



52nd ANNUAL REPORT 2013-2014

HERCULES HOISTS LIMITED

Material Handling Delivered.

FINANCIAL HIGHLIGHTS

(₹ in Lacs)

Description	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08
PROFIT & LOSS ACCOUNT							
Gross Sales	11147.80	13,372.91	12,971.39	12,748.32	8,830.27	10,248.55	10,052.53
Net Sales	10093.00	12,034.89	11,789.69	11,635.11	8,167.40	9,141.70	8,850.73
Sale of Power Units Generated	312.11	308.47	275.76	223.86	272.56	244.18	218.65
Other Income	1072.90	1,164.78	955.20	559.81	497.95	330.91	389.20
Gross Revenue	11,478.00	13,508.14	13,020.65	12,418.78	8,937.91	9,716.79	9,458.58
Cost of Material	5944.02	6,518.55	6,108.04	5,687.54	4,775.13	4,757.21	4,585.32
Operating & Other Expenses	2521.42	2,680.81	2,277.15	2,129.18	1,497.34	1,675.78	1,760.86
Interest & Finance Expenses	0.00	10.11	5.51	24.29	46.99	76.01	118.55
Depreciation/Amortisation	199.91	201.79	203.32	202.65	196.99	175.71	175.55
Profit Before tax and extra ordinary items	2,812.65	4,096.88	4,426.64	4,375.12	2,421.46	3,032.08	2,818.30
Extra Ordinary Items	-	-	-	-	392.70	-	0.98
Profit Before tax	2,812.65	4,096.88	4,426.64	4,375.12	2,028.76	3,032.08	2,817.32
Current Tax (IncomeTax)	804.97	1201.99	1,274.00	1,369.55	712.61	1,035.93	964.12
Deferred Tax	22.34	52.14	41.56	30.68	(88.95)	(0.06)	10.45
Fringe Benefit Tax	-	-	-	-	-	7.60	7.20
Adjustment for earlier years	8.95	(10.35)	19.42	(16.07)	(34.03)	71.37	8.89
Profit After Tax & Adjustment for earlier Years	1,976.39	2,853.10	3,091.66	2,990.96	1,439.13	1,917.24	1,826.66
Dividend -Interim / Proposed Dividend	480.00	560.00	560.00	480.00	320.00	320.00	320.00
Dividend Distribution Tax	81.58	95.17	90.85	77.87	53.15	54.38	54.38
Retained Profit	1,414.81	2,197.93	2,440.82	2,433.09	1,065.98	1,542.86	1,452.28
BALANCE SHEET							
Net Worth	17400.31	15,985.50	13,787.57	11,346.76	8,913.67	7,847.68	6,304.83
Loan Funds							
- Secured Loan	-	-	-	-	397.78	531.77	705.68
- Unsecured Loan	37.02	31.02	23.52	22.02	22.02	22.12	22.12
Deferred Tax Liability (Net)	482.65	460.31	408.17	366.60	335.92	424.87	424.93
Total Sources of Funds	17,919.99	16,476.83	14,219.26	11,735.38	9,669.39	8,826.44	7,457.56
Fixed Assets & Intangible Assets							
- Gross (including Capital WIP)	4630.83	4,531.62	4,468.70	4,666.20	4,400.74	4,195.04	3,578.69
- Net	2746.47	2,846.47	2,976.84	3,361.95	3,292.51	3,230.65	2,770.24
Investments	3977.95	2,427.95	2,259.27	2,457.27	1,147.04	1,573.32	172.78
Long term Loans & Advances	1016.68	915.91	489.93	312.94	635.35	251.76	371.35
Current Assets	13248.13	12,697.92	10,577.53	7,820.46	6,254.73	5,015.25	5,669.66
Current Liabilities	(2449.81)	(1,714.81)	(1,377.82)	(1,567.63)	(1,212.95)	(794.55)	(1,088.26)
Provisions	(619.44)	(696.60)	(706.48)	(649.61)	(447.29)	(449.99)	(438.21)
Miscellaneous Expenditure	-	-	-	-	-	-	-
Total Application of Funds	17,919.99	16,476.83	14,219.26	11,735.38	9,669.39	8,826.44	7,457.56
RATIOS and STATISTICS							
Proprietary Ratio	0.83: 1	0.85: 1	0.85: 1	0.81: 1	0.79: 1	0.78: 1	0.7: 1
Debt Equity Ratio	0: 1	0: 1	0: 1	0: 1	0.05: 1	0.07: 1	0.12: 1
Current Ratio	4.32 : 1	5.27 : 1	5.07 : 1	3.53 : 1	3.77 : 1	4.03 : 1	3.71 : 1
Return on Proprietor's Fund	11.36%	17.85%	22.42%	26.36%	16.15%	24.43%	28.97%
Return on Capital Employed	15.70%	24.93%	31.17%	37.49%	25.53%	35.21%	39.38%
Operating Ratio	26.96%	24.04%	21.09%	20.25%	21.32%	21.08%	23.22%
Net Profit Ratio	19.58%	23.71%	26.22%	25.71%	17.62%	20.97%	20.64%
Dividend Per Share (Rs.)	1.50	1.75	3.50	3.00	2.00	2.00	2.00
Earning per Equity Share (Rs.)	6.18	8.92	19.32	18.70	8.99	11.98	114.17
Book Value per Equity Share (Rs.)	54.38	49.95	86.17	70.92	55.71	49.05	394.05
No.of Equity Shareholders	9648	9816	9146	9147	8865	9302	8276
No.of Employees	121	116	113	108	99	143	131

Note:

- 1) Proprietary Ratio = (Equity Capital + Reserves & Surplus - Miscellaneous Expenses) / Total Assets
- 2) Debt Equity Ratio = Debt / Equity.
- 3) Current Ratio = Current Assets / Current Liabilities.
- 4) Return on Proprietor's Funds = Profit After Tax / (Equity Capital + Reserves & Surplus - Miscellaneous Expenses)
- 5) Return on Capital Employed = Profit Before Tax / (Equity Capital + Reserves & Surplus+Loan Funds - Miscellaneous Expenses)
- 6) Operating Ratio = (Operating & Other Expenses+Depreciation/Amortisation+Interest & Finance Expenses) / Net Sales
- 7) Net Profit Ratio = Profit After Tax / Net Sales.



HERCULES HOISTS LIMITED

52nd ANNUAL REPORT 2013-2014

Board of Directors

Shekhar Bajaj- Chairman
Klaus Carl Uebel
Naresh Chandra
Vinaya L Mehrotra
Kishorilal F Jhunjhunwala
Mukul M Upadhyaya
Gaurav V Nevatia
Tushar P Shah
H A Nevatia - *Whole Time Director*
Shailesh Haribhakti - *Alternate Director to Mr. K.C. Uebel*
[Till 11th November 2013]

Corporate Management Team

Prakash Subramaniam (*President & CEO*)
Harbhajan Singh Bindra (*Vice President - Operations*)
Vivek Mahendru (*Vice President-Marketing*)
Vijay Singh (*General Manager- Fin. & Accts.*)

Bankers

Axis Bank
HDFC Bank
ICICI Bank
Bank of Maharashtra
Yes Bank

Auditors

M L Bhuwania & Co - Chartered Accountants

Cost Auditor

R Nanabhoy and Co - Cost Accountants

Registered Office

Bajaj Bhawan, 2nd floor, 226, Nariman Point,
Mumbai 400021

Corporate Office & Works

43/2B, Savroli Road - Kharpada,
Dhamani Khalapur, Khopoli-410202, Maharashtra.

CIN: L45400MH1962PLC012385

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ANNUAL GENERAL MEETING

Date and Time:

11th August 2014 at 11.30 a.m.

Venue: Kamalnayan Bajaj Hall, Bajaj Bhawan,
Ground Floor, 226, Jamnalal Bajaj Marg, Nariman
Point, Mumbai 400021

A request

Shareholders are requested to bring with them the
attendance slip on page 43 .



NOTICE

NOTICE is hereby given that the 52nd Annual General Meeting of the Members of Hercules Hoists Limited will be held at Kamalnayan Bajaj Hall, Bajaj Bhawan, Ground Floor, 226, Jamnalal Bajaj Marg, Nariman Point, Mumbai 400021, on Monday, the 11th August 2014, at 11.30 a.m. to transact the following business :-

1. To receive, consider and adopt the audited Statement of Profit and Loss Account for the year ended 31st March, 2014 and the Balance Sheet as at that date and Report of Directors and Auditors thereon.
2. To declare dividend for the financial year ended 31st March 2014.
3. To appoint a Director in place of Shri Naresh Chandra who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri K F Jhunjunwala who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Auditors of the Company and to fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution:

“RESOLVED THAT M/s M L Bhuwania & Co, Chartered Accountants, be and are hereby appointed as auditors of the Company to hold the office for the period commencing from the conclusion of this Annual General Meeting till the conclusion of the 3rd Annual General Meeting (after commencement of the Companies Act 2013), subject to ratification by the shareholders annually on such remuneration as shall be fixed by the Board of Directors on recommendation of audit committee.”

6. To confirm remuneration of Cost Auditor fixed by Board of Directors on recommendation of Audit Committee and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution:

“RESOLVED THAT the remuneration of Cost Auditor, M/s R Nanabhoy & Co, Cost Accountants for the financial year ended 31st March 2015, be and is hereby confirmed at Rs.35000/- as decided by the Board of Directors in their meeting held on 28th May 2014 on recommendation of audit committee.”

Special Business :

7. To appoint **Shri Vinaya L Mehrotra** as an independent director for a term of five years and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution:

“RESOLVED THAT pursuant to the provisions of Section 149 of the Companies Act, 2013 and the Rules thereunder, Shri Vinaya L Mehrotra be and is hereby recommended to be appointed as an Independent Director on the Board of the Company for a consecutive period of five years, effective from 1 April 2014, not liable to retire by rotation and on such terms and conditions & in the manner set out in Schedule IV to the Companies Act, 2013 and subject to receipt of a declaration from the director that he meets the criteria of independence as prescribed in Section 149(6) of the Act.”

8. To appoint **Shri Mukul M Upadhyaya** as an independent director for a term of five years and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution:

“RESOLVED THAT pursuant to the provisions of Section 149 of the Companies Act, 2013 and the Rules thereunder, Shri Mukul M Upadhyaya be and is hereby recommended to be appointed as an Independent Director on the Board of the Company for a consecutive period of five years, effective from 1 April 2014, not liable to retire by rotation and on such terms and conditions & in the manner set out in Schedule IV to the Companies Act, 2013 and subject to receipt of a declaration from the director that he meets the criteria of independence as prescribed in Section 149(6) of the Act.”

9. To appoint **Shri Tushar P Shah** as an independent director for a term of five years and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution:

“RESOLVED THAT pursuant to the provisions of Section 149 of the Companies Act, 2013 and the Rules thereunder, Shri Tushar P Shah be and is hereby recommended to be appointed as an Independent Director on the Board of the Company for a consecutive period of five years, effective from 1 April 2014, not liable to retire by rotation and on such terms and conditions & in the manner set out in Schedule IV to the Companies Act, 2013 and subject to receipt of a declaration from the director that he meets the criteria of independence as prescribed in Section 149(6) of the Act.”

10. To appoint **Shri Gaurav V Nevatia** as an independent director for a term of five years and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution:

“RESOLVED THAT pursuant to the provisions of Section 149 of the Companies Act, 2013 and the Rules thereunder, Shri Gaurav V Nevatia be and is hereby recommended to be appointed as an Independent Director on the Board of the Company for a consecutive period of five years, effective from 1 April 2014, not liable to retire by rotation and on such terms and conditions & in the manner set out in Schedule IV to the Companies Act, 2013 and subject to receipt of a declaration from the director that he meets the criteria of independence as prescribed in Section 149(6) of the Act.”

NOTES :

1. **A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member. In order to be effective, the proxy form duly completed and stamped must reach the registered office of the company not later than 48 hours before the time of holding the meeting.** A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from 6th August 2014 to 11th August 2014, both days inclusive.
3. Payment of Dividend, if sanctioned, will be made after 11th August 2014.
4. Members holding shares physically are requested to notify immediately any change of address to the Company.
5. Members desirous of asking any questions at the Annual General Meeting are requested to send in their questions as to reach the Company at least 10 days before the Annual General Meeting, so that the same can be suitably replied.
6. Electronic copies of the Annual Report 2013-14 and Notice of the 52nd AGM are sent to all members whose email addresses are registered with the Company / Depository Participant(s). For members who have not registered their email addresses, physical copies of the Annual Report 2013-14 and the Notice of the 52nd AGM are sent in the physical mode.
7. The Company is providing e-voting facility to all members to enable them to cast their votes electronically on all resolutions set forth in the Notice. This is pursuant to section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014.
8. The Ministry of Corporate Affairs (MCA) has taken a "green initiative in Corporate Governance" slowing paperless compliances by Companies through electronic mode. The Companies can send various notices/documents to its shareholder through electronic mode to the registered email addresses of shareholders. Accordingly, members are requested to intimate their email address to the Company's Registrar and Share Transfer Agent. Please note that as a member of the Company, you are entitled to receive on request a physical copy of the said documents in accordance with the provisions of the Companies Act 2013.

Explanatory Statement in respect of Special Business pursuant to section 102 of the Companies Act 2013 for Item No. 7 to 10 :

With the enactment of the Companies Act, 2013 and clause 49 of the Listing agreement, the Board of Directors decided that Shri Vinaya L Mehrotra, Shri Mukul M Upadhyaya, Shri Tushar P Shah, Shri Gaurav V Nevatia, acting as an Independent Directors of the Company to be appointed for five years terms as per Companies Act 2013. The detailed profiles of the above Directors are given under the head "Corporate Governance". The Board recommends passing of ordinary resolution's as set out in item no. 7 to 10 of the Notice.

None of the Directors of the Company is concerned or interested in the said resolutions except themselves.

