Companies Act, 2013 vide application dated October 07, 2022.

Based on our letter reference no. NSE/LIST/32868 dated March 09, 2023, submitted to SEBI Circular No. CFD/DIL3/CIR/2017/21 Dated March 10, 2017, read with Master circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/665 dated November 23, 2021, and Regulation 94(2) of SEBI (LODR) Regulations 2015, SEBI vide its letter dated May 22, 2023, has inter alia given the following comment(s) on the draft scheme of arrangement:

- a. *Company shall ensure to disclose all the details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and shareholders, while seeking approval of the Scheme.*
- b. *Company shall ensure that additional information, if any, submitted by the Company after filing the Scheme with the stock exchange, from the date of receipt of this letter, is displayed on the websites of the listed Company and the stock exchanges.*
- c. *The entities involved in the scheme shall duly comply with various provisions of the Circular.*
- d. *Company shall ensure that information pertaining to all the Unlisted Companies involved, if any, in the scheme shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval.*
- e. *Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old.*

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Signer: DIPTI V.P.L. CHINCHKEDE
Date: Wed, May 24, 2023 12:21:11 IST
Location: NSE

- f. *Company shall ensure that disclose the details Assets & Liabilities which are being transferred to the Demerged Undertaking, the details Assets & Liabilities of Resulting Company and the rationale for arriving at the share entitlement ratio, as a part of explanatory statement or notice or proposal accompanying resolution to be passed to be forwarded by the company to the shareholders while seeking approval u/s 230 to 232 of the Companies Act 2013, so that public shareholders can make an informed decision in the matter.*
- g. *Company shall ensure that the details of the proposed Scheme under consideration as provided by the Company to the Stock Exchange shall be prominently disclosed in the notice sent to the Shareholders.*
- h. *Company shall ensure that the proposed equity shares to be issued in terms of the "Scheme" shall mandatorily be in demat form only.*
- i. *Company shall ensure that the "Scheme" shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the Scheme document.*
- j. *Company shall ensure that no changes to the draft scheme except those mandated by the regulators/authorities/ tribunals shall be made without specific written consent of SEBI.*
- k. *Company shall ensure that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before NCLT and the Company is obliged to bring the observations to the notice of NCLT.*
- l. *Company to comply with all the applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed Scheme.*
- m. *It is to be noted that the petitions are filed by the Company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ Stock Exchange. Hence, the Company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments/ observations/ representations.*

It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to National Stock Exchange of India Limited again for its comments/observations/representations.

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted companies involved in the format prescribed for abridged prospectus as specified in the Circular.

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 NSE

Signer: DIPTI VISHU CHINCHIKHEDE
Date: Wed, May 24, 2023 16:21:11 IST
Location: NSE

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of Regulation 11 of SEBI (LODR) Regulations, 2015, we hereby convey our "No objection" in terms of Regulation 94 of SEBI (LODR) Regulations, 2015, so as to enable the Company to file the draft scheme with NCLT.

The Company should also fulfil the Exchange's criteria for listing of such company and also comply with other applicable statutory requirements. However, the listing of shares of Indef Manufacturing Limited is at the discretion of the Exchange.

The listing of Indef Manufacturing Limited pursuant to the Scheme of Arrangement shall be subject to SEBI approval & Company satisfying the following conditions:

1. To submit the Information Memorandum containing all the information about Indef Manufacturing Limited and its group companies in line with the disclosure requirements applicable for public issues with National Stock Exchange of India Limited ("NSE") for making the same available to the public through website of the companies. The following lines must be inserted as a disclaimer clause in the Information Memorandum:

"The approval given by the NSE should not in any manner be deemed or construed that the Scheme has been approved by NSE; and/ or NSE does not in any manner warrant, certify or endorse the correctness or completeness of the details provided for the unlisted Company; does not in any manner take any responsibility for the financial or other soundness of the Resulting Company, its promoters, its management etc."

2. To publish an advertisement in the newspapers containing all the information about Indef Manufacturing Limited in line with the details required as per SEBI Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021. The advertisement should draw a specific reference to the aforesaid Information Memorandum available on the website of the company as well as NSE.
3. To disclose all the material information about Indef Manufacturing Limited to NSE on the continuous basis so as to make the same public, in addition to the requirements, if any, specified in SEBI (LODR) Regulations, 2015 for disclosures about the subsidiaries.
4. The following provision shall be incorporated in the scheme:
 - (a) "The shares allotted pursuant to the Scheme shall remain frozen in the depositories system till listing/trading permission is given by the designated stock exchange."
 - (b) "There shall be no change in the shareholding pattern or control in Indef Manufacturing Limited between the record date and the listing which may affect the status of this approval."

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Signer: DIPP, VPSL, CHINCHIKHEDE
Date: Wed, May 24, 2023 18:21:11 IST
Location: NSE

However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Regulations, Guidelines/ Regulations issued by statutory authorities.

The validity of this "Observation Letter" shall be six months from May 24, 2023, within which the Scheme shall be submitted to NCLT.

Kindly note, this Exchange letter should not be construed as approval under any other Act /Regulation/rule/bye laws (except as referred above) for which the Company may be required to obtain approval from other department(s) of the Exchange. The Company is requested to separately take up matter with the concerned departments for approval, if any.

The Company shall ensure filing of compliance status report stating the compliance with each point of Observation Letter on draft scheme of arrangement on the following path: NEAPS > Issue > Scheme of arrangement > Reg 37(1) of SEBI LODR, 2015> Seeking Observation letter to Compliance Status.

Yours faithfully,
For National Stock Exchange of India Limited

Dipti Chinchkhede
Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL:
<https://www.nseindia.com/companies-listing/raising-capital-further-issues-main-snc-checklist>

This Document is Digitally Signed.

 **NSE**

Signer: DIPTI VIKAS CHINCHKHEDA
Date: Wed, May 24, 2023 18:21:11 IST
Location: NSE

Annexure 11

DETAILS OF INDICATIVE ASSETS AND LIABILITIES OF THE DEMERGED DIVISION THAT ARE BEING TRANSFERRED AND THE RATIONALE FOR ARRIVING AT THE SHARE ENTITLEMENT RATIO

BALANCE SHEET as on Appointed date October 1, 2022

| | | Rs. in lakhs | | | |
|---------------|----------------------------------|---|-------------------------------|-------------------------------|-----------------------------------|
| SN | Sub- SN | Particulars | Hercules Hoists Limited (HHL) | Hercules Hoists Limited (HHL) | Indef Manufacturing Limited (IML) |
| | | | Pre-Demerger | Post-Demerger | Post-Demerger |
| ASSETS | | | | | |
| (1) | Non - Current Assets | | | | |
| | (a) | Property, Plant and Equipment | 2,812.75 | 0.42 | 2,812.32 |
| | (b) | Investment Property | - | - | - |
| | (c) | Other Intangible Assets | 56.63 | - | 56.63 |
| | (d) | Intangible assets under development | - | - | - |
| | (e) | Right-to-use assets | 752.32 | - | 752.32 |
| | (f) | Financial assets | - | - | - |
| | | (i) Non Current Investments | 43,772.30 | 38,818.07 | 4,954.23 |
| | | (ii) Other Non Current financial assets | 55.11 | - | 55.11 |
| | (g) | Other non - current tax assets (Net) | 163.18 | - | 163.18 |
| | (h) | Other non - current assets | 37.19 | - | 37.19 |
| | Total Non- Current Assets | | 47,649.48 | 38,818.49 | 8,830.99 |

| | | | | | | |
|------------|---------------------------------------|--|------------------|------------------|--|------------------|
| (2) | Current Assets | | | | | |
| | (a) | Inventories | 2,728.80 | - | | 2,728.80 |
| | (b) | Financial assets | - | - | | - |
| | | (i) Current Investments | 6,315.50 | - | | 6,315.50 |
| | | (ii) Trade receivables | 892.38 | - | | 892.38 |
| | | (iii) Cash and cash equivalents | 1,396.86 | - | | 1,396.86 |
| | | (iv) Bank balances other than (iii) above | 110.77 | - | | 110.77 |
| | | (v) Loans | 1,650.00 | 1,000.00 | | 650.00 |
| | | (vi) Other financial assets | 334.97 | 106.63 | | 228.34 |
| | (c) | Other tax assets | 540.11 | 2.74 | | 537.37 |
| | (d) | Other current assets | 323.78 | - | | 323.78 |
| | Total Current Assets | | 14,293.17 | 1,109.37 | | 13,183.80 |
| | TOTAL ASSETS | | 61,942.66 | 39,927.87 | | 22,014.79 |
| | EQUITY AND LIABILITIES | | | | | |
| (1) | EQUITY | | | | | |
| | (a) | Equity share capital | 320.00 | 320.00 | | - |
| | (b) | Other Equity | 55,416.81 | 36,846.02 | | 18,570.80 |
| | Total Equity | | 55,736.81 | 37,166.02 | | 18,570.80 |
| (2) | LIABILITIES | | | | | |
| | A. Non-Current Liabilities | | | | | |
| | (a) | Financial Liabilities | | | | |
| | | (i) Lease Liabilities | 655.73 | - | | 655.73 |
| | | (ii) Other non-current financial liabilities | 63.00 | - | | 63.00 |
| | (b) | Deferred tax liabilities (Net) | 2,399.75 | 1,854.95 | | 544.80 |
| | Total Non- Current Liabilities | | 3,118.48 | 1,854.95 | | 1,263.53 |

| B. Current Liabilities | | | | |
|-------------------------------------|---|------------------|------------------|------------------|
| (a) | Financial Liabilities | - | - | - |
| | (i) Lease liabilities | 104.75 | - | 104.75 |
| | (ii) Trade payables | | | |
| | Dues of micro and small enterprises | - | - | - |
| | Dues other than micro and small enterprises | 1,760.15 | - | 1,760.15 |
| | (iii) Other financial liabilities | 946.95 | 900.00 | 46.95 |
| (b) | Other current liabilities | 138.21 | 6.90 | 131.31 |
| (c) | Provisions | 137.31 | - | 137.31 |
| Total Current Liabilities | | 3,087.36 | 906.90 | 2,180.46 |
| TOTAL EQUITY AND LIABILITIES | | 61,942.66 | 39,927.87 | 22,014.79 |

RATIONALE FOR ARRIVING AT THE SHARE ENTITLEMENT RATIO:

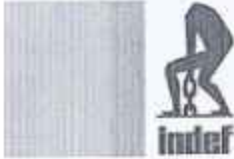
The proposed transaction contemplates for the proposed demerger of the manufacturing activity of Hercules Hoists Limited ("Demerged Undertaking") of Hercules Hoists Limited ("HHL" or "Demerged Company"), on a 'going concern value' premise, into Indef Manufacturing Limited ("IML" or "Resulting Company"), pursuant to a scheme of arrangement under sections 230-232 and other applicable provisions of the Companies Act, 2013, read with Section 2(19AA) and other applicable provisions of the Income Tax Act, 1961 (the "Scheme").

As a consideration for the transfer of Demerged Undertaking, IML shall issue its equity shares to the equity shareholders of HHL. Further, upon the Scheme becoming effective and upon allotment of equity shares by the IML to shareholders of HHL, the equity shares held by HHL in IML shall be cancelled, extinguished, and annulled. Accordingly, the shareholders of HHL are and will, upon demerger, be ultimate economic beneficial owners of IML in the same proportion as they hold in HHL. BSE circular No. List/Comp/02/2017-18 dated 29 May 2017, NSE Circular No. NSE/CML/2017/12 dated June 1, 2017 and SEBI master circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 including amendments thereto, (Collectively referred as "circulars"), pursuant to the proposed scheme, there is no change in the shareholding pattern of the demerged Company and the Resulting Company, thus the requirement for seeking valuation report is not triggered.

Considering inter-alia the capital structure, serviceability and other factors, the Board of Directors of the Demerged Company and Resulting Company have proposed a Share Entitlement Ratio of [1] (One) fully paid-up equity share of face value INR 1 each of IML for every [1] (One) fully paid-up equity share of face value INR 1 each in HHL, as a consideration for the demerger of the Demerged Undertaking on a 'going concern value' premise, pursuant to the Scheme. The Company has taken a fairness opinion report for the same from Gretex Corporate Service Limited on September 22, 2023.

Annexure 12

**Copy of the Complaint report submitted by the
Company to stock exchanges.**



HERCULES HOISTS LIMITED

Complaints Report:

Part A

| Sr. No. | Particulars | Number |
|---------|---|--------|
| 1. | Number of complaints received directly | - |
| 2. | Number of complaints forwarded by Stock Exchanges/ SEBI | - |
| 3. | Total Number of complaints/comments received (1+2) | - |
| 4. | Number of complaints resolved | - |
| 5. | Number of complaints pending | - |

Part B

| Sr. No. | Name of complainant | Date of complaint | Status (Resolved/Pending) |
|---------|---------------------|-------------------|---------------------------|
| 1. | - | - | - |
| 2. | - | - | - |
| 3. | - | - | - |

For & On Behalf of Hercules Hoists Limited



Kiran Mukadam

Company Secretary

ACS 27627

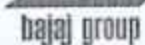
Date- January 2, 2022

Place- Navi Mumbai

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

T: +91 022 45417300/01
E: indef@indef.com
U: www.indef.com
Works: Khalapur & Pune

Registered Office
Bajaj Bhawan, 2nd Floor
226, Jambhalal Bajaj Marg
Mumbai 400 021, INDIA
CIN: L45400MH1962PLC012385



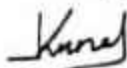
Annexure 13
Un-Audited financial statements
of the
Hercules Hoists Limited
(Demerged Company)
and
Indef Manufacturing Limited
(Resulting Company)
as on September 30, 2023

**Independent Auditor's Review Report on Unaudited Quarterly and Year to Date
Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing
Obligations and Disclosure Requirements) Regulations, 2015 (as amended)**

To,
The Board of Directors of Hercules Hoists Limited ("Company")

1. We have reviewed the accompanying statement of unaudited financial results of **HERCULES HOISTS LIMITED ("Company")** for the quarter and half year ended September 30th, 2023 being submitted by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by SEBI from time to time.
2. The statement is the responsibility of the Company's management and has been approved by Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review of the Statement, which has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind As 34"), specified under Section 133 of the Companies Act, 2013, SEBI Circular CIR/CFD/PAC/62/2016 dated 5 July 2016 (hereinafter referred to as 'the SEBI Circular'), and other accounting principles generally accepted in India.
3. We conducted our review of the statement in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information performed by Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and an analytical procedure applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable Indian Accounting Standards (Ind AS) and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Kanu Doshi Associates LLP
Chartered Accountants
Firm Registration No: 104746WW100096



Kunal Vakharia
Partner
Membership No.: 148916
UDIN: 231489163607DR5910
Place: Mumbai
Date: 04th November 2023



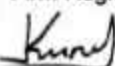
Independent Auditor's Review Report on Unaudited Quarterly and Year to Date Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To,

The Board of Directors of M/s. Hercules Hoists Limited ("Company")

1. We have reviewed the accompanying statement of unaudited Consolidated Financial Results of M/s. Hercules Hoists Limited for the quarter and half year ended September 30th, 2023 being submitted by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by SEBI from time to time.
2. The statement is the responsibility of the Company's management and has been approved by Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review of the Statement, which has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind As 34"), specified under Section 133 of the Companies Act, 2013, SEBI Circular CIR/CFD/PAC/62/2016 dated 5 July 2016 (hereinafter referred to as 'the SEBI Circular'), and other accounting principles generally accepted in India.
3. We conducted our review of the statement in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information performed by Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and an analytical procedure applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
We also performed procedures in accordance with the SEBI Circular CIR/CFD/CMD1/44/2019 dated 29 March 2019 issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), to the extent applicable.
4. The Statement includes the result of one subsidiary i.e. Indef Manufacturing Limited.
5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited consolidated financial results prepared in accordance with applicable Indian Accounting Standards (Ind AS) and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Kanu Doshi Associates LLP
Chartered Accountants
Firm Registration No: 104746W/W100096



Kunal Vakharia
Partner
Membership No.: 148916
UDIN: 2314891680UT167557
Place: Mumbai
Date: 04th November 2023





HERCULES HOISTS LIMITED
 505-5104, Shelton Colaba, Flat no B7, Sector-33, CBD Belapur, Near Mumbai 400034 Maharashtra
 Registered Office: Rajd Bhawan, 2nd Floor, 32B, Naxos Park, Mumbai-400023
 P: +91 922-43437400; E: info@hul.co.in; URL: www.hul.co.in; CIN: L64000MH3696PLC011288

UNAUDITED STANDALONE AND CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2023

| Sl. No. | PARTICULARS | STANDALONE | | | | | | CONSOLIDATED (Refer Note No. 3) | | | | | |
|---------|---|---------------|------------|-----------------|------------|------------|-----------|---------------------------------|------------|-----------------|-----------|------------|--|
| | | Quarter ended | | Half Year ended | | Year ended | | Quarter ended | | Half Year ended | | Year ended | |
| | | 30-Sep-23 | 30-Sep-23 | 30-Sep-23 | 30-Sep-23 | 31-Mar-23 | 31-Mar-23 | 30-Sep-23 | 30-Sep-23 | 30-Sep-23 | 31-Mar-23 | 31-Mar-23 | |
| 1 | Income | Unaudited | Unaudited | Unaudited | Unaudited | Audited | Unaudited | Unaudited | Unaudited | Unaudited | Audited | | |
| 2 | Expenses | Unaudited | Unaudited | Unaudited | Unaudited | Audited | Unaudited | Unaudited | Unaudited | Unaudited | Audited | | |
| 3 | Revenue from Operations | 4,123.83 | 4,104.87 | 3,663.39 | 8,228.70 | 6,759.08 | 15,077.08 | 4,173.83 | 4,104.87 | 8,228.70 | 15,077.08 | | |
| 3 | Other Income | 676.40 | 319.37 | 612.63 | 995.77 | 753.18 | 1,768.58 | 676.40 | 319.37 | 995.77 | 1,768.58 | | |
| | Total Income from operations | 4,800.23 | 4,424.24 | 4,276.02 | 9,224.47 | 7,512.25 | 16,845.66 | 4,800.23 | 4,424.24 | 9,224.47 | 16,845.66 | | |
| 4 | Cost of Materials consumed | 2,100.79 | 2,076.52 | 2,371.93 | 4,177.30 | 4,068.73 | 8,774.28 | 2,100.79 | 2,076.52 | 4,177.30 | 8,774.28 | | |
| 5 | Charges in Inventory of Finished goods, Work-in-progress and Stock-in-trade | 199.00 | 203.00 | (267.66) | 461.99 | (196.57) | (253.05) | 199.00 | 203.00 | 461.99 | (253.05) | | |
| 6 | Employee Benefits Expenses | 560.00 | 608.73 | 413.33 | 1,168.73 | 837.55 | 1,931.19 | 560.00 | 608.73 | 1,168.73 | 1,931.19 | | |
| 7 | Finance Costs | 14.22 | 14.55 | 16.90 | 29.17 | 23.01 | 54.91 | 14.22 | 14.95 | 29.17 | 54.91 | | |
| 8 | Depreciation and Amortization expense | 108.68 | 105.89 | 105.28 | 214.57 | 197.75 | 395.65 | 108.68 | 105.89 | 214.57 | 395.65 | | |
| 9 | Other expenses | 740.63 | 702.41 | 695.30 | 1,443.04 | 1,315.11 | 2,953.32 | 740.79 | 702.59 | 1,443.38 | 2,954.27 | | |
| 10 | Total expenses | 3,723.30 | 3,771.50 | 3,335.08 | 7,494.80 | 6,245.59 | 13,856.30 | 3,723.46 | 3,771.68 | 7,495.14 | 13,857.25 | | |
| 11 | Profit before exceptional item and tax | 1,076.93 | 652.74 | 940.93 | 1,729.67 | 1,266.66 | 2,989.36 | 1,076.77 | 652.56 | 1,729.33 | 2,988.41 | | |
| 12 | Exceptional Items (Refer Note No. 4) | - | - | (73.46) | - | (73.46) | 8,622.70 | - | - | - | 8,622.70 | | |
| 13 | Profit before tax | 1,076.93 | 652.74 | 867.47 | 1,729.67 | 1,193.20 | 11,612.06 | 1,076.77 | 652.56 | 1,729.33 | 11,611.12 | | |
| 14 | Tax Expense | - | - | - | - | - | - | - | - | - | - | | |
| 15 | Current tax | 134.78 | 104.61 | 127.10 | 239.39 | 161.80 | 1,138.09 | 134.78 | 104.61 | 239.39 | 1,138.09 | | |
| 16 | Deferred tax | 50.02 | 67.11 | 20.81 | 117.13 | 81.59 | 143.26 | 50.02 | 67.11 | 117.13 | 143.26 | | |
| 17 | Profit / (Loss) for the period (B +/- A) | 892.13 | 481.02 | 719.56 | 1,373.15 | 949.81 | 10,330.71 | 891.95 | 480.84 | 1,372.81 | 10,325.76 | | |
| 18 | Other Comprehensive Income, net of Income tax | - | - | - | - | - | - | - | - | - | - | | |
| 19 | Items that will not be reclassified to profit or loss | 590.97 | 10,224.42 | 12,197.43 | 10,815.40 | 4,960.34 | (975.80) | 590.97 | 10,224.42 | 10,815.40 | (975.80) | | |
| 20 | Items that will be reclassified to profit or loss | (28.02) | (1,170.03) | (1,421.06) | (1,198.04) | (578.39) | 101.51 | (28.02) | (1,170.03) | (1,198.04) | 161.51 | | |
| 21 | Income tax relating to Items that will be reclassified to profit or loss | - | - | - | - | - | - | - | - | - | - | | |
| 22 | Total Comprehensive Income for the period (B +/- C) | 1,455.08 | 9,535.42 | 11,495.93 | 10,990.51 | 5,331.76 | 9,516.42 | 1,454.92 | 9,535.24 | 10,990.16 | 9,515.47 | | |
| 23 | Profit-up equity share capital (Face Value per share Rs. 1/-) | 320.00 | 320.00 | 320.00 | 320.00 | 320.00 | 320.00 | 320.00 | 320.00 | 320.00 | 320.00 | | |
| 24 | Other Equity | - | - | - | - | - | 70,345.39 | - | - | - | 70,344.45 | | |
| 25 | Earning per share (EPS) (in Rs +/- each) (net amount) | 2.79 | 1.50 | 2.25 | 4.29 | 2.97 | 31.28 | 2.79 | 1.50 | 4.29 | 32.28 | | |
| 26 | Basic/ Diluted DS | - | - | - | - | - | - | - | - | - | - | | |