On behalf of the Board of Directors

**PLACE : MUMBAI
DATED : 28 / 05 / 2014**

**Shekhar Bajaj
Chairman**

**DIRECTORS' REPORT**

Dear Members,

We present our **52nd Annual Report** together with the Audited Financial Accounts for the year ended **31st March, 2014**:

1. Financial Results :

(₹ in Lacs)

Financial Results	As on 31st March 2014	As on 31st March 2013
Revenue from Operations and other Incomes (Gross)	11,478.00	13,508.13
Profit before Finance Cost and Depreciation	3,012.56	4,308.78
Less-Depreciation	199.91	201.79
Less- Finance Cost	-	10.11
Profit before exceptional items and Taxes	2,812.65	4,096.88
Profit before taxes	2,812.65	4,096.88
Provision for taxation for the year (including deferred tax and Earlier year's income-tax adjustment)	836.27	1,243.78
Profit after Taxes	1,976.38	2,853.10
Add : Balance in Profit & Loss Account	500.00	150.00
Balance available for appropriation	2,476.38	3,003.10
Less- Appropriations		
a) Proposed Dividend	480.00	560.00
b) Corporate Tax on Dividend	81.57	95.17
c) Transferred to General Reserve	1,000.00	1,847.93
Closing Balance	914.81	500.00

- The Directors recommend for consideration of the shareholders at the Annual General Meeting payment of dividend of Rs. 1.50/- per Equity Share of Re.1/- for the year ended 31st March, 2014 as against Rs.1.75/- per Equity Shares of Re.1/- in the previous year.
- The revenue from operations of the Company at Rs. 104.22 Crores is 15.72% less compared to last year's revenue from operations of Rs. 123.66 Crores. The net profit of Rs. 19.76 Crores is 30.74% less, as compared to last year's net profit of Rs.28.53 Crores. The decrease in revenue has been mainly due to continuing labour agitation and consequent disruption in supply of components from vendor and competition from cheaper imports particularly in chain pulley blocks. The Management is aggressively attacking these problems. The results of tie ups with foreign firms for new product will start contributing to the turnover this year. The market is also showing some good signs of revival of demand. The Management is in process of resolving the labour issue. Directors are hopeful of substantial recovery in the financial year 2014-15.
- The Company's 4 Windmills produced 69.79 lakhs units of energy in the year 2013-14, as against 71.42 lakhs units of energy produced in the previous year.
- Shri Shailesh V Haribhakti resigned from the post of Alternate Director to Shri K C Uebel which was accepted in the Board Meeting held on 11th November 2013. The Board of Directors place on record the significant contribution made by him for the progress of the company.

Shri Naresh Chandra and Shri K F Jhunjhunwala retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. Their detailed profiles are available under the head "Corporate Governance."
- M/s M L Bhuwania & Co., Chartered Accountants, Mumbai, the statutory Auditors of the Company, retire at the ensuing Annual General Meeting and are eligible for appointment. The Company has received a certificate from them to the effect that their appointment, if made, would be within the prescribed limit under the Act. The Board recommends their appointment.
- M/s R Nanabhoy & Company, Cost Accountants, Mumbai have been appointed as Cost Auditor of the Company to conduct the Cost Audit for the financial year 2013-14 and has received the approval from the Central Government in this regard.
- Detailed reports on matters relating to Corporate Governance and Management Discussion and Analysis Report under Clause 49 of the Listing Agreement with Stock Exchanges are annexed as part of this Annual report together with the report of Practicing Company Secretary on its compliance thereon.
- The particulars prescribed under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 regarding conservation of energy, technology absorption, etc. to the extent applicable are set out in Annexure-I hereto.
- In terms of the provision of section 217(2A) of the Companies Act 1956, read with the Companies (Particulars of Employees) Rules, as amended, the names and other particulars of the employees are set out in Annexure-II hereto.

11. Pursuant to Section 217 (2AA) of the Companies Act, 1956, the Directors, based on the information/representations received from the Management, confirm that:
- in the preparation of the annual accounts, the applicable standards have been followed and that no material departures have been made from the same;
 - such accounting policies have been selected and applied consistently and that reasonable and prudent judgments and estimates are made so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the period;
 - proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities has been taken; and
 - the annual accounts are prepared on a going concern basis.
12. The Compliance Certificate from secretary in whole-time practice M/s. S N Ananthasubramanian & Co., Thane, under Section 383-A(1) of the Companies Act, 1956, is annexed hereto.
13. The relationship with the employees continued to be cordial during the year.

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

On behalf of the Board of Directors

PLACE : MUMBAI
DATED : 28 / 05 / 2014

Shekhar Bajaj
Chairman

ANNEXURE-I

Information as required under Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988.

A. Conservation of Energy:

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

i. Power and Fuel Consumption

Particulars		Current Year	Previous Year
(a) Electricity Purchased	Units	291,332	326,868
	Total Amount (Rs.)	2,796,040	3,031,140
	Rate/Unit (Rs.)	9.60	9.27
(b) Own Generation Electricity	Units	12,816	11,419
	Units per litre of Diesel Oil	3.05	2.62
	Diesel Cost (Rs.)	240,000	207,776
	Rate/Unit (Rs.)	18.72	18.20
2,3 & 4.Coal,Furnace Oil, Others/Internal Generation		Nil	Nil

ii. Consumption per Unit of Production:

From the records and other books maintained by the Company in accordance with the provisions of the companies Act, 1956, the Company is not in a position to give the required information for the current year as well as the previous year.

B. Technology Absorption:

The Company's engineers are constantly improving the designs and quality of the Company's products as well as production procedures. The Company has developed new series of compact and modular Wire Rope Hoists designed with contemporary design technologies and incorporating internationally serviceable robust and proven components, Universal Hoists 3 to 4 Ton Capacity, Steel Mill Duty[SMD]Wire Rope Hoists 35 to 60 Ton capacity & Chain Pulley Blocks(Zp & Zm) with Load Limiter upto 3 Ton Capacity.

**C. Foreign Exchange Earnings & Outgoings:**

(₹ in Lacs)

Particulars	Current Year	Previous Year
Foreign Exchange Earnings	277.37	44.53

Particulars	Current Year	Previous Year
Foreign Exchange Outgo	334.95	380.83

ANNEXURE-II

Statement pursuant to Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 and forming part of Directors' Report for the year ended 31st March, 2014 is given below. (₹ in Lacs)

Name, Designation & Nature of Duties	Gross Remuneration	Net Remuneration	Qualifications	Age (Years)	Experience (Years)	Date of commencement of employment	Last employment & designation (Period of Service)
Shri Prakash Subramaniam President & CEO	89.21	45.64	B. Com., ACA	54	31	01-01-2013	GKN Stromag India Pvt. Ltd. Managing Director & CEO (6 years)

Notes :

Gross remuneration includes salary, ex-gratia, incentive, perquisites, contribution to provident fund, superannuation fund, gratuity fund, mediclaim premium, personal accident insurance premium, etc. Net remuneration is arrived at after deducting income-tax, contribution to provident fund, superannuation fund, gratuity fund, mediclaim premium, personal accident insurance premium, telephone expenses, car expenses, taxable rent, furniture perks, etc. Shri Prakash Subramaniam is not related to any Director of the company

COMPLIANCE CERTIFICATE FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2014

To,
The Members,
HERCULES HOISTS LIMITED
Bajaj Bhawan, 2nd Floor, 226,
Jamnalal Bajaj Marg, Nariman Point,
Mumbai- 400021, Maharashtra

CIN: L45400MH1962PLC012385 AUTHORISED CAPITAL:Rs.40,000,000/- PAID-UP CAPITAL: Rs. 32,000,000/-

We have examined the registers, records, books and papers of **HERCULES HOISTS LIMITED** (the "Company") as required to be maintained under the Companies Act, 1956, (the "Act") and the provisions of Companies Act, 2013 (the "New Act") effective from 12th September 2013 and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on **31st March 2014**. In our opinion and to the best of our information and according to the examinations, carried out by us and explanations furnished to us by the Company, its officers, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in **Annexure 'A'** to this Certificate, as per the provisions of the Act and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns and with the payment of additional fees in case of delay as stated in **Annexure 'B'** to this Certificate, with the Registrar of Companies, within the time prescribed under the Act and the rules made thereunder.
3. The Company, being a public limited Company, comment under this paragraph relating to, *"the Company has a minimum prescribed paid-up capital and its maximum number of members during the said financial year were upto fifty and the Company during the year under review:*
 - (i) *has not invited public to subscribe for its shares or debentures; and*
 - (ii) *has not invited or accepted any deposits from persons other than its members, Directors or their relatives.*
 - (iii) *is prohibited from making any invitation or acceptance of any deposits from persons other than its members, Directors or their relatives" are not required.*
4. The Board of Directors of the Company duly met **four** times on **29th May 2013, 7th August 2013, 11th November 2013** and **6th February 2014** and in respect of which meetings proper notices were given and the proceedings were properly recorded in the Minutes Book maintained for the purpose.
5. The Company closed its Register of Members from 3rd August 2013 to 7th August 2013 (both days inclusive) for the purpose of the Annual General Meeting, declaration of dividend and issue of bonus equity shares. Necessary compliance of Section 154 of the Act was made by the Company.
6. The 51st Annual General Meeting for the financial year ended on 31st March 2013 was held on 7th August 2013 after giving due notice to the members of the Company and other concerned and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extraordinary General Meeting was held during the period under review.
8. The Company has not advanced any loans to its directors or persons or firms or companies referred to under section 295 of the Act and section 185 of the New Act during the period under review.
9. The Company has not entered into any contract falling within the purview of Section 297 of the Act during the period under review.
10. The Company has made necessary entries in the Register maintained under Section 301 of the Act and the same was placed before all the meetings of the Board of Directors of the Company.
11. There were no instances falling within the purview of Section 314 of the Act and consequently, the Company was not required to obtain any approval from the Board of Directors, Members or Central Government.
12. The Company did not issue any duplicate share certificate during the period under review.
13. The Company has:
 - i. delivered all the certificates on allotment of securities and on lodgement thereof for transfer/transmission or any other purpose in accordance with the provisions of the Act.
 - ii. deposited the amount of dividend declared in a separate bank account with YES Bank Limited on 12th August 2013 which is within five days from the date of declaration of such dividend.
 - iii. paid dividend through Electronic Clearing System/posted demand drafts to all the members within a period of 30 days from the date of declaration of such dividend and all unclaimed/unpaid dividend has been transferred to Unpaid Dividend



Account of the Company.

- iv. transferred the amount in unpaid dividend account for Financial Year 2005-2006 which remained unclaimed or unpaid for a period of 7 years, to the Investor Education and Protection Fund on 26th August, 2013 which is within the due date.
- v. duly complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted.
15. The Company has re-appointed Mr. H A Nevatia as a Whole-Time Director for a period of two years from 22nd November 2012 to 21st November 2014 and the Company has made necessary compliance with the provisions of Section 269 of the Act.
16. The Company has not appointed any sole selling agents during the year under review.
17. The Company was not required to obtain any approval from Central Government, Regional Director, Company Law Board, Registrar of Companies and/or such authorities prescribed under the various provisions of the Act during the year under review.
18. The Directors have disclosed their interest in other firms/companies to the Board of Directors and complied with the provisions of the Act and the rules made thereunder.
19. The Company has not issued any shares, debentures or other securities during the financial year.
20. The Company has not bought back any of its shares during the year under review.
21. The Company has not issued any Preference Shares or Debentures and hence redemption, if any, of Preference Shares or Debentures does not arise.
22. The Company has currently kept in abeyance, the rights to dividend and to bonus shares pertaining to 7,76,480 equity shares held in the name of Late Mr. Pramod Kumar S Nevatia bearing Folio no. 136, as the ownership of the same is under dispute.
23. The Company has not invited/accepted any deposits including any unsecured loans within the purview of Section 58A of the Act during the year under review.
24. The Company has not made any borrowings during the year under review.
25. The Company has not made loans or given guarantees or provided securities to other bodies corporate and consequently, no entry has been made in the Register, kept for the purpose. The Company has made investments in compliance with the provisions of the Act and has made entries in the Register kept for that purpose.
26. The Company has not altered the provisions of the Memorandum of Association of the Company with respect to situation of the Company's registered office from one state to another during the year under review.
27. The Company has not amended the provisions of the Memorandum of Association with respect to Objects Clause of the Company during the year under review.
28. The Company has not altered the provisions of the Memorandum of Association of the Company with respect to name of the Company during the year under review.
29. The Company has not altered the provisions of the Memorandum of Association of the Company with respect to share capital during the year under review.
30. The Company has not altered the Articles of Association of the Company during the financial year.
31. There were no prosecutions initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the Company during the year under review, for offences under the Act.
32. The Company has not received any money as security from its employees during the year under review.
33. The provisions of Section 418 of the Act are not applicable as the Company has deposited the employers' and employees' contribution with recognised Provident Fund.

ANNEXURE A

Registers as maintained by the Company

SN	Registers	Under Section
1.	Register of Directors, Managing Directors	303
2.	Register of Director's Share and Debenture Holdings	307
3.	Register of Charges (including Debentures)	143
4.	Register of Contracts	301(1) & 301(2)
5.	Register of Contracts, Companies and Firms in which Directors are interested	301(3)
6.	Register of Renewed and Duplicate Certificates	Rule 7 of the (Companies Issue of Share Certificates) Rules, 1960

7.	Register of Documents Sealed	-
8.	Minutes Book	193
9.	Books of Accounts	209
10.	Register of Loans	-

ANNEXURE B

Forms and Returns as filed by the Company with Registrar of Companies, Regional Director, Central Government or other authorities during the year ended on 31st March 2014.

SN	Form No	Relevant section under which filed & date of filing	Purpose of filing form
1.	Form 8	u/s 127 on 9th April 2013	Creation of Charge (Charge ID No. 10417010) for Rs. 5,00,00,000/- in favour of Axis Bank Limited.
2.	Form 17	u/s 138 on 31st May 2013	Satisfaction of Charge (Charge ID No. 10116671) of Rs. 13,50,00,000/- created in favour of Bank of Maharashtra.
3.	Form 23C	u/s 233B on 7th June 2013 and CG Order 52/26/CAB/2010 dated 24/01/2012	Appointment of M/s R Nanabhoy & Company as Cost Auditors of the Company in respect of material handling equipment under machinery and mechanical appliances product group for the financial year ending 31st March 2014.
4.	Form 23C	u/s 233B on 21st June 2013 and CG Order 52/26/CAB/2010 dated 02/05/2011	Appointment of M/s R Nanabhoy & Company as Cost Auditors of the Company in respect of wind energy under any other activity not mentioned elsewhere product group for the financial year ending 31st March 2013.
5.	Form 23C	u/s 233B on 26th June 2013 and CG Order 52/26/CAB/2010 dated 02/05/2011	Appointment of M/s R Nanabhoy & Company as Cost Auditors of the Company in respect of wind energy under any other activity not mentioned elsewhere product group for the financial year ending 31st March 2014.
6.	Form 23	u/s 192 on 14th August 2013	Registration of special resolution for re-appointment of Mr. H A Nevatia as a Director in whole-time employment for a period of two years from 22nd November 2012 to 21st November 2014.
7.	Form 66	u/s 383A on 14th August 2013	Compliance Certificate for the financial year ended on 31st March 2013.
8.	Form 1INV	u/s 205C on 27th August 2013	Transfer of unclaimed / unpaid dividend pertaining to financial year ended 2005-06 to Investor Education and Protection Fund on 26th August 2013.
9.	Form 20B	u/s 159 on 5th September 2013	Annual return as on date of Annual General Meeting held on 7th August 2013.
10.	Form 23AC-ACA XBRL	u/s 210 on 6th September 2013	Balance Sheet & Profit & Loss A/C for the year ended 31st March 2013 adopted at Annual General Meeting held on 7th August 2013.
11.	Form I XBRL	u/s 233B(4) and Companies (Cost Audit Report) Rules, 2011 on 27th September 2013	Filing of Cost Audit Report with the Central Government.
12.	Form 5INV	On 27th September 2013	Statement of unpaid and unclaimed amounts till year ended 31st March 2013 pursuant to notification G.S.R. 352(E) dated 10th May 2012 as per IEPF (Uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012.
13.	Form 32	u/s 313 (2) on 6th December 2013	Cessation of Mr. Shailesh Haribhakti as Alternate Director to Mr. K C Ubel w.e.f. 11th November 2013.
14.	Form 5INV	On 13th February 2014	Resubmission of the form for submission of Statement of unpaid and unclaimed amounts till year ended 31st March 2013 pursuant to notification G.S.R. 352(E) dated 10th May 2012 as per IEPF (Uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012.