STATEMENT OF STANDALONE AND CONSOLIDATED UNAUDITED ASSETS AND LIABILITIES AS AT 30TH SEPTEMBER 2023

| SN | Particulars | STANDALONE AS AT | | CONSOLIDATED (Refer Note No. 3) | |
|----------|---|------------------------|----------------------|---------------------------------|----------------------|
| | | 30-Sep-23 Unaudited | 31-Mar-23 Audited | 30-Sep-23 Unaudited | 31-Mar-23 Audited |
| A | ASSETS | | | | |
| | Non-current assets | | | | |
| (a) | Property, plant and equipment | 2,789.47 | 2,835.89 | 2,789.47 | 2,835.89 |
| (b) | Other intangible assets | 88.40 | 102.26 | 88.40 | 102.26 |
| (c) | Right-to-use assets | 554.34 | 633.53 | 554.34 | 633.53 |
| (d) | Financial assets | | | | |
| | i. Investments | 71,020.91 | 59,930.23 | 71,020.91 | 59,930.23 |
| | ii. Other financial assets | 64.31 | 61.86 | 64.31 | 61.86 |
| (e) | Non-current tax assets | 53.29 | 85.26 | 53.29 | 85.26 |
| (f) | Other non-current assets | 13.68 | 38.86 | 13.68 | 38.86 |
| | Sub-total - Non - Current Assets | 74,584.40 | 63,687.90 | 74,584.40 | 63,686.90 |
| | Current assets | | | | |
| (a) | Inventories | 2,381.19 | 2,902.42 | 2,381.19 | 2,902.42 |
| (b) | Financial assets | | | | |
| | i. Investments | 7,150.84 | 6,307.38 | 7,150.84 | 6,307.38 |
| | ii. Trade receivables | 1,422.50 | 1,422.50 | 1,422.50 | 1,400.30 |
| | iii. Cash and cash equivalents | 1,110.74 | 1,580.53 | 1,111.00 | 1,580.85 |
| | iv. Bank balances other than (i) above | 21.52 | 21.52 | 21.82 | 21.32 |
| | v. Loans | 1,000.00 | 1,000.00 | 1,000.00 | 1,000.00 |
| | vi. Other financial assets | 40.54 | 105.65 | 40.54 | 105.65 |
| (c) | Current tax assets | 431.42 | 431.42 | 431.42 | 431.42 |
| (d) | Other current assets | 352.06 | 243.68 | 352.96 | 243.68 |
| | Sub-total - Current Assets | 13,932.01 | 13,682.59 | 13,932.27 | 13,683.01 |
| | TOTAL - ASSETS | 88,516.41 | 77,370.59 | 88,516.67 | 77,370.91 |
| B | EQUITY AND LIABILITIES | | | | |
| | Equity | | | | |
| (a) | Equity share capital | 320.00 | 320.00 | 320.00 | 320.00 |
| (b) | Other equity | 80,535.89 | 76,345.39 | 80,534.61 | 76,344.45 |
| | TOTAL - EQUITY | 80,855.89 | 76,665.39 | 80,854.61 | 76,664.45 |
| | LIABILITIES | | | | |
| 1 | Non-current liabilities | | | | |
| (a) | Financial liabilities | | | | |
| | i. Lease liabilities | 486.48 | 542.32 | 466.48 | 542.32 |
| | ii. Other financial liabilities | 72.00 | 66.00 | 72.00 | 66.00 |
| (b) | Deferred tax liabilities (Net) | 4,478.57 | 3,163.40 | 4,478.57 | 3,163.40 |
| | Sub-total - Non- Current Liabilities | 5,037.05 | 3,771.72 | 5,017.05 | 3,771.72 |
| 2 | Current liabilities | | | | |
| (a) | Financial liabilities | | | | |
| | i. Lease liabilities | 143.59 | 132.71 | 143.59 | 132.71 |
| | ii. Trade payables | | | | |
| | Dues of Micro and small enterprises | 113.33 | 53.23 | 113.33 | 53.23 |
| | Dues other than Micro and small enterprises | 1,693.02 | 1,745.61 | 1,693.02 | 1,745.61 |
| | iii. Other financial liabilities | 8.99 | 8.66 | 8.99 | 8.66 |
| (b) | Other current liabilities | 356.96 | 642.98 | 356.96 | 642.98 |
| (c) | Provisions | 184.07 | 244.65 | 185.51 | 244.92 |
| (d) | Current tax liabilities (Net) | 142.61 | 142.61 | 142.61 | 142.61 |
| | Sub-total - Current Liabilities | 2,643.47 | 2,943.58 | 2,643.01 | 2,943.81 |
| | TOTAL - LIABILITIES | 7,660.52 | 6,715.30 | 7,661.06 | 6,715.47 |
| | TOTAL - EQUITY AND LIABILITIES | 88,516.41 | 77,370.59 | 88,516.67 | 77,370.91 |



NOTES TO UNAUDITED STANDALONE AND CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED SEPTEMBER 30, 2023:

1. The above Standalone and Consolidated results have been reviewed and recommended by the Audit Committee and approved by the Board of Directors in their meetings held on 04th November, 2023 as per Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. The Unaudited Standalone and Consolidated Financial Results have been prepared in accordance with Indian Accounting Standards (Ind AS), the provisions of the Companies Act, 2013 (the Act), as applicable and guidelines issued by the Securities and Exchange Board of India (SEBI).
3. The Company operates in single primary segment only i.e. Material Handling Equipments and therefore, disclosure requirement of Indian Accounting Standard (IND AS-108) "Segment Reporting" is not applicable.
4. **Exceptional Items:**
During the previous year, the company has sold its Investment Property located at Mulund for Rs. 9000 lakhs and recognised a profit amounting to Rs. 8896.16 lakhs net off expenses incurred on such sale under exceptional item, also sold the fourth Windmill plant for Rs. 80.00 lakhs and incurred a loss amounting to Rs. 73.46 lakhs on such sale recognised as an exceptional item.
5. During the previous 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 previous Year, the company has transferred the amount of paid up capital of Rs. 3.1 lakh on 12th October 2022. Thus, the figures of the subsidiary company have been included from 12th October 2022 to 31st March 2023 in the year ended Consolidated audited Financial Results. Due to applicability of the consolidation for the first time during previous year from Dec-22 quarter, figures of quarter and half year ended Sep-22 are not applicable.
6. 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 "Pending with Honourable NCLT".
7. Previous quarter / year figures have been appropriately regrouped, recast and reclassified wherever necessary to conform to the current year presentations.

On behalf of the Board of Directors


Sheshnar Bajaj
Chairman
DIN-00089358

Date: 04/11/2023
Place: Mumbai





Infinit

| Particulars | STANDALONE | | CONSOLIDATED (Refer Note No. 5) | |
|---|-----------------|-----------------|------------------------------------|-----------------|
| | Half year ended | Half year ended | Half year ended | Half year ended |
| | 30-Sep-23 | 30-Sep-22 | 30-Sep-23 | 30-Sep-22 |
| | Unaudited | Unaudited | Unaudited | Unaudited |
| A. Cash flow from operating activities | | | | |
| Net Profit before tax | 1,729.67 | 1,193.20 | 1,729.33 | 1,729.33 |
| Adjustments for : | | | | |
| Dividend income from Equity Instruments designated as FVOCI | (343.47) | (362.55) | -343.47 | - |
| Dividend income from Mutual Fund designated at FVTPL | - | - | - | - |
| Depreciation /Amortisation | 135.38 | 125.38 | 135.38 | 135.38 |
| Interest income | (88.42) | (114.06) | (88.42) | (88.42) |
| Reclassification of remeasurement of employee benefits | (6.17) | 4.52 | -6.17 | -6.17 |
| Lease effect | 14.32 | 19.38 | 14.32 | 14.32 |
| Bad debts | - | - | - | - |
| Allowance for Bad Debts | 29.51 | 3.12 | 29.51 | 29.51 |
| Provision for Slow Moving and Non Moving | - | - | - | - |
| Net gain on sale of Investments | (512.57) | (179.88) | -512.57 | -512.57 |
| (Profit)/Loss on Sale of Assets/Discarded Assets (Net) | - | 73.46 | - | - |
| Loss on sale of windmill | - | - | - | - |
| Excess Provision written back (Net) | (42.42) | (82.21) | (42.42) | (42.42) |
| Sundry balance written back (Net) | 0.74 | (3.36) | 0.74 | 0.74 |
| Exchange Rate Fluctuation (Net) | (5.10) | 3.26 | (5.10) | (5.10) |
| Operating profit before working capital changes | 911.47 | 680.26 | 911.13 | 911.13 |

| Particulars | STANDALONE | | CONSOLIDATED (Refer Note No. 5) | |
|---|------------------------------|------------------------------|------------------------------------|------------------------------|
| | Half year ended 30-Sep-23 | Half year ended 30-Sep-22 | Half year ended 30-Sep-23 | Half year ended 30-Sep-22 |
| | Unaudited | Unaudited | Unaudited | Unaudited |
| Adjustments for: | | | | |
| Other non-current assets | 25.18 | (12.03) | | 25.18 |
| Inventories | 521.24 | (252.29) | | 521.24 |
| Trade Receivable | (309.30) | (345.99) | | (309.30) |
| Other Bank Balances | (0.17) | 89.87 | | (0.17) |
| Other Non Current financial assets | (2.45) | 20.76 | | (2.45) |
| Other financial assets | 4.10 | 21.13 | | 4.10 |
| Other current assets | (110.92) | (245.76) | | (110.92) |
| Other non-current financial liabilities | 6.00 | 2.00 | | 6.00 |
| Trade payables | 13.51 | 181.18 | | 13.51 |
| Other financial liabilities | - | - | | - |
| Other current liabilities | (286.02) | (28.04) | | (286.02) |
| Provisions | (59.68) | (74.37) | | (59.68) |
| Cash generated from operations | 712.97 | 36.73 | | 712.91 |
| Direct Taxes paid/(refund) | 180.56 | 246.74 | | 180.56 |
| Net cash flow from operating activities (A) | 532.42 | (210.01) | | 532.36 |
| B. Cash flow from investing activities | | | | |
| Loan given/returned | - | - | | - |
| Purchase of fixed Assets including Capital Work in Progress | (75.09) | (147.52) | | (75.09) |
| Sale of Fixed Assets | - | - | | - |
| Investment in Wholly owned subsidiary | - | - | | - |
| Amount received against assets held for sale | - | - | | - |
| Purchase of Non Current Investments | (1,400.00) | (500.00) | | (1,400.00) |
| Sale of Non Current Investments | 800.00 | 817.95 | | 800.00 |
| Interest Received | 149.42 | 86.18 | | 149.42 |
| Dividend Received | 343.47 | 362.55 | | 343.47 |
| Net cash flow used in Investing activities (B) | (182.20) | 619.15 | | (182.20) |
| C. Cash flow from financing activities | | | | |
| Dividend paid | (800.00) | (592.00) | | (800.00) |
| Net cash flow used in financing activities (C) | (800.00) | (592.00) | | (800.00) |
| Net cash flow during the year (A+B+C) | (449.78) | (182.86) | | (449.84) |
| OPENING BALANCE OF CASH & CASH EQUIVALENTS | 1,580.53 | 1,381.72 | | 1,580.85 |
| CLOSING BALANCE OF CASH & CASH EQUIVALENTS | 1,130.74 | 1,198.86 | | 1,131.00 |
| | (449.78) | (182.86) | | (449.84) |





BALANCE SHEET AS AT 30th Sep, 2023

| Particulars | Note No. | As at 30th September 2023 | As at 31st March 2023 |
|---------------------------------------|----------|---------------------------|-----------------------|
| ASSETS | | | |
| (1) Non - Current Assets | | | |
| (a) Property, Plant and Equipment | | - | - |
| Total Non- Current Assets | | <u>-</u> | <u>-</u> |
| (2) Current Assets | | | |
| (a) Financial assets | | | |
| (i) Cash and cash equivalents | 3 | 25,986 | 31,886 |
| Total Current Assets | | <u>25,986</u> | <u>31,886</u> |
| TOTAL ASSETS | | <u>25,986</u> | <u>31,886</u> |
| EQUITY AND LIABILITIES | | | |
| EQUITY | | | |
| (a) Equity share capital | 4 | 1,00,000 | 1,00,000 |
| (b) Other Equity | 5 | (1,28,314) | (94,614) |
| Total Equity | | <u>(28,314)</u> | <u>5,386</u> |
| LIABILITIES | | | |
| (1) Non Current Liabilities | | | |
| (a) Financial Liabilities | | | |
| Total Non- Current Liabilities | | | <u>-</u> |
| (2) Current Liabilities | | | |
| (a) Provisions | 6 | 54,300 | 26,500 |
| Total Current Liabilities | | <u>54,300</u> | <u>26,500</u> |
| TOTAL EQUITY AND LIABILITIES | | <u>25,986</u> | <u>31,886</u> |

Summary of significant accounting policies 2

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

FOR AND ON BEHALF OF BOARD OF DIRECTORS

Sd/-
SHEKHAR BAJAJ
DIRECTOR
DIN- 00089358

Sd/-
H.A. NEVATIA
WHOLE TIME DIRECTOR
DIN-00066955

PLACE : MUMBAI
DATED : 04/11/2023



Statement of Profit and loss for the period ended 30th Sep, 2023

| Particulars | Note No. | As at 30th September 2023 | From 12th September 2022 to 31st March 2023 |
|---|----------|------------------------------|---|
| Revenue from operations | | - | - |
| Total Income | | - | - |
| Expenses | | | |
| Other Expenses | 7 | 33,700 | 94,614 |
| Total Expenses | | 33,700 | 94,614 |
| Profit before exceptional items & tax | | (33,700) | (94,614) |
| Add: Exceptional Items | | | |
| Profit/(Loss) before tax | | (33,700) | (94,614) |
| Less: Tax expenses | | | |
| (1) Current tax | | | |
| (2) Deferred tax | | | |
| Total Tax Expenses | | - | - |
| Profit after tax | A | (33,700) | (94,614) |
| 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 | | - | - |
| (ii) Income tax relating to items that will not be reclassified to profit or loss | | - | - |
| Total Other Comprehensive Income for the year | B | - | - |
| Total Comprehensive Income for the year | (A+B) | (33,700) | (94,614) |
| Earning per equity share (Face Value of Rs. 1/- each) | 8 | | |
| (1) Basic | | -0.34 | -0.95 |
| (2) Diluted | | -0.34 | -0.95 |

Summary of significant accounting policies

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

FOR AND ON BEHALF OF BOARD OF DIRECTORS

Sd/-
SHEKHAR BAJAJ
DIRECTOR
DIN- 00089358

Sd/-
H.A. NEVATIA
WHOLE TIME DIRECTOR
DIN-00066955

PLACE : MUMBAI
DATED : 04/11/2023

Company: Indef Manufacturing Limited
T: +91 22 45417301 | E: indef@indef.com | U: www.indef.com
Registered Office: Bajaj Bhawan, , 226, Jamnalal Bajaj Marg, Mumbai 400 021, INDIA
CIN: U29308MH2022PLC390286



CASH FLOW STATEMENT FOR THE PERIOD ENDED 30th Sep 2023

| | Sept'23 RUPEES | 2022-23 RUPEES |
|--|---------------------------|---------------------------|
| A) CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net Profit before tax & Extraordinary Items | (33,700) | (94,614) |
| OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES | (33,700) | (94,614) |
| Provisions | <u>27,800</u> | <u>26,500</u> |
| Cash Generated from Operations | <u>27,800</u> | <u>26,500</u> |
| | (5,900) | (68,114) |
| Direct Taxes paid/(refund) | - | - |
| NET CASH FROM OPERATING ACTIVITIES | <u>(5,900)</u> | <u>(68,114)</u> |
| B) CASH FLOW FROM INVESTING ACTIVITIES | | |
| Issue of Share Capital | - | 1,00,000 |
| Purchase of Non Current Investments | - | - |
| Sale of Non Current Investments | - | - |
| Interest Received | - | - |
| Dividend Received | - | - |
| | - | <u>1,00,000</u> |
| NET CASH USED IN INVESTING ACTIVITY | <u>-</u> | <u>1,00,000</u> |
| C) CASH FLOW FROM FINANCING ACTIVITIES | | |
| NET CASH USED IN FINANCING ACTIVITY | <u>-</u> | <u>-</u> |
| NET CHANGES IN CASH & CASH EQUIVALENTS(A+B+C) | <u>(5,900)</u> | <u>31,886</u> |
| OPENING BALANCE OF CASH & CASH EQUIVALENTS | 31,886 | - |
| CLOSING BALANCE OF CASH & CASH EQUIVALENTS | <u>25,986</u> | <u>31,886</u> |
| | <u>(5,900)</u> | <u>31,886</u> |
| Notes | | |
| Closing Balance of Cash & Cash Equivalents | | |
| 1 Cash and Cash Equivalents Includes: (Refer Note No 16) | | |
| CASH IN HAND | - | - |
| BALANCE WITH BANKS | | |
| - In Current Account | <u>25,986</u> | <u>31,886</u> |
| | <u>25,986</u> | <u>31,886</u> |

FOR AND ON BEHALF OF BOARD OF DIRECTORS

Sd/-
SHEKHAR BAJAJ
DIRECTOR
DIN- 00089358

Sd/-
H.A. NEVATIA
WHOLE TIME DIRECTOR
DIN-00066955

PLACE : MUMBAI
DATED : 04/11/2023

Company: Indef Manufacturing Limited
T: +91 22 45417301 | E: indef@indef.com | U: www.indef.com
Registered Office: Bajaj Bhawan, , 226, Jamnalal Bajaj Marg, Mumbai 400 021, INDIA
CIN: U29308MH2022PLC390286

**STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30th SEP, 2023****(In Rupees)****A. Equity Share Capital**

| Particulars | No of Shares | Amount |
|---|--------------|----------|
| Balance as at 31st March, 2022 | - | - |
| Changes in equity share capital during the year | 1,00,000 | 1,00,000 |
| Balance as at 31st March, 2023 | 1,00,000 | 1,00,000 |

B. Other Equity

| Particulars | Reserves and Surplus | Total |
|------------------------------------|----------------------|------------|
| | Retained Earnings | |
| Balance as at 31st March, 2022 | - | - |
| Profit for the year | (94,614) | (94,614) |
| Balance as at 31st March, 2023 | (94,614) | (94,614) |
| Profit for the year | (33,700) | (33,700) |
| Balance as at 30th September, 2023 | (1,28,314) | (1,28,314) |

FOR AND ON BEHALF OF BOARD OF DIRECTORS

Sd/-
SHEKHAR BAJAJ
DIRECTOR
DIN- 00089358

Sd/-
H.A. NEVATIA
WHOLE TIME DIRECTOR
DIN-00066955

PLACE : MUMBAI
DATED : 04/11/2023

1 Company Overview

Indef Manufacturing Limited is a Public incorporated on 12 September 2022. It is wholly owned subsidiary of Hercules Hoists Limited.

It is classified as unlisted public company and its registered office is at Bejaj Bahavn, 226, Jammalal Bajaj Marg, Nariman Point, Mumbai 400021

The Company was incorporated with a view to undertake the businesses manufacturing of hoists, cranes and other material handling equipments i.e the business of the Hercules Hoists Limited (Demerged Company), specifically the Manufacturing Business.

2 Significant Accounting Policies

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

(A) Basis Of Preparation Of Financial Statement

i) Compliance with Ind AS

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

ii) Historical cost convention

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

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

iii) Current and Non Current Classification.

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

(B) Use of Estimates and Judgements

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

(C) Financial Instruments

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

(i) Financial Assets

(a) Classification

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

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

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

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

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

(ii) Measurement

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

(a) Debt instruments

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

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

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

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

(b) Equity instruments

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

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

(iii) Impairment of financial assets

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

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

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

(iv) Derecognition of financial assets

A financial asset is derecognised only when -

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

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

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

(II) Financial Liabilities

(i) Measurement

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

(ii) Derecognition

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

(D) Financial guarantee contracts

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

(E) Segment Report

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

> 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 Company.
- (c) The stage of completion of the transaction at the end of the reporting period can be measured reliably.
- (d) The cost incurred for transaction and the cost to complete the transaction can be measured reliably.