PLACE : THANE
DATED : 28 / 05 / 2014

S N ANANTHASUBRAMANIAN
C. P. NO.: 1774

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

Your Company is in the business of unitized in-plant material handling equipment and solutions. Broadly, the products / solutions offered cover Chain Pulley Blocks, Ratchet Lever Hoists, Pulling & Lifting Machines, Electric Chain Hoists, Wire Rope Hoists, Winches, Cranes (HOT, EOT, Light Profile), Roll Out Racks, Stackers and other storage / retrieval solutions. During the year, your Company has also launched a new product group: Manipulators.

These products are used in all kinds of industrial enterprises: big and small in both private and public sectors. The key industry verticals where your Company's products / solutions are used include power generation (conventional and nuclear), cement, infrastructure, automotive / auto components, heavy and light engineering, steel and metals amongst others. Some of the biggest and best names in the industry are your Company's customers.

The Company's facility at Khopoli has its quality system certified to ISO:9001-2008 standards by TUV Nord. Furthermore, the Chain Pulley Blocks made by your Company are "CE" certified as they meet the relevant European Machinery Directives. The Company has a bank of suppliers / vendors for the various components required by it and efforts are in progress to improve the quality and capabilities of the vendors and rationalize where required.

The products are distributed pan-India and abroad by a strong network of 44 Authorised Marketing Associates (distributors) and a further network of dealers associated with these AMAs. To enhance its market reach, the Company is in the process of ramping up its national presence with Regional Sales Offices in each of the regions. The Company has started a special emphasis on service considering its critical impact on customer satisfaction and its ability to act as a force multiplier for future sales. Your Company is also taking initiatives to ramp up its exports business.

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

Opportunities and Threats :

To meet the threat of national and international competitors of your Company in India, your Company took some aggressive steps to develop improved and advanced technology products, both with in-house developed technology and in association with some reputed international enterprises.

Your Company has developed and launched a new series of compact and modular Wire Rope Hoists designed with contemporary design technologies and incorporating internationally serviceable robust and proven components. The features available as standard or options, make this series of hoists comparable to the best hoists available internationally.

The Company has launched high quality mechanical handling equipment – Chain Pulley Blocks, Ratchet Lever Hoists and Pulling & Lifting machines in association with PlanetaHebetechnik GmbH, Germany. During the year, your Company also entered into an agreement with ZascheSitec Handling GmbH, Germany for offering manipulators to its customers. These sophisticated material handling solutions which are only one step short of robotics find application in automotive and engineering industries. Also, your Company also launched a new series of modern and ultra-compact electric chain hoists, wire rope hoists and jib cranes in cooperation with Varese Handling Technology srl.

These, in addition to the development and improvement activities carried out on the existing product line will enable your Company to effectively face the competition from local and international players who have established a base in India. In the process, your Company endeavours to evolve from being a supplier of material handling products to also be in a position to offer complete and even complex in plant material handling solutions that adds value to its customers.

Your Company also faces competition from the unorganised sector and cheap imports. While this will impact a certain portion of the market, especially in light of the recessionary economic conditions, the delays in infrastructure projects and investment plans of customers; we expect that the technological improvements effected in-house and with external technology will enable your Company to consolidate and strengthen its market position. Furthermore, in relation to export markets, these improvements will make the products far more technically acceptable.

Financial Review / Segment wise Performance :

The revenue from operations of the Company at Rs. 104.22 Crores is 15.72% less compared to last year's revenue from operations at Rs. 123.66 Crores. The net profit of Rs. 19.76 Crores is 30.74% less, as compared to last year's net profit of Rs. 28.53 Crores.

Segment Performance:

(₹ in Lakhs)

Name of the segment	Segment Revenue for the year 2013-14	Segment Revenue for the year 2012-13
Materials Handling Equipments	10,109.49	12,057.79
Windmill Segment	312.10	308.47

Internal Control Systems and their adequacy :

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

Risks and Concerns :

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

Business Out-look :

The year closed with the economic scenario still in a pessimistic mode though possibly poised for an upswing post the national elections. Even in light of any optimism, given the inherent nature of the capital goods industry, it would need some time for the effects to trickle down and reflect in the demand position as the customer segments will take time to evaluate the situation and commence any new investments. Not only the demand position, but the liquidity situation also needs to see improvement considering the risks involved.

Your Company faced a series of labour issues during the year that went by. While your Company has been a fair employer and has been offering superior compensation and benefits, the nature of the demands of the work force has not been commensurate with their experience and productivity. The Management is making every efforts to ensure smooth labour and industrial relations by increasing the breadth and depth of engagement with the work force as also taking other steps to ensure that a similar situation is not repeated.

Development in Human Resources / Industrial Relations front :

Your company recognizes the employees as critical asset of the organization and lays due emphasis on all round development of its human resources. At present, the Company has 121 employees comprising of engineers, marketing staff, commercial staff and workmen.

Cautionary Statement :

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

For and On behalf of the Board of Directors

PLACE : MUMBAI
DATED : 28 / 05 / 2014

Shekhar Bajaj
Chairman

**CORPORATE GOVERNANCE REPORT****COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE**

The Company always strives to achieve optimum performance at all levels by adhering to corporate governance practices and has put in place the systems to comply with all the rules, regulations and requirements mentioned in Clause 49 of the Listing Agreement.

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

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

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

Name of the Director	Category	No. of Shares held	Financial Year ended 31st March 2014		Other directorships	No. of Committee Position held in other Companies.	
			BMs	AGM		Chairman	Member
Shri Shekhar Bajaj- Chairman	NED (Promoter)	1,257,210	4	Yes	6	-	-
Shri Naresh Chandra	NED (Promoter)	-	3	Yes	-	-	-
Shri H A Nevatia	ED	1,600	4	Yes	-	-	-
Shri K F Jhunjunwala	NED (Independent)	880,000	4	Yes	-	-	-
Shri Vinaya L Mehrotra	NED (Independent)	-	3	Yes	1	-	-
Shri K C Uebel	NED (Independent)	-	-	No	-	-	-
Shri Mukul M Upadhyaya	NED (Independent)	-	4	Yes	-	-	-
Shri Gaurav V Nevatia	NED (Independent)	-	3	Yes	-	-	-
Shri Tushar P Shah	NED (Independent)	-	2	No	-	-	-
Shri Shailesh V Haribhakti (Alternate Director to Shri K C Uebel) *	NED	-	2	Yes	NA	NA	NA

[NED – Non Executive Director; ED - Executive Director; BMs- Board Meetings; * Shri Shailesh V Haribhakti resigned on 11th November 2013].

During the financial year under review, four Board Meetings were held on 29th May 2013, 7th August 2013, 11th November, 2013 and 6th February, 2014 and the Annual General Meeting of the Company was held on 7th August 2013.

Board Procedure

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

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

AUDIT COMMITTEE :

The terms of reference of this committee cover the matters specified for Audit Committee under Clause 49 of the Listing Agreements as well as in section 292A of Companies Act 1956. The Audit Committee comprised of Shri. Vinaya L Mehrotra, Chairman, Shri H A Nevatia, Shri Gaurav V Nevatia and Shri Kishorilal F Jhunjunwala, all of whom are Independent Directors, except Shri H A Nevatia.

During the year under review, the Audit Committee met four times, viz on 29th May 2013, 7th August 2013, 11th November, 2013 and 6th February, 2014. Shri H A Nevatia and Shri K F Jhunjunwala attended all four Meeting. Shri Vinaya L Mehrotra and Shri Gaurav Nevatia attended three meetings.

SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE :

The Shareholders'/Investors' Grievance Committee consists of two Non Executive Directors, viz. Shri Naresh Chandra, Chairman and Shri K F Jhunjunwala, Member. The Committee looks into the redressal of shareholders complaints and grievances, if any.

During the year under review, the Committee met on 21st March, 2014. Only one complaint was received by the Company from a shareholder. As on date of this report, there are no unresolved shareholders complaints. The Secretarial Department endeavours to resolve the shareholders complaints within 4 to 5 working days.

SHARE TRANSFER :

The Company has a Share Transfer Committee consisting of Shri Shekhar Bajaj, Shri Naresh Chandra and Shri H A Nevatia. The applications for transfer of shares are approved and the Certificates are dispatched /kept ready for delivery within 15 days of receipt, if the documents are complete in all respects.

COMPLIANCE/RISK OFFICER :

Shri Vijay Singh, General Manager (Finance & Accounts) is Compliance Officer of the Company and Shri Sandeep Sahasrabudhe, Manager (Internal Audit & Control) is Risk Officer of the company.

REMUNERATION OF DIRECTORS :

The Company has not formed a Remuneration Committee. All the Directors, other than the Whole-time Director, are paid remuneration by way of a sitting fee @ Rs.20,000/- for each of the Board / Committee Meeting attended by them. Shri H A Nevatia, Whole-time Director is paid a remuneration which is within the limits specified under the Companies Act, 1956. The details of remuneration paid to the Directors during the year 2013-14 are as follows:-

Name of the Director	Sitting fees for		Remuneration	Amount (Rs.)
	Board Meeting	Committee Meeting		
Shri Shekhar Bajaj	Yes	NA	NA	80,000/-
Shri K C Uebel	Yes	NA	NA	NIL
Shri Mukul M Upadhyaya	Yes	NA	NA	80,000/-
Shri Tushar P Shah	Yes	NA	NA	40,000/-
Shri Naresh Chandra	Yes	Yes	NA	80,000/-
Shri K F Jhunjunwala	Yes	Yes	NA	1,80,000/-
Shri Vinaya L Mehrotra	Yes	Yes	NA	1,20,000/-
Shri Gaurav V Nevatia	Yes	Yes	NA	1,20,000/-
Shri H A Nevatia-(Whole-time Director)	NA	NA	Yes	1,20,000/-+ Perks.
Shri Shailesh V Harihbhakti (Resigned on 11th November 2013)	Yes	NA	NA	40,000/-

DISCLOSURES REGARDING RE-APPOINTMENT /APPOINTMENT OF DIRECTORS :

Brief resumes of Directors seeking re-appointment are given below as per clause 49 (IV) (G) of the Listing Agreement:

1) Shri Naresh Chandra:

Shri Naresh Chandra, aged 79 years, is M.A. and Diploma in Business Administration (U.K.). He is an industrialist and he has been a Director of your Company since 20th September, 1972. He was the Managing Director of M/s. Kaycee Industries Limited from 1968 to 2002. He has vast experience in overall management. He is also Director of M/s. Endurance Technologies Ltd., M/s. Varroc Engineering Pvt. Ltd., M/s. Varroc Polymers Pvt. Ltd., M/s. Varroc Trading Pvt. Ltd., M/s. Durovalves India Pvt. Ltd., M/s. Varroc Exhaust Systems Pvt. Ltd. and M/s. Varroc Elastomers Pvt. Ltd.

2) Shri K F Jhunjunwala :

Shri K F Jhunjunwal, aged 77 years, is a diploma holder in textile manufacturing with distinction from VJIT, Mumbai. He is an industrialist having vast experience in business viz cotton, export-import, real estate development, stock broking etc. He is a member of National Stock Exchange of India Limited and sub-broker of Bombay Stock Exchange Ltd. He has been a Director of your Company since 16th March 1995. He became a director of east India Cotton Association in 1985 and was elected President on 23rd November 2002. He was the member of the Executive Committee of Indian Merchants Chambers, Mumbai and a Committee member of western region of FICCI. He is also connected with various trusts and social organisation. He is



past president and life member of Lions Club of Malad, Borivali. He is also director of the Bearbull Securities Private Limited, Shree Shakti Housing & Dev Pvt Ltd., JCO Component Pvt Ltd, Cotton Association of India.

3) Shri Vinaya L Mehrotra :

Shri Vinaya L Mehrotra, aged 87 years, has been a Director of your Company since 12th February, 1989. He is a commerce graduate from Allahabad University and is son of Shri Lalji Mehrotra – former Indian Ambassador to Burma (Myanmar) and Japan. He is an erstwhile Branch Manager of Bachhraj Trading Corporation Limited, Nagpur and Radio Lamp Works Limited, Patna. He has over 20 years experience as in-charge of production planning and distribution, sales and marketing of electrical and engineering goods in India and abroad. As the Commercial Manager of India Carbon Limited and later Area Manager of Assam Carbon Products Limited (an Indo-British Company) at Bombay, he was responsible for setting up of a chemical plant of the former and management including finance, accounts, marketing, etc. of electrical and industrial carbon products and liaison with railways for the latter. He is Director of M/s. Cheree Exports Pvt. Ltd. and Director of The Hindustan Housing Company Limited. He was the Vice-President of International Senior Citizens Association, Los Angeles (U.S.A.) for several years and President of various social service organizations. He is currently President of The Indo-Japanese Association working for the economic and cultural relations between the two countries. He is the Chairman of L.M. Technical Institute and Trustee of various Public Charitable Trusts working exclusively for educational and medical activities.

4) Shri Mukul M Upadhyaya :

Shri Mukul M Upadhyaya, aged 77 years, is a Director of your Company since 26th October, 2006. He retired as Senior Vice-President – Publicity & Promotions from M/s. Bajaj Electricals Limited in 1997, after working for 35 years there. Since 1997 he has been running his own advertising firm, viz. M/s. Touchstone Advertising & Marketing Services and he is the Chief Executive Officer of the firm. He has wide range of experience in advertising, publicity and promotions for over 49 years and he has held various positions in the field of advertising communication, such as, Chairman of The Advertising Standards Council of India, President of Indian Chapter of International Advertising Association, Advertising Club, Mumbai; member of Board of Governors, Media Research Users Council, etc. He has led many Indian delegations to Asian and World Advertising Congresses.

5) Shri Tushar P Shah :

Shri Tushar P Shah, aged 71 years, has been a Director of your Company since 30th January, 2007. His qualification is BE (Mech.), MS (Univ. of Florida, USA). He has 43 years of experience in Management and leadership including 23 years overseas during which he had occupied top management positions. He has managed a leading company in business of design & manufacture of cranes. He has also occupied honorary positions, such as, President of International Wire Machinery Association. He works on projects for copper processing, renewable energy, environment and education. He has co-authored papers on solar energy and power engineering and presented at International conferences in USA. He is Director of M/s. Antush Consultants Pvt. Ltd

6) Shri Gaurav V Nevatia :

Shri Gaurav V Nevatia, aged 41 years, has been a Director of your Company since 26th October, 2006. He is B.Com and M.M.S. (Finance) from Bombay University. His firm - Arrow Capital is engaged in investing in equities and other financial instruments. Arrow Capital is also a member of the National Stock Exchange of India Ltd. Shri Gaurav V Nevatia has a rich experience of 2 decades in the financial markets.

POSTAL BALLOT :

During the year 2013-14, the Company did not pass any resolution through Postal Ballot.

DISCLOSURES :

- i) The particulars/details of transactions between the Company and its related parties as per the Accounting Standards are set out in the Notes forming parts of the Accounts. These transactions are not likely to have any conflict with the Company's interest.
- ii) All details relating to financial and commercial transactions, where Directors may have a potential interest, are provided to the Board, and interested Directors neither participate in the discussion, nor do they vote on such matters.
- iii) The Company has laid down the procedures to inform Board Members about the risk assessment and mitigation procedures. The Board is periodically informed about business and other functional risks and its minimization procedures.
- iv) There are no instances of non-compliances by the company necessitating imposition of penalties, strictures on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.
- v) In preparation of financial statement, the Company has followed the applicable Accounting Standard referred to in Section 211 (3C) of the Companies Act 1956.
- vi) The Company has complied with all mandatory requirements under Clause 49 of the Listing Agreement and has not complied with non-mandatory requirements.

GENERAL MEETINGS OF THE COMPANY

Financial Year	Type of Meeting and Date	Venue	Time	No. of Special Resolutions	Details of Special Resolution
2012-13	Annual General Meeting on 07.08.2013	Kamalnayan Bajaj Hall, Bajaj Bhavan, Ground floor, 226, Nariman Point, Mumbai - 400 021	11.00 A.M.	1	Re-appointment of Shri H A Nevatia as a Whole-time Director for the period 22nd November 2012 to 21st November 2014.
2011-12	Annual General Meeting on 17.07.2012	Walchand Hirachand Hall, 4th floor, Indian Merchants Chamber, IMC Marg, Churchgate, Mumbai 400020	11.00 A.M.	-	-
2011-12	Extra-Ordinary General Meeting on 03.07.2012		12.00 Noon	1	Alteration in Article no. 4 of the Articles of Association in order to give effect of increase in authorised Capital from Rs. 20/- Million to Rs.40/- Million.
2010-11	Annual General Meeting on 27.07.2011	Kamalnayan Bajaj Hall, Bajaj Bhavan, Ground floor, 226, Nariman Point, Mumbai 400 021	11.00 A.M.	-	Re-appointment of Shri H A Nevatia as a Whole-time Director for the period 22nd November 2010 to 21st November 2012

MEANS OF COMMUNICATION TO THE SHAREHOLDERS :

- (i) The Company has its own web-site and all vital information relating to the Company and its performance, including quarterly results, annual report are placed on the web-site -**www.indef.com**.
- (ii) As required under Clause 47(f) of the Listing Agreement, the Company has set-up a designated e-mail ID (**Shareholders_grievance@indef.com**) exclusively for the shareholders/ investors to lodge their complaints/grievances and information about the said e-mail ID has been posted on the Company's website.
- (iii) The Investor Complaints are processed in a centralized web based Complaints redress system through SEBI SCORES.
- (iv) The Company promptly reports BSE Limited (BSE) and National Stock Exchange of India Limited (NSE), wherein its equity shares are listed, all the material information including declaration of quarterly/half yearly and annual financial results in the prescribed formats.
- (v) The Financial Results are communicated by way of an advertisement in '**Business Line**' in English and in '**Lokmat**' newspaper in Marathi having wide circulation, immediately after the results are approved at the Board Meeting.

GENERAL SHAREHOLDER INFORMATION :

(a)	Registered Office	Bajaj Bhawan, 2nd floor, 226, Jamnalal Bajaj Marg, Nariman Point, Mumbai 400 021.
(b)	Plant Location	Factory Location: Survey No. 43/2B, 43/5 and 45/2, Village Dhamani, Savroli Kharpada Road, Taluka Khalapur (near Khopoli), District Raigad, Pin Code 410202, Maharashtra Four Windfarms [1.25 M.W. capacity each]- situated at Khor-Titane, Amkhel, Phophade [All from Dhule District, Maharashtra]
(c)	Correspondence Address	Survey Nos. 43/2B, 43/5, 45/2, Village Dhamani, Savroli Kharpada Road, Taluka Khalapur, District : Raigad, Pincode : 410202, Maharashtra. Tel. (02192) 274135/274036/274087; Fax: (02192) 274325/274125; Email: indef@indef.com & shareholders_grievance@indef.com
(d)	Date, Time and Venue of Annual General Meeting.	Date and Time: 11th August 2014 at 11.30 a.m. Venue: Kamalnayan Bajaj Hall, Bajaj Bhawan, Ground Floor, 226, Jamnalal Bajaj Marg, Nariman Point, Mumbai 400021
(e)	Financial Year	1st April 2013 to 31st March 2014



(f)	Financial Calendar	a) First Quarterly Result – 7th August 2013 b) Second Quarterly Result- 11th November 2013 c) Third Quarterly result- 6th February 2014 d) Fourth Quarterly Result- 28th May 2014																																																																																																						
(g)	Tentative Financial Calendar for FY 2014-2015	a) First Quarterly Result – before 14th August, 2014 b) Second Quarterly Result- before 14th November, 2014 c) Third Quarterly result- before 14th February, 2015 d) Fourth Quarterly Result- before 30th May, 2015																																																																																																						
(h)	Dates of Book Closure	6th August 2014 to 11th August 2014																																																																																																						
(i)	Dividend and payment date	Dividend of Rs. 1.50/- per share has been recommended by the Board of Directors and subject to the approval of the members at the ensuing Annual General Meeting will be paid within 30 days from 11th August 2014.																																																																																																						
(j)	Bonus Issue to the shareholders since incorporation	<table><tr><th>Sl. No.</th><th>FY</th><th>Ratio of Bonus shares</th></tr><tr><td>1.</td><td>1975</td><td>1 : 1</td></tr><tr><td>2.</td><td>1979</td><td>1 : 1</td></tr><tr><td>3.</td><td>1985</td><td>1 : 3</td></tr><tr><td>4.</td><td>1997</td><td>1 : 1</td></tr><tr><td>5.</td><td>2006</td><td>1 : 1</td></tr><tr><td>6.</td><td>2012</td><td>1 : 1</td></tr></table>						Sl. No.	FY	Ratio of Bonus shares	1.	1975	1 : 1	2.	1979	1 : 1	3.	1985	1 : 3	4.	1997	1 : 1	5.	2006	1 : 1	6.	2012	1 : 1																																																																												
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6.	2012	1 : 1																																																																																																						
(k)	CIN & Listing Details	CIN: L45400MH1962PLC012385; ISIN: INE688E01024 1) BSE [SCRIP Code-505720] 2) NSE [SCRIP Code- HERCULES EQ]																																																																																																						
(l)	Registrar and Share Transfer Agent	Universal Capital Securities Pvt. Ltd. 21, Shakil Niwas, Opp. Satya Saibababa Temple, Mahakali Caves Road, Andheri (East), Mumbai 400 093. Tel. (022) 282072 03-04-05; 28257641; Fax : (022) 28207207 E-Mail : info@unisec.in; Website : http://www.unisec.in																																																																																																						
(m)	Investor Grievances Redressal System	The shareholder complaints are handled by the Company's Registrar and Share Transfer Agent M/s Universal Capital Securities Private Limited in consultation with the Secretarial Department of the Company																																																																																																						
(n)	Stock Exchange Data : <table><tr><th rowspan="2">Month</th><th colspan="3">BSE</th><th colspan="3">NSE</th></tr><tr><th>High</th><th>Low</th><th>Volume</th><th>High</th><th>Low</th><th>Volume</th></tr><tr><td>April 2013</td><td>130.50</td><td>107.35</td><td>763,960</td><td>130.00</td><td>107.00</td><td>1,966,629</td></tr><tr><td>May 2013</td><td>128.70</td><td>113.00</td><td>288,278</td><td>128.45</td><td>113.10</td><td>1,025,159</td></tr><tr><td>June 2013</td><td>122.20</td><td>93.30</td><td>88,725</td><td>116.80</td><td>93.25</td><td>227,328</td></tr><tr><td>July 2013</td><td>114.80</td><td>91.00</td><td>141,739</td><td>111.00</td><td>90.10</td><td>434,078</td></tr><tr><td>Aug. 2013</td><td>99.00</td><td>75.00</td><td>132,510</td><td>98.90</td><td>77.15</td><td>339,810</td></tr><tr><td>Sept. 2013</td><td>102.20</td><td>81.55</td><td>134,251</td><td>101.95</td><td>80.65</td><td>486,254</td></tr><tr><td>Oct. 2013</td><td>106.20</td><td>84.00</td><td>353,914</td><td>106.15</td><td>83.10</td><td>1,341,941</td></tr><tr><td>Nov. 2013</td><td>102.00</td><td>92.05</td><td>179,585</td><td>101.95</td><td>91.70</td><td>448,279</td></tr><tr><td>Dec. 2013</td><td>134.45</td><td>97.00</td><td>2,243,413</td><td>134.40</td><td>96.00</td><td>7,771,339</td></tr><tr><td>Jan. 2014</td><td>125.40</td><td>101.35</td><td>423,415</td><td>125.50</td><td>101.00</td><td>1,058,632</td></tr><tr><td>Feb. 2014</td><td>116.90</td><td>99.20</td><td>556,316</td><td>117.50</td><td>98.25</td><td>2,082,484</td></tr><tr><td>Mar. 2014</td><td>120.80</td><td>107.45</td><td>1,555,224</td><td>120.90</td><td>107.00</td><td>1,766,996</td></tr></table> <p>Note: High and Low are in rupees per traded share. Volume is the total monthly no. of shares traded (in numbers in the Company's shares on the respective stock Exchange)</p>							Month	BSE			NSE			High	Low	Volume	High	Low	Volume	April 2013	130.50	107.35	763,960	130.00	107.00	1,966,629	May 2013	128.70	113.00	288,278	128.45	113.10	1,025,159	June 2013	122.20	93.30	88,725	116.80	93.25	227,328	July 2013	114.80	91.00	141,739	111.00	90.10	434,078	Aug. 2013	99.00	75.00	132,510	98.90	77.15	339,810	Sept. 2013	102.20	81.55	134,251	101.95	80.65	486,254	Oct. 2013	106.20	84.00	353,914	106.15	83.10	1,341,941	Nov. 2013	102.00	92.05	179,585	101.95	91.70	448,279	Dec. 2013	134.45	97.00	2,243,413	134.40	96.00	7,771,339	Jan. 2014	125.40	101.35	423,415	125.50	101.00	1,058,632	Feb. 2014	116.90	99.20	556,316	117.50	98.25	2,082,484	Mar. 2014	120.80	107.45	1,555,224	120.90	107.00	1,766,996
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(o)

Shareholding pattern as on 31st March, 2014

Clearing Members
0.28%

Trust
0.08%

Directors and their relatives, not part of the Promoter Group
2.79%

Promoters
69.53%

Fls, Banks, etc.
0.07%

OCBs, NRIs, etc.
5.16%

General Public
20.41%

Corporate Bodies
1.68%

Particulars	No. of Equity Shares held	%
Promoters	22,248,730	69.53
Financial Institutions, Banks, etc.	21,185	0.07
Overseas Corporate Bodies, NRIs, etc.	1,652,631	5.16
General Public	6,532,281	20.41
Corporate Bodies	537,408	1.68
Clearing Members	88,182	0.28
Trusts	25,314	0.08
Directors and their relatives, not part of the Promoter Group.	894,269	2.79
Total	32,000,000	100.00

(p)

Dematerialization of shares:

The shares of the Company are in compulsory demat segment and available for trading in the depository systems of both National Securities Depository Limited [NSDL] and Central Depository Services (India) Limited [CDSL]. As on 31st March, 2014; 2,93,47,630 equity shares of the Company representing 91.71% of the Company's shares are held in electronic form.

The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments and as such, there is no impact on equity.

(q)

Distribution of Shareholding as on 31st March, 2014

No. of Equity Shares held	No. of share-holders	% of share-holders	No. of shares held	% of share-holding
Upto 500	8516	88.267	994,286	3.107
501 – 1000	553	5.732	443,272	1.385
1001 – 2000	281	2.913	442,130	1.382
2001 – 3000	74	0.767	183,546	0.574
3001 – 4000	59	0.612	218,765	0.684
4001 – 5000	23	0.238	106,717	0.333
5001 – 10000	46	0.477	324,728	1.015
10001 & above	96	0.995	29,286,556	91.520
Total	9648	100	32,000,000	100

(r)

CEO and CFO Certification under Clause 49 (V)

The President & CEO and General Manager (Finance & Accounts) of the Company has given annual certification dated 20th May 2014 on financial reporting and internal controls to the Board in terms of Clause 49 (V).