(N) Employee Benefit**(i) Short-term obligations**

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

(ii) Other long-term employee benefit obligations

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

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

(iii) Post-employment obligations

The group operates the following post-employment schemes:

(a) Defined benefit gratuity plan:

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

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

(b) Defined Contribution plan:

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

(O) Foreign currency translation**(i) Functional and presentation currency**

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

(ii) Transactions and balances

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

(P) Borrowing Cost

(i) Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

(ii) Borrowings are classified as current financial liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

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

Basic earnings per share is calculated by dividing:

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

(ii) Diluted earnings per share

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

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

(R) Impairment of Assets

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

(S) Provisions, contingent liabilities and contingent assets**(i) Provisions:**

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

(ii) Contingent liabilities:

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

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

(T) Investments

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 CASH AND CASH EQUIVALENTS

| Particulars | As at | As at |
|-----------------------------|---------------|----------------|
| | Sept 30, 2023 | March 31, 2023 |
| <u>Balance With Banks</u> | | |
| - On Current account | 25,986 | 31,886 |
| Cash on Hand | - | - |
| Bank Fixed Deposits Account | - | - |
| | <u>25,986</u> | <u>31,886</u> |

4 EQUITY SHARE CAPITAL

| Particulars | As at | As at |
|---|-----------------|-----------------|
| | Sept 30, 2023 | March 31, 2023 |
| Authorized Share Capital | | |
| 1,00,000 Equity shares, Re. 1/- par value | 1,00,000 | 1,00,000 |
| | <u>1,00,000</u> | <u>1,00,000</u> |
| Issued, Subscribed and Fully Paid Up Shares | | |
| 1,00,000 Equity shares, Re. 1/- par value fully paid up | 1,00,000 | 1,00,000 |
| | <u>1,00,000</u> | <u>1,00,000</u> |

Note No 4.1: The reconciliation of the number of shares outstanding at the beginning and at the end of reporting period 30-09-2023:

| Particulars | As at 30th September, 2023 | | As at 31st March, 2023 | |
|---|----------------------------|-----------------|------------------------|-----------------|
| | No. of Shares | Amount | No. of Shares | Amount |
| Number of shares at the beginning | - | - | - | - |
| Add: Shares issued during the year | 10,000 | 1,00,000 | 10,000 | 1,00,000 |
| Add: Conversion of shares from Face Value Rs. 10 each to Rs. 1 each | 90,000 | - | 90,000 | - |
| Less : Shares bought back (if any) | - | - | - | - |
| Number of shares at the end | 1,00,000 | 1,00,000 | 1,00,000 | 1,00,000 |

Note No 4.2: 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 4.3: The details of shareholders holding more than 5% shares in the company :

| Name of the shareholder | As at 30th September, 2023 | | As at 31st March, 2023 | |
|-------------------------|----------------------------|------|------------------------|------|
| | No. of shares held | | No. of shares held | |
| Hercules Hoists Ltd. | 1,00,000 | 100% | 1,00,000 | 100% |

5 OTHER EQUITY

| Particulars | As at | As at |
|--------------------------------|-------------------|-----------------|
| | Sept 30, 2023 | March 31, 2023 |
| Reserves & surplus* | | |
| Retained earnings | (1,28,314) | (94,614) |
| | <u>(1,28,314)</u> | <u>(94,614)</u> |

6 PROVISIONS

| Particulars | As at | As at |
|------------------|---------------|----------------|
| | Sept 30, 2023 | March 31, 2023 |
| <u>Others</u> | | |
| Provision others | 54,300 | 26,500 |
| | <u>54,300</u> | <u>26,500</u> |

7 OTHER EXPENSES

| Particulars | As at 30th September 2023 | From 12th September 2022 to 31st March 2023 |
|---|--|--|
| Payment to Statutory Auditor (Refer Note No. 7.1) | - | 25,000 |
| Legal & Professional | - | 8,264 |
| Miscellaneous expenses | 33,700 | 61,350 |
| | 33,700 | 94,614 |

Note No. 7.1 : Payment to Statutory Auditors**(A) Payment to Statutory Auditors****As Auditors :**

| | | |
|----------------------|----------|---------------|
| Statutory Audit Fees | - | 25,000 |
| | - | 25,000 |

8 EARNING PER SHARE

| Particulars | As at 30th September 2023 | From 12th September 2022 to 31st March 2023 |
|--|--|--|
| (A) Profit attributable to Equity Shareholders (Rs.) | (33,700) | (94,614) |
| (B) No. of Equity Share outstanding during the year. | 1,00,000 | 1,00,000 |
| (C) Face Value of each Equity Share (Rs.) | 1 | 1 |
| (D) Basic & Diluted earning per Share (Rs.) | (0.34) | (0.95) |

Annexure 14
Abridged Prospectus
of
Indef Manufacturing Limited

**APPLICABLE INFORMATION IN THE FORMAT SPECIFIED FOR
ABRIDGED PROSPECTUS**

This is an Abridged Prospectus containing salient features/information of Red Herring Prospectus (RHP) pertaining to Indef Manufacturing Limited, in respect of Scheme of Arrangement between Indef Manufacturing Limited (“**Transferee Company**” or “**IML**” or “**Company**”) with Hercules Hoists Limited (“**Transferor Company**” or “**Demerged Company**” or “**HHL**”) and their respective shareholders and creditors (“**Scheme**”).

This Abridged Prospectus prepared pursuant to Securities and Exchange Board of India (“SEBI”) Circular bearing no. SEBI/HO/CFD/SSEP/CIR/P/2022/14 dated February 4, 2022, Master Circular bearing no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 and Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements), 2015 read with the said Circular and contains the applicable information in format specified for abridged prospectus. This Document should be read together with the Scheme.

THIS ABRIDGED PROSPECTUS DATED DECEMBER 28, 2023 FORMING PART OF THE NOTICE CONSISTS OF FIFTEEN PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.

You may download the Abridged Prospectus along with the Scheme, approved by the Board of Directors of the Transferor Company and the Transferee Company along with all other relevant documents from the QR Code as provided on first page or from the website of the stock exchanges at www.nseindia.com and www.bseindia.com, where the shares of the Transferor Company are listed or from the website of the Transferee Company at <https://indef.com>.



INDEF MANUFACTURING LIMITED

CIN: U29308MH2022PLC390286

Date of Incorporation: September 12, 2022

Registered and Corporate Office: Bajaj Bhawan, 2nd Floor, 226,
Jamnalal Bajaj Marg, Nariman Point, Mumbai – 400063.

Contact Person: Mr. Kiran Mukadam

Telephone: +91- 022 45417300/01 Email: ksm@indef.com

Website: <https://indef.com/>.

NAME OF THE PROMOTER OF INDEF MANUFACTURING LIMITED

Hercules Hoists Limited

SCHEME DETAILS, LISTING AND PROCEDURE

The Scheme of Arrangement is prepared under the provisions of Sections 230 to 232 of the Companies Act, 2013 read with other applicable provisions of the Companies Act, 2013, which inter alia, provides for demerger, transfer and vesting of the Demerged Undertaking (as defined in the Scheme) from Hercules Hoists Limited (hereinafter referred to as “Transferor Company” or “Demerged Company” or “HHL”) of Indef Manufacturing Limited (hereinafter referred to as “Transferee Company” or “IML” or “Resulting Company”) on a going concern basis.

Background of the Scheme of Arrangement

Hercules Hoists Limited is Listed Company incorporated under the Company act, 1956, whose Equity Shares are listed on BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”). Indef Manufacturing Limited is an unlisted company incorporated under the Company Act, 2013, which is

wholly owned subsidiary of the HHL, with a view to undertake the business of manufacturing of hoists, cranes and other material handling equipment.

Rationale for the Scheme of Arrangement

1. The demerger will result into splitting of manufacturing business and investment business of the Demerged Company with a view to unlocking value, enhance the scope of work of both, the Demerged Company and the Resulting Company, and further to draw new investors, JV, bringing technology partner, merger & acquisition for exploring other growth potential in it.
2. The demerger will result in increased flexibility and enhance the ability of HHL and IML to undertake their businesses, thereby contributing to enhancement of future business potential.
3. The Scheme will allow the management to pursue independent growth strategies. The Scheme will also provide scope of separate companies for independent collaboration and expansion.
4. The Scheme will ensure focused management attention, resources and skill set allocation of both HHL and IML of Remaining Undertaking and Demerged Undertaking respectively with a view to rationalize and simplify the structure of the Demerged Undertaking.
5. The transfer and vesting of the Demerged Undertaking along with assets and liabilities relating to the Demerged Undertaking into IML, will benefit IML and its members.

Transfer and Vesting of Identified Undertaking

The Manufacturing, sales, service, distribution, and marketing of mechanical hoists, electric chains hoists, wire rope hoists and other material handling equipment ("Manufacturing Business") will be undertaken by Resulting Company. Turnover of the Demerged Undertaking for the period ended March 31, 2022, was Rs. 107.39 Crore. The turnover of the Demerged Undertaking was 99.02% to the total turnover of the Transferor Company during the financial year ended March 31, 2022. As per limited review, Turnover of the Demerged Undertaking for the period ended June 30, 2022, was Rs. 30.79 Crore.

Upon the Scheme coming into effect from the Appointed Date, the Demerged Undertaking shall vest with and be available to the Resulting Company in the following manner: -

1. Upon this Scheme coming into effect from the Appointed Date, all assets and liabilities of the Demerged Undertaking of whatsoever nature and wheresoever situated, shall, under the provisions of Section 230 to Section 232 and all other applicable provisions, if any, of the Companies Act, 2013, without any further act or deed, be transferred to and vested in and/ or be deemed to be transferred to and vested in the Resulting Company as a going concern. From the Appointed Date, the Demerged Undertaking of the Demerged Company shall vest in the Resulting Company along with all the rights, title, interest or obligations therein.
2. All immovable properties pertaining to the Demerged Undertaking, whether freehold or leasehold and any documents of title, rights and easements in relation thereto, shall stand transferred and vested in the Resulting Company, and shall become the property and an integral part of the Resulting Company without any further act, instrument or deed and without any approval or acknowledgement of any third party. Upon the Scheme coming into effect, the Resulting Company shall be entitled to exercise all rights and privileges and be liable to pay all taxes and charges, and fulfil all obligations, in relation to or applicable to such immovable properties. The mutation of the

ownership or title, or interest in the immovable properties comprised in the Demerged Undertaking, in favor of the Resulting Company shall be made and duly recorded by the appropriate authorities pursuant to the sanction of this Scheme and it becoming effective in accordance with the terms thereof. The Demerged Company shall take all steps as may be necessary to ensure that lawful and peaceful possession, right, title, interest of such immovable property of the Demerged Undertaking is given to the Resulting Company in accordance with the terms hereof.