(s)

Certificate of Compliance with the Code of Conduct for Board of Directors and Senior Management Personnel:

To The Members of Hercules Hoists Limited

I, Prakash Subramaniam, President & CEO of the Company, hereby certify that all the Board Members and Senior Management Personnel of the Company have affirmed their compliance with the Code of Business Conduct & Ethics in accordance with Clause 49 (I) (D) of the Listing Agreement entered into with the Stock Exchanges, for the year ended 31st March 2014

Prakash Subramaniam
President & CEO

Khalapur, Date 14/04/2014



(t)	<p>Company's Recommendation to the Shareholders/Investors:</p> <ol style="list-style-type: none"> 1) Shareholders/Investors are requested to convert their physical holding to demat/electronic form through any of the Depository participants to avoid the risk involved in the physical shares. 2) Shareholders/Investors should provide ECS mandate to the Company in case of shares held in physical form and to depository participant for change in demat account details and register the bank account number for Electronic Clearing Services (ECS) in case of shares held in demat mode. This would facilitate in receiving direct credits of dividends to their account. 3) In Case of change, please update your address registered with the Company. 4) The unclaimed dividend amounting to Rs.68,220/- for the financial year 2005-06, has been transferred to the Investor Education and Protection Fund within the time stipulated by law in accordance with the provisions of Section 205(C) of the Companies Act, 1956. <p>Pursuant to the provisions of Investor Education and Protection fund (Uploading of information regarding unpaid and unclaimed amount lying with Companies Rules 2012), the Company has uploaded the details of unpaid and unclaimed amount lying with the Company as on 07/08/2013 at Annual general Meeting on the www.iepf.gov.in .</p>
(u)	<p>Compliance Certificate under Clause 49 (VIII):</p> <p>As required by Clause 49 of the Listing Agreement, Certificate of Compliance with the Corporate Governance Requirements by the Company issued by a Practising Company Secretary is attached.</p>

The above Report was adopted by the Board of Directors at their Meeting held on 28 / 05 / 2014.

On behalf of the Board of Directors

PLACE : MUMBAI
DATED : 28 / 05 / 2014

Shekhar Bajaj
Chairman

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

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

We have examined all relevant records of **Hercules Hoists Limited** (the "Company") for the purpose of certifying compliance of the conditions of Corporate Governance under Clause 49 of the Listing Agreement entered into with the BSE Limited and the National Stock Exchange Limited for the financial year ended **31st March 2014**. We have obtained all the information and explanations to the best of our knowledge and belief as were necessary for the purpose of this certification.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedure and implementation thereof. This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

On the basis of our examination of the records produced, explanations and information furnished, we certify that:

- a. the Company has complied with all the mandatory conditions of the said Clause 49 of the Listing Agreement.
- b. the Company has not complied with any of the non-mandatory requirements of the said Clause 49 of the Listing Agreement.

PLACE : THANE
DATED : 28 / 05 / 2014

S N ANANTHASUBRAMANIAN
C. P. NO.: 1774

INDEPENDENT AUDITOR'S REPORT

To the members of Hercules Hoists limited

Report on the Financial Statements

We have audited the accompanying financial statements of HERCULES HOISTS LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
 - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c. The reports on the accounts of the branches (location) audited by the branch auditors appointed under Section 228 of the Act have been forwarded to us and have been properly dealt with by us in preparing this report.
 - d. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - e. In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956 read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013.
 - f. On the basis of the written representations received from the Directors as on March 31, 2014, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of Section 274(1)(g) of the Act.

FOR AND ON BEHALF OF
M L BHUWANIA & CO.
CHARTERED ACCOUNTANTS
Firm's Registration No. 101484W

J P BAIRAGRA
PARTNER
MEMBERSHIP NO. 12839

PLACE : MUMBAI,
DATED : 28 / 05 / 2014

**Annexure referred to in paragraph titled as “Report on other Legal and Regulatory Requirements” of Auditor’s report to the members Hercules Hoists Limited for the year ended 31st March 2014.**

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

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, the fixed assets of the Company are physically verified by the Management according to a phased program designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the management during the year and discrepancies noticed between the book records and the physical inventories and have been properly dealt with the accounts.
- (c) In our opinion and according to the information and explanation given to us, there was no substantial disposal of fixed assets during the year.
- (ii) (a) During the year, the inventories have been physically verified by the management. In our opinion, the frequency of verification needs to be increased.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management needs to be strengthened in relation to the size of the Company and the nature of its business.
- (c) On the basis of our examination of the records of inventories, we are of the opinion that the Company is maintaining proper records of inventories. The discrepancies noticed on physical verification of inventories as compared to the book records have been properly dealt with in the books of account.
- (iii) The Company has neither granted nor taken any loans, secured or unsecured to/from companies, firm or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, clause 4 (iii) (a) to (g) of the Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us and based on our review, internal control system need to be strengthened for the purchase of inventory and fixed assets and for the sale of goods and services to make the internal control system commensurate with the size of the Company and the nature of its business. During the course of our audit, we have not observed any continuing failure to correct weakness in internal control system of the company.
- (v) (a) According to the information and explanation given to us, we are of the opinion that during the year, the particulars of the contracts/arrangements referred to in section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under that section.
- (b) According to the information and explanation given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956, and exceeding the value of rupees five lacs in respect of any party during the year except transactions of special nature for which alternate quotations are not available, in our opinion, have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) The Company has not accepted any deposits from the public during the year covered by the audit. Accordingly, clause 4 (vi) of the Order is not applicable to the Company.
- (vii) In our opinion, the company has an internal audit system commensurate with the size of the company and the nature of its business.
- (viii) The Central Government has prescribed maintenance of cost records under clause (d) of sub section (1) of section 209 of the Companies Act, 1956 and such accounts and records have been made and maintained by the Company. However, no detailed examinations of such records and accounts have been carried out by us.
- (ix) According to the records of the Company, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Income Tax, Sales Tax, Wealth Tax, Service Tax, Excise Duty, Customs Duty, Cess and other statutory dues applicable to it with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable were outstanding at the year end for a period of more than six months from the date they became payable except Municipal Tax of Rs. 3,259,850.

According to the records of the Company, there are no dues of Sales Tax, Wealth Tax, Customs Duty and Cess, which have not been deposited on account of any dispute. The following are disputed amounts in respect of Income Tax, Service tax and Excise Duty:

Name of the Statute	Nature of Dues	Amount (₹)	Period to which it relates	Forum where dispute is pending
Income-tax Act, 1961	Disallowance of deduction U/s 80HHC, Disallowance U/s 14A etc.	2,103,395	2002-03 To 2009-10	Commissioner of Income Tax (Appeals)
	Disallowance of depreciation, Disallowance U/s 14A, Vacancy Allowance etc.	61,083,606	2004-05 To 2008-09	Income Tax Appellate Tribunal
Central Excise Act, 1944	Non fulfillment of conditions for export, Service tax on royalty etc	1,133,154	1993-94 To 2008-09	Assistant Commissioner / Deputy Commissioner of Central Excise
	Demand of Excise duty on erection and commission service charges	582,418	2000-01 To 2005-06	Commissioner of Central Excise (Appeals)
	Excise duty on erection and commission service charges, advertisement etc	14,623,267	2000-01 To 2009-10	Central Excise Appellate Tribunal
	Demand for excise for non production of warehousing certificate, cenvat excess taken etc.	2,187,688	2012-13 To 2013-14	Superintendent of Central Excise
Central Sales Tax Act, 1958	Sales Tax Dues	19,930,051	2009-10	Deputy Commissioner of Sales Tax
Maharashtra Value Added Tax Act, 2002	Sales Tax Dues	9,145,075	2009-10	Deputy Commissioner of Sales Tax

- (x) The Company does not have accumulated losses at the end of the financial year March 31, 2014. Further, the Company has not incurred any cash losses during the financial year ended March 31, 2014 and in the immediately preceding financial year ended March 31, 2013.
- (xi) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to banks during the year. The Company has not taken any loans from financial institutions and has not issued debentures during the year.
- (xii) In our opinion and according to the information and explanation given to us, the Company has not granted any loans and advances during the year on the basis of security by way of pledge of shares, debentures and other securities. Accordingly, clause 4 (xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, the nature of activities of the Company does not attract any special statute applicable to chit fund and nidhi / mutual benefit fund / societies. Accordingly, clause 4 (xiii) of the Order is not applicable to the Company.
- (xiv) In our opinion and according to the information and explanation given to us, the company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, clause 4 (xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanation given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions. Accordingly, clause 4 (xv) of the Order is not applicable to the Company.
- (xvi) The Company has not taken any term loan during the year. Accordingly, clause 4(xvi) is not applicable to the Company.
- (xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment by the Company.
- (xviii) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- (xix) The Company has not issued any debentures during the year.
- (xx) The Company has not raised any money by way of public issue during the year.
- (xxi) Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit for the year ended March 31, 2014.

FOR AND ON BEHALF OF
M L BHUWANIA & CO.
CHARTERED ACCOUNTANTS
Firm's Registration No. 101484W

J P BAIRAGRA
PARTNER
Membership No. 12839

PLACE : MUMBAI,
DATED : 28/05/2014

**BALANCE SHEET AS AT 31.03.2014**

Particulars	Note No.	As at 31st March, 2014 ₹	As at 31st March, 2013 ₹
EQUITY AND LIABILITIES			
Shareholder's fund			
(a) Share Capital	1	32,000,000	32,000,000
(b) Reserve & Surplus	2	1,708,031,329	1,566,550,319
Non- current Liabilities			
(a) Deferred tax liabilities (net)	3	48,264,935	46,030,611
(b) Other long- term liabilities	4	3,702,400	3,102,400
Current liabilities			
(a) Short- term borrowings	5	-	5,477,518
(b) Trade payables	6	214,344,486	139,773,773
(c) Other current liabilities	7	30,636,143	26,229,587
(d) Short - term provisions	8	61,943,629	69,660,339
TOTAL		2,098,922,922	1,888,824,546
ASSETS			
Non - current Assets			
(a) Fixed assets	9		
(i) Tangible Assets		269,153,606	283,567,269
(ii) Intangible Assets		710,506	654,585
(iii) Capital work - in - progress		4,782,427	425,381
(b) Non - current Investment	10	397,794,767	242,794,767
(c) Long - term loans and advances	11	101,668,271	91,590,791
Current Assets			
(a) Inventories	12	310,262,217	252,309,600
(b) Trade receivables	13	316,665,679	251,754,974
(c) Cash & bank balance	14	233,662,889	378,256,826
(d) Short- term loans and advances	15	378,765,588	331,378,526
(e) Other current assets	16	85,456,972	56,091,829
TOTAL		2,098,922,922	1,888,824,546
Contingent Liabilities and commitments	17		

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

1 to 41

The notes referred above form an integral part of the Balance Sheet.

As per our report attached of even date

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

FOR AND ON BEHALF OF THE BOARD

J P BAIRAGRA
PARTNER
MEMBERSHIP NO. 12839

SHEKHAR BAJAJ
CHAIRMAN

H A NEVATIA
WHOLE TIME DIRECTOR

PLACE : MUMBAI
DATED : 28 / 05 / 2014

PLACE : MUMBAI
DATED : 28 / 05 / 2014

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

Particulars	Note No.	Year ended 31st March, 2014 ₹	Year ended 31st March, 2013 ₹
Revenue from operations	18	1,042,159,120	1,236,626,399
Other income	19	105,641,304	114,187,514
Total Revenue		1,147,800,424	1,350,813,913
Expenses:			
Cost of Materials Consumed	20	574,032,589	664,512,261
Purchase of Stock - in - Trade	21	41,774,349	1,994,089
Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	22	(21,405,136)	(14,651,425)
Employee benefit expenses	23	82,198,410	72,708,453
Finance Cost	24	-	1,011,239
Depreciation & amortization expenses	9	19,990,822	20,178,665
Other Expenses	25	169,943,992	195,372,664
Total Expenses		866,535,026	941,125,946
Profit before exceptional and extraordinary items & tax		281,265,398	409,687,967
Exceptional Items		-	-
Profit before extraordinary items and tax		281,265,398	409,687,967
Extraordinary Items		-	-
Profit before tax		281,265,398	409,687,967
Less : Tax expenses:			
(1) Current tax			
of Current year		80,497,000	120,199,000
of Earlier years		895,464	(1,035,138)
(2) Deferred tax		2,234,323	5,213,772
		83,626,787	124,377,634
Profit / (Loss) for the period	(A+B)	197,638,610	285,310,333
Earning per equity share:	26		
Basic and Diluted Earnings per Share (excluding Extraordinary Items, net of tax)		6.18	8.91
Basic and Diluted Earnings per Share (including Extraordinary Items, net of tax)		6.18	8.92

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

1 to 41

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

As per our report attached of even date

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

FOR AND ON BEHALF OF THE BOARD

J P BAIRAGRA
PARTNER
MEMBERSHIP NO. 12839

SHEKHAR BAJAJ
CHAIRMAN

H A NEVATIA
WHOLE TIME DIRECTOR

PLACE : MUMBAI
DATED : 28 / 05 / 2014

PLACE : MUMBAI
DATED : 28 / 05 / 2014


CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2014

	2013-14	2012-13
	₹	₹
A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax & Extraordinary Items	281,265,398	409,687,967
Adjustment for:		
Dividend Received	(25,777,958)	(17,048,265)
Depreciation /Amortisation	19,990,822	20,178,665
Interest income	(59,945,959)	(81,112,194)
Interest expense	-	148,286
Bad debts	-	1,145,000
Allowance for Bad Debts	3,883,503	2,160,683
Provision for Liquidated Damages (Net)	2,095,959	1,166,148
Provision For Incentive/Warranty (Net)	169,597	313,054
(Profit)/Loss on Sale of Long Term Investments (Net)	(10)	(1,916,000)
(Profit)/Loss on Sale of Assets/Discarded Assets (Net)	19,261	(7,515,185)
Excess Provision written back (Net)	(4,651,100)	(3,464,016)
Sundry balance written back (Net)	(70,815)	(1,303,144)
Exchange Rate Fluctuation (Net)	54,431	(167,093)
	(64,232,269)	(87,414,061)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		
CAPITAL CHANGES	217,033,129	322,273,906
ADJUSTMENTS FOR WORKING CAPITAL CHANGES :		
Long Term Loans & Advances	(948,160)	(41,224,048)
Short Term Loans & Advances	(56,062,873)	(64,206,756)
Other Current Assets	(18,683,313)	(13,698,677)
Trade Receivables	(69,355,341)	(32,680,635)
Inventories	(57,952,617)	(42,628,070)
Trade Payables	74,524,193	71,993,649
Short Term Provisions	896,579	(1,799,118)
Other Long Term Liabilities	600,000	750,000
Other Current Liabilities	7,177,204	(1,480,403)
	(119,804,328)	(124,974,057)
Cash Generated from Operations	97,228,801	197,299,849
Direct Taxes paid	(104,214,676)	(167,108,065)
NET CASH FROM OPERATING ACTIVITIES	(6,985,875)	30,191,784
B) CASH FLOW FROM INVESTING ACTIVITIES		
Loans Given	(30,000,000)	(5,062,500)
Purchase of Fixed Assets including Capital Work in Progress	(11,565,279)	(9,452,097)
Sale of Fixed Assets	123,987	9,729,476
Purchase of Non Current Investments	(189,999,990)	(36,867,494)
Sale of Non Current Investments	35,000,000	21,916,000
Interest Received	49,264,129	91,359,898
Dividend Received	25,777,958	17,048,265
	(121,399,194)	88,671,548
NET CASH USED IN INVESTING ACTIVITY	(121,399,194)	88,671,548

C) CASH FLOW FROM FINANCING ACTIVITIES

Repayment of Short Term Borrowings	(5,477,518)	(35,749,701)
Interest Paid	-	(148,286)
Dividend Paid (Inclusive of Dividend Distribution Tax)	(64,272,274)	(63,415,469)
	<u>(69,749,792)</u>	<u>(99,313,456)</u>
NET CASH USED IN FINANCING ACTIVITY	<u>(69,749,792)</u>	<u>(99,313,456)</u>
NET CHANGES IN CASH & CASH EQUIVALENTS(A+B+C)	(198,134,861)	19,549,876
OPENING BALANCE OF CASH & CASH EQUIVALENTS	207,826,020	188,276,144
CLOSING BALANCE OF CASH & CASH EQUIVALENTS	9,691,159	207,826,020
	<u><u>(19,81,34,861)</u></u>	<u><u>19,549,876</u></u>

Notes**1. Closing Balance of Cash & Cash Equivalents**

Cash and Cash Equivalents Includes:

CASH IN HAND	58,453	7,736
BALANCE WITH SCHEDULED BANKS		
- In Current Account	9,632,706	205,484,187
- In Bank Deposit Account	-	2,334,097
	<u>9,691,159</u>	<u>207,826,020</u>

2. Interest received on delayed payments from dealers of Rs.14,534,253 /- (Previous Year Rs.20,505,620/-) has been considered as cash flow from operating activities.
3. Previous year figures have been regrouped and rearranged wherever considered necessary to make them comparable with those of the current year.

As per our report attached of even date

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

J P BAIRAGRA
PARTNER
 MEMBERSHIP NO. 12839

PLACE : MUMBAI
 DATED : 28 / 05 / 2014

FOR AND ON BEHALF OF THE BOARD

SHEKHAR BAJAJ
CHAIRMAN

H A NEVATIA
WHOLE TIME DIRECTOR

PLACE : MUMBAI
 DATED : 28 / 05 / 2014

**SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS**

(Amount in Rupees)

1 SHARE CAPITAL

Particulars	2013-14	2012-13
Authorized Shares		
40,000,000 Equity shares, Re. 1/- par value		
(Previous Year 40,000,000 equity shares Re. 1/- par value)	40,000,000	40,000,000
	40,000,000	40,000,000
Issued, Subscribed and Fully Paid Up Shares		
32,000,000 Equity shares, Re. 1/- par value fully paid up	32,000,000	32,000,000
(Previous Year 32,000,000 equity shares Re. 1/- par value)		
Total Issued, Subscribed and Fully Paid Up Share Capital	32,000,000	32,000,000

Note No 1.1: The reconciliation of the number of shares outstanding at the beginning and at the end of reporting period 31-03-2014:

Particulars	No. of Shares	Amount	No. of Shares	Amount
Number of shares at the beginning	32,000,000	32,000,000	16,000,000	16,000,000
Add: Shares issued during the year	-	-	16,000,000	16,000,000
Less : Shares bought back (if any)	-	-	-	-
Number of shares at the end	32,000,000	32,000,000	32,000,000	32,000,000

Note No 1.2: Terms/rights attached to equity shares

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

Note No 1.3: Aggregate number of bonus shares issued and sub-division of shares during the period of five years immediately preceding the reporting date :

- (A) In the Financial Year 2008-09, 1,600,000 Equity Shares of Rs.10 each fully paid were sub-divided into 16,000,000 Equity Shares of Re.1 each fully paid up.
- (B) In the Financial Year 2012-13, 16,000,000 Equity Shares of Rs.1 each were allotted as fully paid-up Bonus Shares.

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

Name of the shareholder	No. of shares held	% held as at	No. of Shares	Amount
Bajaj Holdings & Investment Ltd.	6,251,040	19.53	6,251,040	19.53
Jamnalal Sons Pvt. Ltd.	4,151,680	12.97	5,221,680	16.32
Mrs. Sunaina Kejriwal	1,990,480	6.22	1,990,480	6.22
Bajaj Sevashram Pvt. Ltd.	1,868,000	5.84	1,868,000	5.84
Mr. Anant Bajaj	1,664,000	5.20	1,664,000	5.20

2 RESERVE & SURPLUS

Particulars	2013-14	2012-13
Capital reserve		
Opening Balance (As per last Balance Sheet) (A)	513,804	513,804
General reserve		
Opening Balance	1,516,036,515	1,347,243,382
Less : Capitalisation of Reserves by way of allotment of Bonus Shares	-	16,000,000
Add: Transferred from surplus	141,481,010	184,793,133
Less : Amount withdrawn	-	-
(B)	1,616,036,515	1,516,036,515
Surplus - Opening balance	50,000,000	15,000,000
Add: Net profit after tax transferred from Statement of Profit & Loss	197,638,610	285,310,333
Amount available for appropriation	247,638,610	300,310,333
Less : Appropriations		
Proposed Dividend	48,000,000	56,000,000
Dividend Tax	8,157,600	9,517,200
Amount transferred to general reserve	1,00,000,000	184,793,133
Surplus Closing Balance (C)	91,481,010	50,000,000
Total of Reserve & Surplus (A+B+C)	1,708,031,329	1,566,550,319

3 DEFERRED TAX LIABILITIES (NET)

Particulars	2013-14	2012-13
Deferred tax liabilities		
On account of difference in depreciation as per books and income tax	57,008,157	55,432,152
(A)	57,008,157	55,432,152
Less : Deferred tax assets		
On account of Expenses allowable under income tax on payment basis	3,914,318	2,975,384
On account of Voluntary Retirement Scheme	-	2,669,597
On account of Provision for warranty	452,479	296,610
On account of Allowance for Bad & Doubtful Debts	4,376,425	3,459,950
(B)	8,743,222	9,401,541
Total of Net Deferred Tax Liability (A - B)	48,264,935	46,030,611

4 OTHER LONG - TERM LIABILITIES

Particulars	2013-14	2012-13
Deposits	3,702,400	3,102,400
	3,702,400	3,102,400

**5 SHORT TERM BORROWINGS**

Particulars	2013-14	2012-13
Secured Loans		
Other Loans and Advances		
Working Capital Facilities from Bank (Refer Note No. 5.1 given below)	-	5,477,518
	-	5,477,518

Note No. 5.1 :

Secured by hypothecation of stock, book debts and secured by collateral security of fixed deposit of the Company.

6 TRADE PAYABLES

Particulars	2013-14	2012-13
Sundry Creditors For Goods (Refer Note No. 6.1 given below)	157,318,119	88,564,972
Sundry Creditors For Expenses (Refer Note No. 6.1 given below)	57,026,367	51,208,801
	214,344,486	139,773,773

Note No. 6.1 :

The company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures relating to amounts unpaid as at the year end together with interest paid / payable under this Act, have not been given. The same has been relied upon by the Auditors.

7 OTHER CURRENT LIABILITIES

Particulars	2013-14	2012-13
Unpaid Dividends	8,350,921	7,105,995
Advances From Customers	6,658,806	3,514,992
Sundry Creditors for Capital Goods	49,000	258,710
Other Liabilities		
Statutory Liabilities	4,525,339	3,475,983
Others	11,052,077	11,873,907
	30,636,143	26,229,587

8 SHORT TERM PROVISIONS

Particulars	2013-14	2012-13
Provision for Employee Benefits		
For Gratuity	330,375	-
Other Provisions		
Provision For Taxation	20,390	28,700
Proposed Dividend (Refer Note No 8.1 given below)	48,000,000	56,000,000
Corporate Dividend Tax (Refer Note No 8.1 given below)	8,157,600	9,517,200
Other Provisions(Refer Note No.36)	5,435,264	4,114,439
	61,943,629	69,660,339

Note No 8.1

The amount of per share dividend of Rs. 1.50 (Previous Year Rs. 1.75) has been proposed to be distributed to equity shareholders for the year ended 31/03/2014. The total amount of dividend shall be Rs. 56,157,600/- Including Dividend Distribution Tax Rs 81,57,600/- (Previous year dividend of Rs. 65,517,200/- Including Dividend Distribution Tax Rs. 9,517,200/-)

9 FIXED ASSETS

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2013	Addition during the year	Deduction during the year	As at 31.03.2014	Up to 01.04.2013	For the year	Deduction during the year	As at 31.03.2014	As at 31.03.2014	As at 31.03.2013
TANGIBLES ASSETS :										
Freehold Land	7,394,655	-	-	7,394,655	-	-	-	-	7,394,655	7,394,655
Leasehold Land	1,500,000	-	-	1,500,000	267,855	53,571	-	321,426	1,178,574	1,232,145
Buildings	100,844,585	161,918	-	101,006,503	13,348,709	2,448,668	-	15,797,376	85,209,127	87,495,876
Windmill Plant	231,253,191	-	-	231,253,191	90,771,095	12,210,168	-	102,981,264	128,271,927	140,482,096
Plant & Machinery	48,159,351	3,742,457	-	51,901,808	37,355,674	1,142,808	-	38,498,482	13,403,326	10,803,677
Computers	7,123,548	738,369	85,544	7,776,373	4,036,485	923,289	59,081	4,900,693	2,875,680	3,087,063
Jigs & Fixtures	7,530,504	-	-	7,530,504	5,153,066	306,798	-	5,459,864	2,070,640	2,377,438
Factory Fixtures	10,198,344	-	-	10,198,344	2,120,347	472,806	-	2,593,153	7,605,191	8,077,997
Machine Accessories	202,957	37,850	-	240,807	191,540	3,282	-	194,822	45,985	11,417
Dies & Patterns	188,650	-	-	188,650	139,005	10,000	-	149,005	39,645	49,645
Electrical Installations	12,733,652	4,140	-	12,737,792	3,845,283	572,612	-	4,417,895	8,319,897	8,888,369
Furniture & Fixtures	7,977,885	168,798	76,451	8,070,232	3,669,740	391,665	7,850	4,053,556	4,016,676	4,308,145
Office Equipments	3,257,918	421,220	50,874	3,628,264	1,095,305	149,604	2,690	1,242,219	2,386,044	2,162,613
Vehicles	9,051,509	-	-	9,051,509	1,855,376	859,893	-	2,715,269	6,336,239	7,196,133
TOTAL TANGIBLE ASSETS	447,416,748	5,274,752	212,869	452,478,632	163,849,480	19,545,165	69,620	183,325,025	269,153,606	283,567,268
Previous Year	435,993,260	14,486,915	3,063,427	447,416,748	145,063,094	19,635,531	849,136	163,849,480	283,567,268	290,930,167
INTANGIBLE ASSETS										
Computer Software	4,676,043	501,578	-	5,177,621	4,021,458	445,657	-	4,467,115	710,506	654,585
Technical Know-How	644,027	-	-	644,027	644,027	-	-	644,027	-	-
TOTAL INTANGIBLE ASSETS	5,320,070	501,578	-	5,821,648	4,665,485	445,657	-	5,111,142	710,506	654,585
Previous Year	5,249,412	70,658	-	5,320,070	4,122,351	543,134	-	4,665,485	654,585	1,127,061
TOTAL	452,736,818	5,776,330	212,869	458,300,280	168,514,965	19,990,822	69,620	188,436,168	269,864,112	284,221,852
Previous Year	441,242,672	14,557,573	3,063,427	452,736,818	149,185,445	20,178,665	849,136	168,514,965	284,221,852	-
C W I P - TANGIBLE										
Current Year	-	4,782,427	-	4,782,427	-	-	-	-	4,782,427	425,381
Previous Year	-	5,627,006	1,230,381	6,432,006	425,381	-	-	-	-	425,381

Note No. 9.1: Buildings

- Building include Rs. 500 being the cost of 10 shares of Bajaj Bhavan Owner's Co-operative Society of Rs. 50 each
- Gross block of Buildings includes Rs.Nil (Previous Year Rs. Nil), Net block of Rs.Nil towards cost of assets held for sale.


10 NON CURRENT INVESTMENT

Particulars	2013 - 2014			2012 - 2013	
	Face Value	Qty	₹	Qty	₹
Non Trade Investments					
Quoted					
Equity Instruments					
Bajaj Holdings & Investment Ltd.	10	286,094	103,225,208	286,094	103,225,208
Bajaj Auto Ltd.	10	182,590	20,662,787	182,590	20,662,787
Bajaj Finserv Ltd.	5	92,063	6,997,245	92,063	6,997,245
Bajaj Electricals Ltd.	2	554,937	101,909,527	554,937	101,909,527
Total Value of Quoted Investments			232,794,767		232,794,767
Aggregate market value of Quoted Investments Rs. 902,043,790/- (Previous Year Rs. 758,150,310/-)					
Unquoted					
Preference Shares					
9% Redeemable Preference Shares of Hind Lamps Ltd.	25	-	-	400,000	10,000,000
Mutual Funds					
SBI Magnum Income Fund	10	982,578.88	30,000,000	-	-
IDFC Dynamic Bond Fund	10	4,447,668.05	65,000,000	-	-
ICICI Prudential Short Term Plan	10	1,220,415.10	30,000,000	-	-
Birla Sun Life Income Plus Fund Growth	10	532,769.78	30,000,000	-	-
IDFC Prudential Short Term Plan - Growth	10	340,931.56	10,000,000	-	-
Total Value of Unquoted Investments			165,000,000		10,000,000
Total of Long Term Investments			397,794,767		397,794,767
Less : Provision for Diminution in the value of Investment			-		-
Net Value of Investment			397,794,767		397,794,767

11 LONG TERM LOANS & ADVANCES

Particulars	2013-14	2012-13
(Unsecured, Considered Good, unless specified otherwise)		
Capital Advances	1,262,193	40,000
Deposits	17,002,412	16,024,419
Other Loans and Advances		
Prepaid Expenses	45,849	117,344
Advance Tax	83,357,817	75,409,028
(Net of Provision for Taxation Rs. 201,591,464/- (Previous Year Rs. 389,126,508/-))		
	101,668,271	91,590,791

12 INVENTORIES

Particulars	2013-14	2012-13
Raw Material	245,457,032	208,447,090
Work in Progress	40,764,658	30,296,741
Finished Goods	17,358,099	6,420,880
Stores & Spares	6,597,059	6,809,983
Packing Material	85,369	334,906
	310,262,217	252,309,600

13 TRADE RECEIVABLES

Particulars	2013-14	2012-13
(Unsecured, Considered Good, unless specified otherwise)		
More Than Six Months (Refer Note No. 37)		
Considered Good	105,874,937	4,26,22,730
Considered Doubtful	12,875,626	1,01,79,319
Less : Allowance for Bad Debts	(12,875,626)	(1,01,79,319)
Others		
Considered Good	210,790,742	209,132,244
	316,665,679	251,754,974

14 CASH & BANK BALANCES

Particulars	2013-14	2012-13
Cash & Cash Equivalents		
Cash on Hand	58,453	7,736
Balances With Banks		
In Current Account	9,632,706	205,484,187
In Bank Deposits	-	2,334,097
Other Bank Balances		
In Unpaid Dividend Account	8,350,921	7,105,995
In Margin Money account (Refer Note No. 14.1 given below)	13,049,289	6,879,613
In Bank Deposits Account less than 12 Months for maturity	172,277,514	114,951,190
In Bank Deposits Account more than 12 Months for maturity	30,294,006	41,494,008
	233,662,889	378,256,826

Note No. 14.1

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

Note No. 14.2

Margin money deposits amounting to Rs. 13,049,289/- (Previous Year Rs. 6,879,613/-) are lying with bank against Bank Guarantees.