3. All the movable assets comprised in the Demerged Undertaking including cash in hand capable of passing by manual delivery or constructive delivery or by endorsement and delivery, shall be so delivered or endorsed and delivered, as the case may be, to the Resulting Company, to the end and intent that the ownership and property therein passes to the Resulting Company on such handing over in pursuance of the provisions of Section 232 of the Companies Act, 2013 (as an integral part of the Demerged Undertaking of the Demerged Company). The plant and machinery, which are fastened to land and/or buildings continue to remain movable properties inter alia because the said plant and machinery are fastened to land only with a view to have better enjoyment of the movable properties.
4. In respect of all movables comprised in the Demerged Undertaking, other than those specified above, including trade receivables, outstanding loans and advance recoverable in cash or in kind or for value to be received, bank balances and deposits with Government, local and other authorities and bodies, customers and other persons, the same shall, without any further act, instrument or deed, be transferred to and stand vested in and/or be deemed to be transferred to and stand vested in the Resulting Company under the provisions of the Act.
5. In relation to the assets, properties and rights including rights arising from contracts deeds, instruments and agreements including development agreements pertaining to the Demerged Undertaking, which require separate documents of transfer including documents for attornment or endorsement, as the case may be, the Resulting Company and the Demerged Company will execute the necessary documents of transfer including documents for attornment or endorsement, as the case may be, as and when required or will enter into a novation agreement.
6. All debts, loans whether secured or unsecured, debentures, liabilities duties, guarantees, indemnities and obligations of every kind, nature, description, whether or not provided for in the books of accounts and whether disclosed or unknown in the balance sheet pertaining to the Demerged Undertaking shall also, under provisions of Sections 230 to 232 and other relevant provisions of the Companies Act, 2013, without any further act or deed, be transferred to or be deemed to be transferred to the Resulting Company on the same terms and conditions, so as to become as from the Appointed Date that of the Resulting Company and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement; It is hereby clarified that between the date of approval of this Scheme by the Board of Directors of the Demerged Company and the Resulting Company and the Effective Date, both the Demerged Company and the IML shall be permitted to raise and avail of fresh loans and borrowings for the purposes of the Demerged Undertaking. All such loans and other borrowings raised and all liabilities and obligations pertaining to the Demerged Undertaking and incurred by the Demerged Company after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used or incurred for and on behalf of the Resulting Company and to the extent they are outstanding on the Effective Date, shall also without any further act or deed be and stand transferred to the Resulting Company and shall become the liabilities and obligations of the Resulting Company who shall meet and discharge the same.

Where any of the debts, liabilities, loans, liabilities and obligations incurred, duties and obligations of the Demerged Company pertaining to the Demerged Undertaking as on the Appointed Date deemed to be transferred to the Resulting Company have been discharged by the Demerged Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Resulting Company.

7. However, the Resulting Company may, after coming into effect of this Scheme in accordance hereof, under any law or otherwise, execute deeds of confirmation in favor of the creditors, or lenders, or in favor of any other party to the contract or arrangement to which the Demerged Company is a party or any writing, as may be necessary, in order to give formal effect to the provisions mentioned herein. The Resulting Company shall under the provisions of the Scheme be deemed to be authorized to execute any such writings on behalf of the Demerged Company as well as to implement and carry out all such formalities and compliances referred to above.
8. The transfer and vesting of the Demerged Undertaking of the Demerged Company as aforesaid shall be subject to the existing securities, charges and mortgages, if any, subsisting, over or in respect of the property and assets or any part thereof of the Demerged Company.
Provided however, that any reference in any security documents or arrangements pertaining to the assets of the Demerged Company offered or agreed to be offered as security for any financial assistance or obligations, shall be construed as reference only to such assets, as are offered or agreed to be offered as security, pertaining to the Demerged Company as is vested in the Demerged Company, to the end and intent that such security, charge and mortgage shall not extend or be deemed to extend, to any of the assets of the Demerged Undertaking or any of the assets of the Resulting Company. Further, the filing of the certified copy of the order of the NCLT sanctioning this Scheme with the relevant Registrar of Companies, Maharashtra, Mumbai shall be deemed to be sufficient for creating or modifying the charges in favour of the secured creditors, if any, of the Demerged Company, as required as per the provisions of this Scheme and of the Resulting Company, in relation to the Demerged Undertaking, on the Effective Date.
9. It is clarified that - Existing security, if any, in respect of liabilities of the Demerged Undertaking shall extend to and operate only over the assets comprised in the Demerged Undertaking which has been charged and secured in respect of the abovementioned liabilities.
10. If any security or charge exists on the assets comprising of the Demerged Undertaking in respect of the loans and liabilities which have not been transferred to the Resulting Company pursuant to this Scheme, the Demerged Company shall create adequate security over the assets of the Demerged Company other than the Demerged Undertaking to the satisfaction of the lenders and upon creation of such security, the assets of the Demerged Undertaking shall be released and discharged from such encumbrance.
11. All existing and future incentives (including any profit linked deductions), unavailed credits and exemptions, benefit of carried forward losses, refunds available and other statutory benefits, including in respect of income tax (including TDS, TCS and advance tax), excise (including MODVAT/CENVAT), customs, VAT, sales tax, service tax (including input credit), goods and services tax etc. which the Demerged Undertaking of the Demerged Company is entitled to shall be available to and vest in Resulting Company.
12. In so far as the various incentives, subsidies, special status and other benefits or privileges enjoyed (including MAT, sales tax, excise duty, custom duty, service tax, value added tax, goods and services

tax and other incentives, including any profit linked deductions), granted by any Government body, local authority or by any other person and availed of by the Demerged Undertaking of the Demerged Company, the same shall vest with and be available to the Resulting Company on the same terms and conditions as presently available to the Demerged Company.

13. Upon coming into effect of this Scheme and till such time that the names of the bank accounts of the Demerged Undertaking of the Demerged Company is replaced with that of the Resulting Company, the Resulting Company shall be entitled to operate the bank accounts of the Demerged Company, in their names, in so far as may be necessary.
14. With effect from the Appointed Date, all permits, quotas, rights, entitlements, tenancies and licenses relating to brands, trademarks, patents, copy rights, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Demerged Undertaking of the Demerged Company and which are subsisting or having effect immediately before the Appointed Date, shall be and remain in full force and effect in favor of the Resulting Company and may be enforced fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a beneficiary or oblige thereto.
15. With effect from the Appointed Date, any statutory licenses, permissions, approvals and/ or consents (including from any third parties) held by the Demerged Company as required to carry on its operations shall stand vested in, or transferred to, the Resulting Company without any further act or deed and shall be appropriately mutated by the statutory authorities or any other person concerned therewith in favor of the Resulting Company. The benefit of all statutory and regulatory permissions, licenses, environmental approvals and consents including the statutory licenses, permissions or approvals or consents required to carry on the operations of the Demerged Undertaking of the Demerged Company shall vest in, and become available to, the Resulting Company upon the Scheme coming into effect by virtue of the order of the NCLT.
16. IML shall be entitled to the benefit of all insurance policies which have been issued in respect of the Demerged Undertaking and the name of IML shall be substituted as "Insured" in the policies as if IML was initially a party.
17. The assets, acquired by HHL and liabilities, debts and obligations, whether recorded or not, of the Demerged Undertaking on and from the Appointed Date up to the Effective Date, shall also without any further act, instrument or deed, stand transferred to or be deemed to have been transferred to IML upon the Scheme coming into effect.

Consideration for the Scheme of Arrangement

Upon the Scheme coming into effect, in consideration of the demerger of the Demerged Undertaking into IML pursuant to provisions of this Scheme, and without any further application, act, deed payment, consent acts, instruments or deed, IML will issue and allot fully paid-up equity shares of Rs. 1 each (the "New Shares") to shareholders whose names are recorded in the register of members of HHL in accordance with the terms of the Scheme in ratio of 1:1, i.e., **"1 (One) equity share of IML of Face Value of INR 1 each fully paid up shall be issued for every 1 (One) equity share of Face Value of INR 1 each fully paid up held in HHL"**, in following manner: -

1. The New shares shall be issued to the shareholders of the Demerged Company in Demat form, unless otherwise notified in writing by a shareholder(s) of the Demerged Company to the Resulting Company on or before such date as may be determined by the Board of Resulting Company.

2. The Board of Directors of IML shall consolidate all fractional entitlements arising due to the demerger hereunder and allot the New Shares after rounding them off to the nearest decimal to the respective shareholders.
3. The New Shares, to be issued and allotted by IML, in terms of the Scheme, shall be subject to the provisions of the Memorandum of Association and Articles of Association of IML. The New Shares shall rank pari-passu in all respects with the existing shares of IML, including in respect of dividends, if any, that may be declared by IML, on or after the Effective Date.
4. The New shares to be issued and allotted by the Resulting Company in terms of this Scheme shall be listed and shall be admitted for trading on the Stock Exchanges. The Resulting Company shall make all requisite applications and shall otherwise comply with the provisions of Applicable Laws, including, as applicable, the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the SEBI Circulars. The Equity Shares allotted pursuant to this Scheme shall remain frozen in the depositories system till relevant directions in relation to listing/trading are provided by the Stock Exchanges.

Remaining Business

The Remaining Undertaking and all the assets, liabilities incentives, rights and obligations and all legal, taxation or other proceedings whether civil or criminal, by or against HHL under any statute, whether pending as on the Appointed Date or which may be instituted at any time thereafter, and in each case, relating to the Remaining Undertaking, shall continue to belong to, be vested in and be managed by HHL.

Reduction of Share Capital of the Resulting Company

Simultaneously, with the issue and allotment of the New Shares by the Resulting Company to the equity shareholders of the Demerged Company of this Scheme, in the books of the Resulting Company, all the equity shares held by the Demerged Company in the Resulting Company shall stand cancelled, extinguished and annulled on and from the Effective Date, without any further act, instrument or deed, and no shares will be issued for the shares that are held by the Demerged Company in Resulting Company. Such cancellation of the share capital of the Resulting Company shall be effected as a part of the Scheme itself. The order of NCLT sanctioning the Scheme shall be deemed to be an order under Section 66 of the Companies Act, 2013 confirming the reduction and no separate sanction under Section 66 of the Companies Act, 2013 shall be necessary.

[FOR FURTHER DETAILS PLEASE REFER THE SCHEME OF ARRANGEMENT.]

PRICE BAND, MINIMUM BID LOT & INDICATIVE TIMELINES

The Abridged Prospectus is issued pursuant to the Scheme and is not deemed to be the offer to public at large. The time cannot be established with absolute certainty, as the Scheme is subject to approval of the various regulatory authorities including the National Company Law Tribunal.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and this Issue, including the risks involved. The Equity shares have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of the Abridged Prospectus, Specific attention of the investors is invited to the section titled "Internal Risk Factors" on Page 13 of this Abridged Prospectus.

PROCEDURE

The procedure with respect to public issue would not be applicable as the Scheme does not involve issue of equity shares to public at large. The issue of equity shares of the Transferee Company is only to the shareholders of the Transferor Company, in accordance with the Scheme. Hence the processes and procedures applicable to public issues is not applicable. However, after the allotment of share, the Resulting Company shall make all requisite applications and shall comply with the provisions of Applicable Laws to list the shares on stock exchange as per applicable procedure.