15 SHORT TERM LOANS & ADVANCES

Particulars	2013-14	2012-13
(Unsecured, Considered Good, unless specified otherwise)		
Deposits	3,509,906	2,383,099
Loans and Advances to Related Parties		
Loan to Companies	30,000,000	-
Other Loans & Advances		
Prepaid Expenses	5,730,720	9,651,451
Loan to Companies (Other than Related Parties)	260,000,000	260,000,000
Advance Tax	69,833,980	54,968,867
(Net of Provision for Taxation Rs.653,382,622/- (Previous Year Rs. 390,984,501/-)		
Balance with Central Excise	2,290,720	3,309,830
Loan and Advances to employees	44,282	63,752
Advance to suppliers	7,355,980	1,001,527
	378,765,588	331,378,526

**16 OTHER CURRENT ASSETS**

Particulars	2013-14	2012-13
Interest Receivable	25,233,338	14,130,914
Export Duty Draw Back	578,894	11,006
VAT Refund Receivable	57,802,974	41,929,953
Others	1,841,766	19,956
	85,456,972	56,091,829

17 a) CONTINGENT LIABILITIES :

Particulars	2013-14	2012-13
Disputed Income Tax Liability	127,211,592	122,765,412
Disputed Excise Duty & Service Tax Liability	22,124,338	15,501,457
Indemnity Bonds issued under Export Promotion Capital Goods (EPCG) Scheme	507,554	507,554
Claims against the company not acknowledged as debts	732,470	732,470
Sales Tax Liabilities related to pending C Form	35,732,960	44,394,630
Disputed Sales Tax Liabilities	29,075,125	
	215,384,039	183,901,523

b) COMMITMENTS

Particulars	2013-14	2012-13
Estimated Amounts of Contract remaining to be executed on Capital account and not provided for	383,890	-
	383,890	-

18 REVENUE FROM OPERATIONS

Particulars	2013-14	2012-13
Sale of Products (Refer Note No 18.1 given Below)	1,145,990,644	1,368,138,204
Other Operating Revenue		
Export Duty Drawback	430,996	30,515
Income from Erection & Commissioning Services	1,046,600	1,996,100
Scrap Sales	170,842	263,726
Less : Excise Duty	105,479,962	133,802,146
	1,042,159,120	1,236,626,399

Note No 18.1 : Sale of Products

Chain Pulley Blocks, Hoists, Trolleys, Stakers	936,647,027	1,223,552,171
Spares	132,813,106	111,744,764
Cranes	45,319,910	1,994,089
Sale of Power Units	31,210,602	30,847,179
	1,145,990,644	1,368,138,204

19 OTHER INCOME

Particulars	2013-14	2012-13
Interest Income (Refer Note No 19.1 given Below)	74,480,212	81,112,194
Dividend income on Long Terms Non-trade investments	25,777,958	17,048,265
Profit on Sale of Fixed Assets (Net)		7,534,474
Other non-operating income		
Profit on sale of Long Term Non Trade Investments (Net)	10	1,916,000
Commission Income	-	1,011,769
Provision no longer required, written back	4,651,100	3,464,016
Sundry Balance Written Off (Net)	63,234	1,303,144
Cash discount on Purchases of goods	317,782	707,844
Miscellaneous income	351,008	89,808
	105,641,304	114,187,514

Note No. 19.1 : Break-up of Interest received

Interest income from parties	14,534,253	20,505,825
Interest income on other deposit	116,299	16,468
Interest income on deposits with banks	26,029,660	24,865,400
Interest income on inter corporate deposits	33,800,000	35,724,501
	74,480,212	81,112,194

20 COST OF MATERIALS CONSUMED

Particulars	2013-14	2012-13
Opening Stock of Raw Material	208,447,090	180,080,652
Add : Purchases of Raw Material	611,042,531	692,878,699
	819,489,621	872,959,351
Less : Closing Stock of Raw Material	245,457,032	208,447,090
	574,032,589	664,512,261

Note No. 20.1 : Cost of Material Consumed

Castings	64,164,375	70,562,860
Forgings	26,883,406	40,688,150
Electric Motors	72,931,830	81,679,102
Steel	80,031,560	98,907,503
Chains	47,710,624	79,716,816
Others	282,310,795	292,957,830
Total	574,032,589	664,512,261

21 PURCHASE OF STOCK IN TRADE

Particulars	2013-14	2012-13
Traded Items		
Traded Goods (Refer Note No 21.1 as per given below)	41,774,349	1,994,089
	41,774,349	1,994,089
Note No. 21.1 : Traded Goods		
Hoists	41,774,349	-
Cranes	-	1,994,089
	41,774,349	1,994,089

**22 CHANGES IN INVENTORIES**

Particulars	2013-14	2012-13
Finished Goods		
Opening Stock	6,420,880	1,981,858
Closing Stock	17,358,099	6,420,880
Change in Stock of Finished Goods	(10,937,219)	(4,439,022)
Work In Progress		
Opening Stock	30,296,741	20,084,338
Closing Stock	40,764,658	30,296,741
Change in Stock of Work in Progress	(10,467,917)	(10,212,403)
Change in Inventories	(21,405,136)	(14,651,425)

23 EMPLOYEE BENEFIT EXPENSES

Particulars	2013-14	2012-13
Salaries, Wages and Bonus	54,015,158	48,459,135
Contribution to Provident and other fund	7,686,648	5,149,646
Staff Welfare Expenses	20,496,604	9,099,672
	82,198,410	72,708,453

24 FINANCE COST

Particulars	2013-14	2012-13
Interest Expense (Refer Note No 24.1 given below)	-	148,286
Other Borrowing Cost	-	862,953
	-	1,011,239
Note No. 24.1 : Break-up of Interest Expense		
Interest expense on Bank Borrowings	-	106,062
Interest expense on Income Tax	-	42,224
	-	148,286

25 OTHER EXPENSES

Particulars	2013-14	2012-13
Consumption of Stores and Tools (Refer Note No 34)	3,481,243	3,911,569
Manufacturing & Processing charges	26,229,640	31,964,209
Power & Fuel	3,348,778	3,511,388
Consumption of Packing Material (including packing Labour charges)	20,125,315	27,573,185
Repairs & Maintenance		
Plant & Machinery	940,659	1,119,605
Building	2,464,144	5,337,531
Others	548,785	864,861
Insurance Charges	765,000	695,377
Rent, Rates & Taxes	3,767,743	2,164,307
Erection and Commissioning Charges	654,243	1,665,465
Carriage outwards (Net)	21,452,778	26,943,491
Advertisement & Sales Promotion	9,941,731	9,368,930
Sales Incentive to Dealers	-	2,081,753
Discounts & Commission on sales	27,917,726	34,971,182
Warranty expenses	393,277	1,249,491

Particulars	2013-14	2012-13
Payment to Statutory Auditor (Refer Note No. 25.1 given below)	786,704	640,159
Directors' Fees	740,000	820,000
Directors' Remuneration	120,000	120,000
Fixed Assets Written Off	-	19,289
Loss on Sale of Fixed Assets (Net)	19,261	-
Exchange Rate Fluctuation (Net)	1,144,481	-
Bad Debts	-	1,145,000
Allowance for Doubtful Debts	3,883,503	2,160,683
Provision for Liquidated Damages	2,095,959	1,166,148
Miscellaneous expenses	39,123,022	35,079,041
	169,943,992	195,372,664

Note No. 25.1 : Payment to Statutory Auditors**(A) Payment to Statutory Auditors****As Auditors :**

Audit Fees (including Limited Review)	537,500	380,000
Tax Audit Fees	100,000	80,000
VAT Audit Fees	50,000	40,000
Towards Service Tax *	78,795	61,800
	766,295	561,800

In Other Capacity :

Certification	11,500	10,000
Income Tax matter	30,000	30,000
Out of pocket expenses	17,704	60,159
Towards Service Tax *	5,129	4,944
	64,333	105,103
	830,628	666,903

(B) Payment to Cost Auditors

Particulars	2013-14	2012-13
Audit Fees	40,000	40,000
	40,000	40,000
Total Auditors Remuneration	(A+B) 870,628	706,903

* Note: Out of above service tax credit of Rs. 83,924/- (Previous Year Rs.66,744/-) has been taken and the same has not been debited to Statement of Profit & Loss.

26 EARNING PER SHARE (EPS)

Earnings per Share (EPS) excluding extraordinary items (net of tax expense) – The numerators and denominators used to calculate Basic and Diluted Earnings per share:

Particulars	2013-14	2012-13
Profit/(Loss) before taxation and extra-ordinary items	281,265,398	409,687,967
Less : Provision for taxation (net of extra-ordinary items)	83,166,595	122,718,000
Less : Deferred tax (net of extra-ordinary items)	(435,272)	2,786,867
Less : Income Tax of earlier year	895,464	(1,035,138)
Profit/(Loss) attributable to the shareholders	197,638,610	285,218,238
Basic/Weighted average number of Equity Shares outstanding during the year	32,000,000	32,000,000
Face value of each Equity shares	1	1
Basic / Diluted Earnings per share	6.18	8.91

**Earnings per Share (EPS) including extraordinary items – The numerators and denominators used to calculate Basic and Diluted Earnings per share:**

Particulars	2013-14	2012-13
Profit/(Loss) attributable to the shareholders	197,638,610	285,310,333
Basic/Weighted average number of Equity Shares outstanding during the year	32,000,000	32,000,000
Face value of each Equity shares	1	1
Basic / Diluted Earnings per share	6.18	8.92

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

Particulars	2013-14	2012-13
Raw Materials & Components	32,033,352	37,632,973

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

Particulars	2013-14	2012-13
Number of Shareholder	1	1
Number of Shares	1,600,000	800,000
Amount remitted (in Rs.)	2,800,000	2,800,000
Financial Year	2012-13	2011-12
Nature of Dividend	Annual	Annual

29 EXPENDITURE IN FOREIGN CURRENCIES

Particulars	2013-14	2012-13
Travelling Expenses	938,324	414,278
Others	523,460	36,077

30 EARNINGS IN FOREIGN CURRENCIES

Particulars	2013-14	2012-13
Exports (on F.O.B. Basis)	26,699,841	4,071,328
Freight	1,037,513	381,195
Insurance	-	603

31 EMPLOYEE BENEFITS

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

Defined Contribution Plan

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

Particulars	2013-14	2012-13
Employer's Contribution to Provident Fund	2,782,870	2,345,554
Employer's Contribution to Superannuation Fund	2,632,351	1,924,419

Defined Benefit Plan

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

Sr.No.	Particulars	2013-14		2012-13	
		Leave Encashment ₹	Gratuity ₹	Leave Encashment ₹	Gratuity ₹
I	Assumptions				
(a)	Discount Rate	8.00%	8.00%	8.00%	8.00%
(b)	Salary Escalation	5.00%	5.00%	5.00%	5.00%
II	Changes in present value of obligations				
(a)	Present value of obligations as at the beginning of year	3,399,604	8,110,882	2,950,557	6,871,582
(b)	Interest cost	271,968	648,871	236,045	549,727
(c)	Current Service Cost	718,711	749,221	280,357	511,571
(d)	Benefits Paid	(3,006,325)	(4,429,038)	(934,599)	-
(e)	Actuarial gain on obligations	1,579,315	916,243	867,244	178,002
(f)	Present value of obligations as at the end of year	2,963,273	5,996,179	3,399,604	8,110,882
III	Changes in the fair value of plan assets				
(a)	Fair value of plan assets at the beginning of year	4,278,477	8,735,062	3,429,765	7,089,299
(b)	Expected return on plan assets	167,206	496,723	292,962	737,686
(c)	Contributions	2,629,001	863,057	1,490,349	908,077
(d)	Benefits paid	(3,006,325)	(4,429,038)	(934,599)	-
(e)	Actuarial gain on Plan assets	-	-	-	-
(f)	Fair value of plan assets at the end of year	4,068,359	5,665,804	4,278,477	8,735,062
IV	Fair value of plan assets				
(a)	Fair value of plan assets at the beginning of year	4,278,477	8,735,062	3,429,765	7,089,299
(b)	Actual return on plan assets	167,206	496,723	292,962	737,686
(c)	Contributions	2,629,001	863,057	1,490,349	908,077
(d)	Benefits Paid	(3,006,325)	(4,429,038)	(934,599)	-
(e)	Fair value of plan assets at the end of year	4,068,359	5,665,804	4,278,477	8,735,062
(f)	Funded status	1,105,086	(330,375)	878,873	624,180
(g)	Excess of Actual over estimated return on plan assets (Actual rate of return = Estimated rate of return as ARD falls on 31st March)	-	-	-	-
V	Actuarial Gain/Loss recognized				
(a)	Actuarial gain for the year -Obligation	(1,579,315)	(916,243)	(867,244)	(178,002)
(b)	Actuarial gain for the year - plan assets	-	-	-	-
(c)	Total gain for the year	1,579,315	916,243	867,244	178,002
(d)	Actuarial gain recognized in the year	1,579,315	916,243	867,244	178,002
VI	The amounts to be recognized in the balance sheet and statements of Profit and Loss				
(a)	Present value of obligations as at the end of the year	2,963,273	5,996,179	3,399,604	8,110,882
(b)	Fair value of plan assets as at the end of the year	4,068,359	5,665,804	4,278,477	8,735,062
(c)	Funded status	1,105,086	(330,375)	878,873	624,180
(d)	Net liability/(asset) recognized in balance sheet	1,105,086	330,375	878,873	624,180
VII	Expenses Recognised in statement of Profit & Loss				
(a)	Current Service cost	718,711	749,221	280,357	511,571
(b)	Interest Cost	271,968	648,871	236,045	549,727
(c)	Expected return on plan assets	(167,206)	(496,723)	(292,962)	(737,686)
(d)	Net Actuarial gain recognised in the year	1,579,315	916,243	867,244	178,002
(e)	Expenses recognised in statement of Profit & Loss Account	2,402,788	1,817,612	1,090,684	501,614
VIII	Percentage of each Category of Plan Assets to total Fair Value of Plan Assets.				
(a)	Administered by Life Insurance Corporation of India	100.00%	100.00%	100.00%	100.00%