PRICE INFORMATION OF BRLM'S*

Not Applicable, since the proposed issue is not to public shareholders but to the shareholders of the Transferor Company, pursuant to the Scheme.

Merchant Banker of Indef Manufacturing Limited:



Name: Galactico Corporate Services Limited:
Contact person: Mr. Vishal Sancheti
Address: Office No. 68, Business Bay, Shri Hari Kute Marg, Tidke Colony, Nashik (MH) - 422002
Telephone: +91 - 0253-2952456
Email ID: info@galacticocorp.com
SEBI Registration No: INM000012519

Statutory Auditors of Indef Manufacturing Limited

Name: Kanu Doshi Associates LLP
Address: 203, The Summit, Vile Parle, Western Express Highway, Mumbai – 400057.
Telephone: +91 22 26150100
Email: info@kdg.co.in
Website: <http://www.kdg.co.in/>
Firm Registration No: 104746W/W100096

Syndicate Members: **Not Applicable.**
Credit Rating Agency: **Not Applicable.**
Debenture Trustee: **Not Applicable.**
Self-Certified Syndicate Banks: **Not Applicable.**

Registrar: **Not Applicable.**
Non-Syndicated Registered Brokers: **Not Applicable.**

| TABLE OF CONTENTS | | |
|--------------------------|--|-----------------|
| Sr. No. | Particulars | Page No. |
| 1. | Promoters of IML | 8 |
| 2. | Business Model/Business Overview and Strategy of IML | 9 |
| 3. | Board of Directors of IML | 9-10 |
| 4. | Objects of the Scheme | 11 |
| 5. | Restated Audited Financials of IML | 12 |
| 6. | Internal Risk Factors of IML | 13 |
| 7. | Summary of Outstanding Litigations, Claims and Regulatory Action | 14 |
| 8. | Any other Important Information | 15 |
| 9. | Declaration | 15 |

PROMOTERS OF IML

The promoter of IML is HHL (PAN - AAACH2706D), since it is a wholly-owned subsidiary of HHL, who holds 100% of its equity share capital.

HHL is a listed company. HHL is public limited company incorporated on June 15, 1962. It is registered under registration number - 012385 and has registered office at Bajaj Bhawan, 2nd Floor, 226, Jamnalal Bajaj Marg, Nariman Point, Mumbai (MH) – 400021 and corporate office at Shelton Cubix, 501-504, Plot -87, Sector 15, CBD Belapur, Navi Mumbai, Maharashtra – 400614. The shares of HHL are listed on both BSE and NSE. Currently the issued, subscribed and paid-up equity share capital of the HHL is Rs. 3,20,00,000 divided into 3,20,00,000 shares of Rs. 1 each.

HHL is a Bajaj Group company that has been delivering material handling solutions since 1962. HHL is engaged in the business of manufacturing, sales, service, distribution, and marketing of mechanical hoists, electric chains hoists, wire rope hoists and other material handling equipment's ('Manufacturing Business') and other business by way of investments in various mutual funds schemes and equity instruments. In the Indian market, HHL is the industry leader in hoisting solutions with the highest grade of quality and creative goods, giving exceptional and unique solutions with the best possible market reach at an accessible price. HHL has an ISO 9001:2015, ISI, and CE-certified quality system. The brand's core characteristics include inventive design, robust goods, and ease of use.

The various products manufactured by the HHL are Hoist, Cranes, iStacker, Roll Out Racks, Parallelogram, Pivot arm, Pneumatic Balancer & Z Lift. The manufacturing units of HHL are at Khopoli and Chakan It has a large distribution network that is supported by our trusted 50+ authorised business partners, as well as prompt customer service. HHL is currently not only limited to the Indian market, but geographical footprint has expanded beyond borders into Africa, Bangladesh, and the Middle East.

BUSINESS MODEL/BUSINESS OVERVIEW AND STRATEGY OF IML

IML (PAN - AAGCI8441Q) is an unlisted company limited by shares. The Company is incorporated on September 12, 2022. It has registration number – 390286 and registered office at Bajaj Bhawan, 2nd Floor, 226, Jamnalal Bajaj Marg, Nariman Point, Mumbai (MH) – 400021. The CIN of the Company is U29308MH2022PLC390286. IML is currently wholly owned company of HHL.

The IML is incorporated with a view to undertake the demerging undertaking of the HHL. Hence IML will engage in the business of manufacturing, sales, service, distribution, and marketing of mechanical hoists, electric chains hoists, wire rope hoists and other material handling equipment's ('Manufacturing Business').

| BOARD OF DIRECTORS OF IML | | | | |
|---------------------------|---------------------------------|------------------------|--|--|
| Sr. No. | Name | Designation | Experience & Educational Qualification | Other Directorships/ Associations |
| 1 | Hariprasad Anandkishore Nevatia | Whole-Time Director | Mr. H. A. Nevatia is a B.Sc. (Hon) graduate from Mumbai University and has deep knowledge of hoisting industry. He had also been actively associated with Industry Associations, viz. Confederation of Indian Industry, Indo-German Chamber of Commerce, Management Seminars in Japan and he was the past President of the Bombay Productivity Council. Appointment date: - September 12, 2022 DIN No.: - 00066955. | Indian Co.: 2 1. Hercules Hoists Limited 2. Jamnalal Sons Private Limited Foreign Co.: NIL |
| 2 | Shekhar Bajaj | Non-Executive Director | Mr. Shekhar Bajaj has degree of Masters in Business Administration from New York University USA and Bachelor of Science (Hons) in Mathematics from Pune University. Starting in Bajaj Sewashram, gaining invaluable insights into the real market, he became the Managing Director of Bajaj Electricals Limited (BEL) in 1984. Mr Bajaj introduced ToC (Theory of Constraints) in Bajaj Electricals, which achieved success soon after it was implemented across businesses. He has been the past President of ASSOCHAM, IMC, ELCOMA, IFMA & CFBP. Appointment date: - September 12, 2022 DIN No.: - 00089358. | Indian Co.: 13 1. Hercules Hoists Limited 2. Bajaj Electricals Limited 3. Hind Musafir Agency Limited 4. Bajaj Sevashram Private Limited 5. Hind Lamps Limited 6. Bachhraj Factories Private Limited 7. Starlite Lighting Limited 8. Bajaj holding & investments limited. 9. Bajel Projects Limited 10. Shekhar Holdings Pvt Ltd 11. Bhoopati Shikshan Pratisthan 12. Bajaj International Private Limited 13. Council For Fair Business Practices Foreign Co.: NIL |

| | | | | |
|---|-------------------|------------------------|--|---|
| 3 | Nirav Nayan Bajaj | Non-Executive Director | <p>Mr. Nirav Nayan Bajaj has Bachelor's Degree in Mechanical Engineering, specialising in Automotive Design from the Brunel University, UK. He also pursued consulting at Bain & Company as well as Roland Berger, Mumbai where he worked on consulting assignments in the fields of real estate, consumer packaged goods and chemicals. He was accepted by the prestigious Harvard Business School for a Master's Degree in Business Administration in 2017.</p> <p>Appointment date: - September 12, 2022 DIN No.: - 08472468.</p> | <p>Indian Co.: 4</p> <ol style="list-style-type: none"> 1. Hercules Hoists Limited 2. Hospet Steels Limited 3. Clean NRG Technik Private Limited 4. Mukand Limited <p>Foreign Co.: NIL</p> <p>Indian LLPs.:</p> <ol style="list-style-type: none"> 1. Aryan Nayan Realty LLP |
|---|-------------------|------------------------|--|---|

OBJECTS OF THE SCHEME

The Scheme of Arrangement is prepared under the provisions of Sections 230 to 232 of the Companies Act, 2013 read with other applicable provisions of the Companies Act, 2013, for the demerger of Identified Undertaking (as defined in the Scheme) of Indef Manufacturing Limited to Hercules Hoists Limited.

The Board of IML and HHL believes that this Scheme of Arrangement would result in benefit to members, creditors and employees of IML and HHL and the same will not be detrimental to the public.

The Scheme also provides for various other matters consequent and incidental thereto. The Rationale for the Scheme is set out under the heading "Details of the Scheme, Listing and Procedure" at page 1 of this Document.

Details of means of finance: **Not Applicable**

Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilisation of issue proceeds of past public issues/ rights issues, if any, of IML in the preceding 10 years: **Not Applicable.**

Name of monitoring agency, if any: **Not Applicable.**

Terms of Issuance of Convertible Security, if any: **Not Applicable.**

Number/amount of Equity Shares proposed to be sold by selling shareholders, if any: **Not Applicable.**

| SHAREHOLDING PATTERN OF IML: | | | |
|------------------------------|---------------------------|-----------------------------|------------------------|
| Sr. No. | Particulars | Pre-Scheme number of shares | % Holding of Pre issue |
| | Promoter & Promoter Group | 1,00,000 | 100% |
| | Public | - | - |
| | Total | 1,00,000 | 100% |

| RESTATED AUDITED FINANCIALS OF IML |
|--|
| The Company is incorporated on September 12, 2022 and currently not in operations. |

| Particulars | (Amount in Rs.) | |
|--|---|-----------------------------------|
| | For the period ended September 30, 2023 | For the year ended March 31, 2023 |
| Total Income from Operations (net) | - | - |
| Net Profit / (Loss) before tax and extraordinary items | (33,700) | (94,614) |
| Net Profit / (Loss) after tax and extraordinary items | (33,700) | (94,614) |
| Equity Share Capital | 1,00,000 | 1,00,000 |
| Reserves and Surplus | (1,28,314) | (94,614) |
| Networth | (28,314) | 5,386 |
| Basic Earnings Per Share | (0.34) | (0.95) |
| Diluted earnings per share (Rs.) | (0.34) | (0.95) |
| Return on net worth (%) | 119% | -1757% |
| Net asset value per share (Rs.) | (0.28) | 0.05 |

Notes:

1. IML is incorporated on September 12, 2022, and hence the financial statement for year ended March 31, 2023 is for the period September 12, 2022 to March 31, 2023.
2. IML is not required to prepare consolidated financial statements, as it does not have a subsidiary.
3. Net worth comprises of Equity Share Capital and Reserves and Surplus.
4. Basic and Diluted earnings per share have been calculated by applying the following formula: Net Profit/ (Loss) after tax and extraordinary items divided by number of shares outstanding.
5. Return on net worth % has been calculated by applying the following formula: Net Profit/ (Loss) after tax and extraordinary items divided by Net worth and multiplied by 100.
6. Net asset value per share has been calculated by adding the balance of Equity Share Capital and Reserves and Surplus and dividing the same by the number of shares issued, subscribed and paid-up.