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


32 RELATED PARTY DISCLOSURE
a) Details of nature of relationship

S.No.	Related Parties	Nature of Relationship
(i)	Bajaj Electricals Limited	Shri Shekhar Bajaj is Chairman & Managing Director
(ii)	Bajaj Finserv Ltd.	Relative of Shri Shekhar Bajaj, Shri Madhur Bajaj (Brother) is Director
(iii)	Hind Lamps Limited	Shri Shekhar Bajaj is Chairman
(iv)	Hind Musafir Agency Ltd.	Shri Shekhar Bajaj is Chairman
(v)	Hindustan Housing Co. Ltd.	Shri Shekhar Bajaj is Member
(vi)	Baroda Industries Pvt. Ltd.	Relatives of Shri Shekhar Bajaj, Smt. Minal Bajaj (Brother's Wife) & Shri Niraj Bajaj (Brother) are Directors
(vii)	Bajaj Allianz General Insurance Co. Ltd.	Relative of Shri Shekhar Bajaj, Shri Niraj Bajaj (Brother) is Director
(viii)	Bajaj International Pvt. Ltd.	Shri Shekhar Bajaj is Chairman
(ix)	Shri Shekhar Bajaj	Chairman (Key Management Personnel)
(x)	Bajaj Finance Limited	Relative of Shri Shekhar Bajaj, Shri Madhur Bajaj (Brother) is Director
(xi)	Shri H.A. Nevatia	Whole Time Director (Key Management Personnel)
(xii)	Shri Prakash Subramaniam	President & CEO (Key Management Personnel w.e.f. 01/04/2013 & Joint President from 01/01/2013 till 31/03/2013)
(xiii)	Shri M. S. Saigal	President & CEO (Key Management Personnel until 31/03/2013)

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

S.No.	Related parties	Nature of Transactions during the year	2013-14	2012-13
(i)	Bajaj Electricals Limited	Reimbursement of expenses	5,145	2,730
		Payable against Reimbursement of Expense	5,145	2,730
		Contribution in Equity Shares	-	31,427,644
(ii)	Bajaj International Pvt. Ltd.	Reimbursement of Electricity Charges	20,856	-
		Payment towards Electricity Charges	18,115	-
		Payable against Reimbursement of Electricity Charges	2,741	-
(iii)	Bajaj Finserv Ltd.	Contribution in Equity Shares	-	5,439,850
(iv)	Hind Lamps Limited	Interest received	-	2,084,775
		Interest Receivable	-	393,170
		Inter Corporate Deposit received back	-	24,937,500
(v)	Hind Musafir Agency Ltd.	Purchase of Travel Tickets	7,048,875	9,322,494
		Payment against Purchases	6,918,103	304,195
		Payable against Purchases	130,772	-
(vi)	Hindustan Housing Co. Ltd.	Office Maintenance Charges	261,727	268,365
		Deposit refund	-	76,100
		Deposit Receivable for Services	-	257,000
(vii)	Baroda Industries Pvt. Ltd.	Expenses for services received	-	117,234
(viii)	Bajaj Allianz General Insurance co. Ltd.	Payment towards Insurance Premiums	585,384	2,753,116
		Advance given against Insurance Premium	498,387	14,171
(ix)	Bajaj Finance Limited	Investment in Fixed Deposit	30,000,000	-
(x)	Shri H.A.Nevatia	Remuneration Paid (including Other benefits)	384,071	346,087
(xi)	Shri Prakash Subramaniam	Remuneration Paid (including Other benefits)	11,287,121	3,789,815
		Remuneration Payable	2,500,000	1,000,000
(xii)	Shri M.S.Saigal	Remuneration Paid (including Other benefits)	-	8,264,546
		Remuneration Payable	-	4,331,049

Note : The Company policy requires all transactions, including those with related parties to be on an "arms length" basis.

33 SEGMENT REPORTING**Segment Information for the year ended 31st March, 2014**

Information about primary business segment

Particulars	2013-14				2012-13			
	Segments			Total	Segments			Total
	Material Handling Equipment	Windmill Power	Unallocated		Material Handling Equipment	Windmill Power	Unallocated	
	₹	₹	₹	₹	₹	₹	₹	₹
Revenue								
Segment Revenue	1,010,948,518	31,210,602	-	1,042,159,120	1,205,779,220	30,847,179	-	1,236,626,399
Result								
Segment Results	186,613,861	11,520,732	-	198,134,592	313,298,597	11,462,398	-	324,760,995
Less: Unallocated corporate expenses net of Unallocated Corporate Income	-	-	83,130,806	83,130,806	-	-	85,033,034	85,033,034
Less: Interest (Net)	-	-	-	-	-	-	(106,062)	(106,062)
Less: Extra ordinary items	-	-	-	-	-	-	-	-
Profit Before Tax	186,613,861	11,520,732	83,130,806	281,265,398	313,298,597	11,462,398	84,926,972	409,687,967
Less: Provision for Tax (Net of Deferred Tax)	-	-	(82,731,323)	(82,731,323)	-	-	(125,412,772)	(125,412,772)
Net Profit After Tax & Before Prior Period Adjustments	186,613,861	11,520,732	399,483	198,534,075	313,298,597	11,462,398	(40,485,800)	284,275,195
Add : Prior Period Tax Adjustments	-	-	(895,464)	(895,464)	-	-	1,035,138	1,035,138
Net Profit After Prior Period Adjustments	186,613,861	11,520,732	(495,981)	197,638,610	313,298,597	11,462,398	(39,450,662)	285,310,333
Other Information								
Segment Assets	845,168,175	151,988,990	1,110,472,287	2,107,629,452	702,471,445	163,764,264	1,031,961,679	1,898,197,388
Segment Liabilities	242,081,445	-	125,516,678	367,598,123	164,971,718	-	134,675,351	299,647,069
Capital Expenditure	5,776,330	-	-	5,776,330	14,557,573	-	-	14,557,573
Depreciation / Amortisation	7,727,082	12,263,739	-	19,990,822	7,914,926	12,263,739	-	20,178,665

Notes :

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


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

Particulars	2013-14				2012-13			
	Raw-materials & Components		Spare Parts		Raw-materials & Components		Spare Parts	
	Value (in ₹)	%	Value (in ₹)	%	Value (in ₹)	%	Value (in ₹)	%
(i) Imported (Excluding imported material purchased locally)	36,331,127	6.33%	-	0.00%	25,955,051	3.91%	-	0.00%
(ii) Indigenous	537,701,462	93.67%	3,481,243	100.00%	638,557,210	96.09%	3,911,569	100.00%
Total	574,032,589	100.00%	3,481,243	100.00%	664,512,261	100.00%	3,911,569	100.00%

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

35 DERIVATIVES

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

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

Particulars	2013-2014		2012-2013		Foreign Currency
	Amount in Foreign Currency	₹	Amount in Foreign Currency	₹	
Receivables	1,712	168,992	1,767	143,816	GBP
	291,470	17,345,386	35,213	1,896,924	USD

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

Particulars	2013-2014		2012-2013		Foreign Currency
	Amount in Foreign Currency	₹	Amount in Foreign Currency	₹	
Payables	2,150	179,266	-	-	EURO
	9,420	569,345	9,676	529,196	USD

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

Note No. **	Provision Related to	Opening Balance	Additions	Utilisation	Reversal	Closing Balance
1.	Warranty	872,638	169,597	(296,047)	585,024	1,331,212
2.	Liquidated Damages	2,441,801	2,095,959	433,708	-	4,104,052
3.	Incentives to marketing employees	800,000	-	760,000	40,000	-
	TOTAL	4,114,439	2,265,556	897,661	625,024	5,435,264

**** Note:**

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

- 37 Balance of Debtors includes Rs. 62,487,231/- (previous year Rs. 26,922,959/-) which are overdue for which no provision has been made in the accounts as the Management is hopeful of recovery.
- 38 Unauthorised price increases of about Rs 2 crores may have been given to certain identified suppliers during earlier years. The services of the concerned employees have been terminated. Part payments to the concerned suppliers have been held back and purchases have been accounted for at invoiced values. Pending investigation and establishment of the excess price paid, the impact if any on the Statement of Profit and Loss and consequential impact on the Reserves & Liabilities could not be ascertained. Further few suppliers have filed winding up petition against the company for non payment of dues.
- 39 Balances of Trade Receivables, Trade Payables and Loans and Advances are subject to confirmation and consequential adjustment, if any.

40 Significant Accounting Policies

(A) Basis of Preparation of financial statement

The financial statements have been prepared under the historical cost convention on an accrual basis and comply in all material respects with the mandatory accounting standards and the relevant provisions of the Companies Act, 1956 and the Companies Act, 2013, wherever applicable.

(B) Inventories Valuation

Inventories are valued at the lower of cost and net realisable value. Cost of Finished and Semi-finished goods is at estimated cost and cost of Raw materials, Components and Spare Parts is at weighted average cost.

(C) Revenue Recognition

Sales are recognised when the significant risks and rewards of ownership of the goods are passed to the customer and with respect to services, when services are rendered. Sales are inclusive of excise duty but exclusive of sales tax / vat and trade discounts.]

(D) Fixed Assets & Depreciation / Amortisation

- (i) Fixed assets are stated at cost less accumulated depreciation.
- (ii) Depreciation is provided on Straight Line Method at the rates and in the manner specified in Schedule XIV of the Companies Act, 1956 except in case of Dies & Patterns which is depreciated @ 20%
- (iii) Cost of technical know-how is amortised over a period of six years.
- (iv) Computer software is capitalised where it is expected to provide future enduring economic benefits. Capitalisation costs include licence fees and costs of implementation / system integration services. The costs are capitalised in the year in which the relevant software is implemented for use. The same is amortised over a period of 5 years on straight-line method.
- (v) Leasehold Land is depreciated over the period of the Lease.

(E) Foreign Currency Transaction

- (i) Foreign exchange transaction are accounted at the exchange rate prevailing on the date of transaction. Resulted exchange differences arising on payment or conversion of liabilities are recognised as income or expense in the year in which they arise.
- (ii) At the year end all Foreign currency assets & liabilities are recorded at the exchange rate prevailing on that date. All such exchange rate difference on account of such conversion is recognised in the statement of Profit & Loss

(F) Investments

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

(G) Employee Benefit

- (i) Short term employee benefits are recognised as an expense at the undiscounted amounts in the Statement of Profit & Loss for the year in which the related service is rendered .
- (ii) Contribution payable to recognised provident fund and superannuation scheme which is defined contribution scheme is charged to Statement of Profit & Loss. Gratuity and Leave encashment which are defined benefits are accrued based on actuarial valuation as at Balance Sheet date by an independent actuary. The Company has opted for a Group Gratuity-cum-Life Assurance Scheme of the Life Insurance Corporation of India (LIC), and the contribution is charged to the Statement of Profit & Loss each year. The Company has funded the liability on account of leave benefits through LIC's Group Leave Encashment Assurance Scheme and the Contribution is charged to Statement of Profit and Loss.

**(H) Lease**

Lease rentals in respect of assets acquired under operating leases are charged off to the Statement of Profit & Loss as incurred. Lease rentals in respect of assets given under operating leases are credited to the Statement of Profit & Loss.

(I) Provision for Current Tax

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

(J) Impairment of Assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the management estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the assets belongs is less than its carrying amount, the

(K) Provisions and Contingent Liabilities

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

- 41** The previous year figures have been regrouped/reclassified, wherever necessary to conform to the current presentation as per the revised schedule VI.

As per our report attached of even date.

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

J P BAIRAGRA
PARTNER
MEMBERSHIP NO. 12839

PLACE : MUMBAI
DATED : 28 / 05 / 2014

FOR AND ON BEHALF OF THE BOARD

SHEKHAR BAJAJ
CHAIRMAN

H A NEVATIA
WHOLE TIME DIRECTOR

PLACE : MUMBAI
DATED : 28 / 05 / 2014

HERCULES HOISTS LIMITED

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

CIN: L45400MH1962PLC012385

PROXY FORM [Form No. MGT. 11]

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

Name of the Members _____ DP ID : _____
Registered address: _____ Client Id / Folio No : _____
_____ Email Id : _____

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

1) Name , address and email ID _____

Signature _____ or failing him
2) Name , address and email ID _____

Signature _____ or failing him
3) Name , address and email ID _____

Signature _____ as my/our

proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **52nd** Annual general meeting of the company, to be held on the **Monday of 11th August 2014 At 11.30 a.m. at Kamalnayan Bajaj Hall, Bajaj Bhavan, Ground floor, 226, Nariman Point, Mumbai 400 021** and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolutions

1. _____ 8. _____
2. _____ 9. _____
3. _____ 10. _____
4. _____
5. _____
6. _____
7. _____

Signed this..... day of2014

Please affix
Re.1/-
Revenue
stamp

Signature of shareholder

Signature of Proxy Holders

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

TEAR HERE

TEAR HERE

TEAR HERE



HERCULES HOISTS LIMITED

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



ATTENDANCE SLIP

52nd Annual General Meeting on Monday, 11th August 2014 at 11.30 a.m. at Kamalnayan Bajaj Hall, Bajaj Bhavan, Ground floor, 226, Nariman Point, Mumbai 400 021.

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

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

Shareholders at the Khopoli Factory



AMA's (Dealers) Conference at Budapest, Hungary



HERCULES HOISTS LIMITED

CTS No. 43/5, Village Dhamani, Taluka Khalapur, Khopoli, Dist. Raigad,
Maharashtra - 410 202. India.

Tel.: + 91 (0) 2192-274036 / 274087 / 274135 Fax: + 91 (0) 2192-274325

E-mail: enquire@indef.com Website: <http://www.indef.com>