INTERNAL RISK FACTORS OF IML

Below mentioned are the Risk Factors: -

1. Company's inability to procure the desired quality, quantity of raw materials and components in a timely manner and at reasonable costs, or at all, may have a material adverse effect on the business, results of operations and financial condition.
2. The Company is dependent on imports for supply of raw materials like Motors, Chain, Gear, Wire rope, hence exposed to foreign currency fluctuation risk which may have an adverse effect on business, result of operations and financial condition.
3. The Company requires significant amount of working capital for continuous growth. Therefore, inability to collect receivables and default in payment from the dealers and inability to meet the working capital requirements may have an adverse effect on results of operations.
4. The Company's inability to obtain, renew or maintain the statutory and regulatory permits and approvals required to operate its business may have material adverse effect on the business.
5. The Company's ability to operate its business effectively could be impaired if it fails to attract, retain or develop key personnel and other employees relative to the scale and breadth of its operations.
6. Misconduct and fraudulent activities by our employees, agents, third parties could have a material adverse effect on the business, financial condition, results of operations and reputation of the Company.
7. The Company may not successfully protect our technical knowledge, which may result in the loss of competitive advantage. Further, failure to maintain confidential information of customers, any frauds, theft or embezzlement by our employees, suppliers, or dealers could adversely affect the results of operations and / or damage Company's reputation.
8. Changing laws, rules and regulations and legal uncertainties, adverse application or interpretation of corporate and tax laws, may adversely affect our business, prospects and results of operations.
9. The proposed Scheme is subject to the approval of jurisdictional NCLT. If the proposed Scheme does not receive the requisite approvals, the objects and benefits mentioned in the proposed Scheme may not be achieved. Further, the timing of the transfer of the Identified Undertaking as detailed above remains uncertain. If the implementation of this Scheme is delayed, it could potentially affect the monetization plans.

SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION

A. Total number of outstanding litigations against the Company and amount involved:

| Name of Entity | Criminal Proceedings | Tax Proceedings | Statutory or Regulatory Proceedings | Disciplinary actions by the SEBI or Stock Exchange against Promoters | Material Civil Litigations | Aggregate amount involved (Rs. in Lakhs) |
|-------------------------------|---|-----------------|-------------------------------------|--|----------------------------|--|
| IML | | | | | | |
| By IML | - | - | - | - | - | - |
| Against IML | - | - | - | - | - | - |
| Directors | | | | | | |
| By the Directos of IML | - | - | - | - | - | - |
| Against the Directos of IML | - | - | - | - | - | - |
| Promoter | | | | | | |
| By the Promotoers of IML | 1.00 | - | - | - | 2.00 | 258.81 |
| Against the Promotoers of IML | - | 1.00 | - | - | - | 60.48 |
| By the Subsidiaries | Not Applicable as IML does not have any subsidiary. | | | | | |
| Against the Subsidiaries | Not Applicable as IML does not have any subsidiary. | | | | | |

B. Brief details of top 5 material outstanding litigations against the Company and amount involved:
- **NIL.**

C. Regulatory Action, if any – disciplinary action taken by SEBI or stock exchanges against the Promoters in last 5 financial years including outstanding action, if any: - **NIL.**

D. Brief Details of outstanding criminal proceedings against Promoters:

Hercules Hoists Limited has filed the case against the order number 9883/SS/2017 for revision of order received under section 138 of Negotiable Instruments Act of 1881 before Session Court, Bombay. The revision application number is 222 of 2022. The case was against Mr. Charanjit Singh Sidhu, Proprietor of G.R. Enterprise who were past authorized dealer of the Company. The case is currently at trail stage.

ANY OTHER IMPORTANT INFORMATION

- Authority for the issue – The Scheme was approved by the Board of Directors of IML and HHL on September 23, 2022 respectively. The Scheme is subject to approvals from the SEBI, Stock Exchanges, National Company Law Tribunal, Regional Director & Registrar of Companies.
- Expert Opinion obtained, if any – Valuation Report and Fairness Opinion
- Material Contracts and Documents for Inspection:
 1. Scheme of Arrangement
 2. Share Valuation Report
 3. Fairness Opinion taken pursuant to the Scheme.

DECLARATION BY IML

We hereby declare that all relevant provisions of the Companies Act, 1956, the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be have been complied with and no statement made in the Document is contrary to the provisions of the Companies Act, 1956, the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulation issued there under, as the case may be. We further certify that all statements in the Document are true and correct.

For and on behalf of Indef Manufacturing Limited:

Name : H A Nevatia
Director: Whole time Director
DIN : 00066955
Date : December 28, 2023
Place : Mumbai



Galactico Corporate Services Limited

A SEBI Registered Category I Merchant Banker

December 28, 2023

Ref. No: MB/2023-24/101

The Board of Directors,
Indef Manufacturing Limited,
Bajaj Bhawan, 2nd Floor, 226,
Jamnalal Bajaj Marg, Nariman Point,
Mumbai (MH) – 400021 IN.

Subject: Certificate on adequacy and accuracy of disclosure of information pertaining to Indef Manufacturing Limited, in respect of Scheme of Arrangement between Indef Manufacturing Limited ("Transferee Company" or "IML") with Hercules Hoists Limited ("Transferor Company" or "HHL") and their respective shareholders and creditors ("Scheme") under the provisions of Sections 230 to 232 of the Companies Act, 2013 read with other applicable provisions of the Companies Act, 2013 and the rules made there under.

Dear Sir,

We, Galactico Corporate Services Limited ("GCSL"), A SEBI Registered Category I, Merchant Banker refer to our engagement letter dated October 10, 2022 for the purpose of certifying the adequacy and accuracy of disclosure of information pertaining to IML in relation to proposed demerger, transfer and vesting of the Demerged Undertaking of the HHL including the manufacturing, sales, service, distribution, and marketing of mechanical hoists, electric chains hoists, wire rope hoists and other material handling equipment's into IML and their respective shareholders and creditors the provisions of Sections 230 to 232 of the Companies Act, 2013 read with other applicable provisions of the Companies Act, 2013 and the rules made there under.

Scope and purpose of the Certificate

SEBI vide its Circular bearing no. SEBI/HO/CFD/SSEP/CIR/P/2022/14 dated February 4, 2022 ("SEBI Circular") and Master Circular bearing no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 prescribed requirements to be fulfilled by the listed entities when they propose a Scheme of Arrangement. The SEBI Circular, amongst other things, provide that in the event a listed entity enters into a Scheme of Arrangements with an unlisted entity, the listed entity shall disclose to its shareholders applicable information pertaining to the unlisted entity in the format specified for Abridged Prospectus as provided in Part E of Schedule VI of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("ICDR Regulations"), in the explanatory statement or notice or proposal accompanying resolution to be passed, sent to the shareholders while seeking approval of the Scheme. SEBI Circular further prescribes that the accuracy and adequacy of such disclosures shall be certified by a SEBI Registered Merchant Banker after following the due diligence process.



Nashik: 68, 6th Floor, Business Bay, Shri. Hari Kute Marg, Tidke Colony, Nashik (MH) - 422002. Phone :+91 253-2952456

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Email: info@galacticocorp.com | Website: www.galacticocorp.com

CIN No.: L74110MH2015PLC265578 | SEBI Registration No.: INM000012519



Galactico Corporate Services Limited

A SEBI Registered Category I Merchant Banker

Certification

Based on the information, undertaking, certificates, confirmations and documents provided to us by the IML, we hereby confirm that the information contained in the Abridged Prospectus is the accurate and adequate, in terms Paragraph 3(a) of Annexure I of the SEBI Circular.

Disclaimer and Limitation:

- This certificate is a specific purpose certificate issued in terms of and in compliance with SEBI circular and hence it should not be used for any other purpose or transaction whatsoever or to meet the requirement of any other laws, rules, regulations and statutes.
- This certificate contains the certification on adequacy and accuracy of disclosure of information pertaining to the unlisted entity viz., IML and is not an opinion on the Scheme of Arrangement or its success.
- This certificate is issued on the basis of examination of information and documents provided by IML and information which is available in the public domain and wherever required, the appropriate representation or undertakings from IML has also been obtained.
- In no event, will GCSL, its Directors and Employees be liable to any party for any losses whether financial or otherwise or expenses arising directly or indirectly out of the use of or reliance on the information set out here in this report.
- Our opinions are not, nor should it be constructed as our opining or certifying the compliance of the proposed Scheme of Arrangement with the provision of any law including companies, taxation, capital market, related laws or as regards any legal implications or issues arising thereon, in their respective jurisdiction except for the purpose expressly mentioned herein.
- The above confirmation is based on the integrity of the information furnished and explanation & representations provided to us by the Management of the Company and IML assuming the same is complete and accurate in all material aspects on an as is basis and have not carried out an audit or independent verification of such information. Our scope of work does not constitute an audit of financial information and accordingly we are unable to and do not express an opinion on the fairness of any such financials information referred to in the Abridged Prospectus.
- We understand that the Management of IML during our discussion with them would have drawn our attention to all such information and matters, which may have impact on our certificate.
- The fee for our services is not contingent upon the result of the proposed arrangement.
- Our Scope of Work did not include carrying out a market survey / financial feasibility for the Business of IML.



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Galactico Corporate Services Limited

A SEBI Registered Category | Merchant Banker

- This certificate is based on the information as at December 28, 2023. We do not assume any obligation to update, revise or reaffirm this certificate because of events or transactions occurring subsequent to the date of this certificate.
- We express no opinion whatsoever and make no recommendation at all as to the Company's underlying decision to affect the scheme or as to how the holders of equity share of both the companies should vote at their respective meetings held in connection with the Scheme.
- We also express no opinion, and accordingly, accept no responsibility for or as to the price at which the equity shares of the Company will trade following the Scheme for or as to financial performance of the Company or IML following the consumption of the Scheme.
- We express no opinion whatsoever and make no recommendations at all (and accordingly take no responsibility) as to whether shareholders/investors should buy, sell or hold any stake in the Company or any of its related parties (holding company/subsidiaries /associates etc.).
- It is inappropriate to use this certificate for any purpose other than the purpose mentioned above. We are not responsible for the unauthorized use of this certificate. We shall not assume any responsibility to any third party to whom this certificate is disclosed or otherwise made available except expressly mentioned herein. In no event, we assume any responsibility to any third party to whom this certificate is disclosed or otherwise made available.

Trust the above meets your requirements.

Please feel free to contact us in case you require any additional information or clarifications.

Yours Faithfully,

For Galactico Corporate Services Limited

Vishal Sancheti
Authorized Signatory
Place: Pune

Date: December 28, 2023.



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Works: Khalapur, Chakan | **Regional Offices:** Pune, Delhi, Chennai, Kolkata

Registered Office: Bajaj Bhawan, 2nd Floor, 226, Jarnalal Bajaj Marg, Mumbai 400 021, INDIA

CIN: L45400MH1962PLC012385