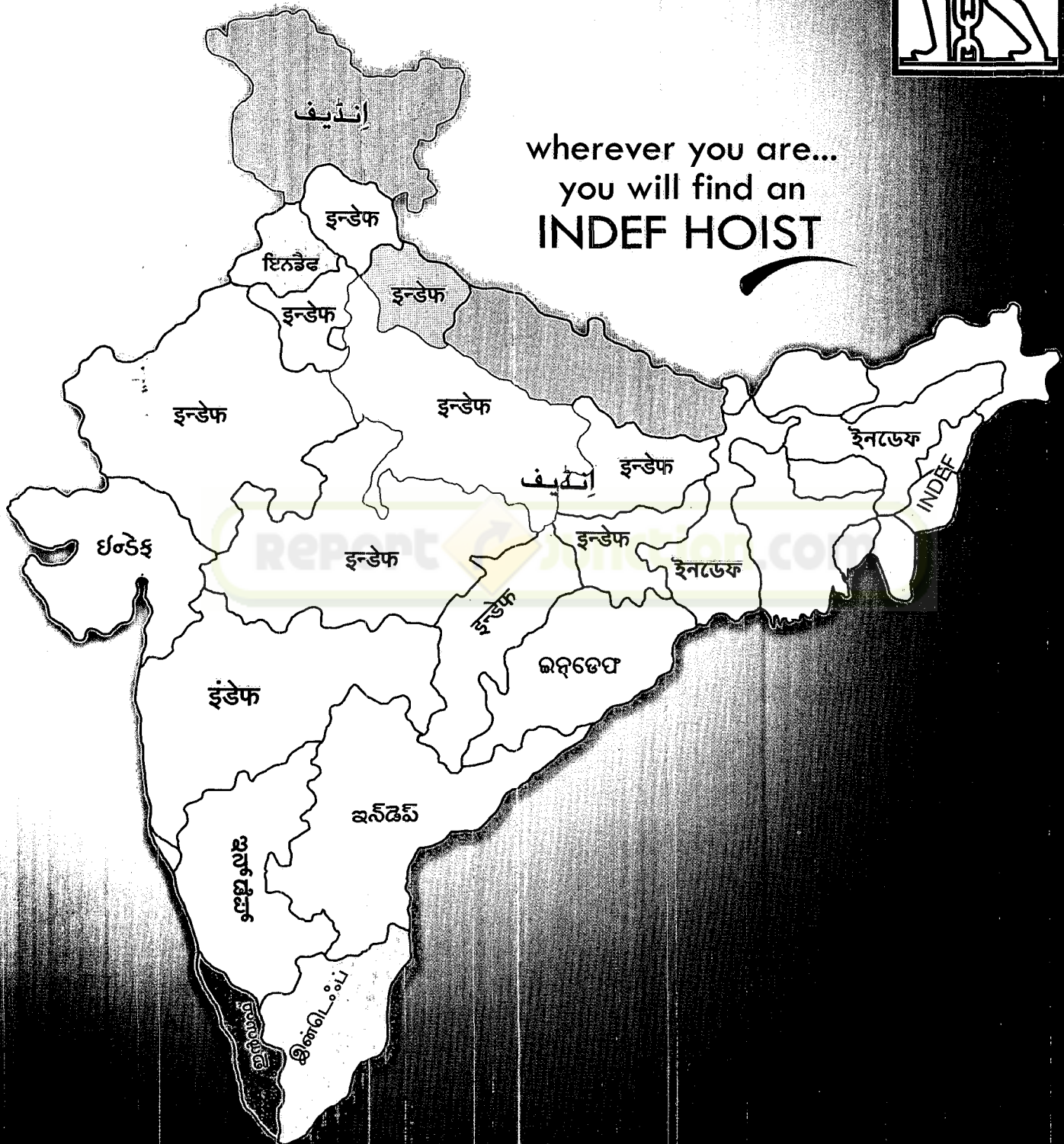
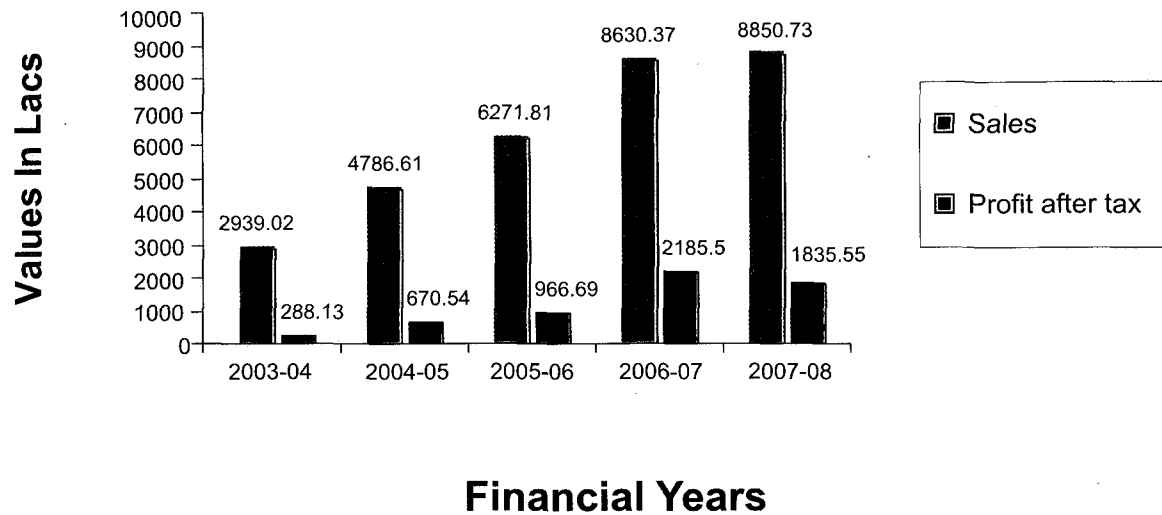


wherever you are...
you will find an
INDEF HOIST

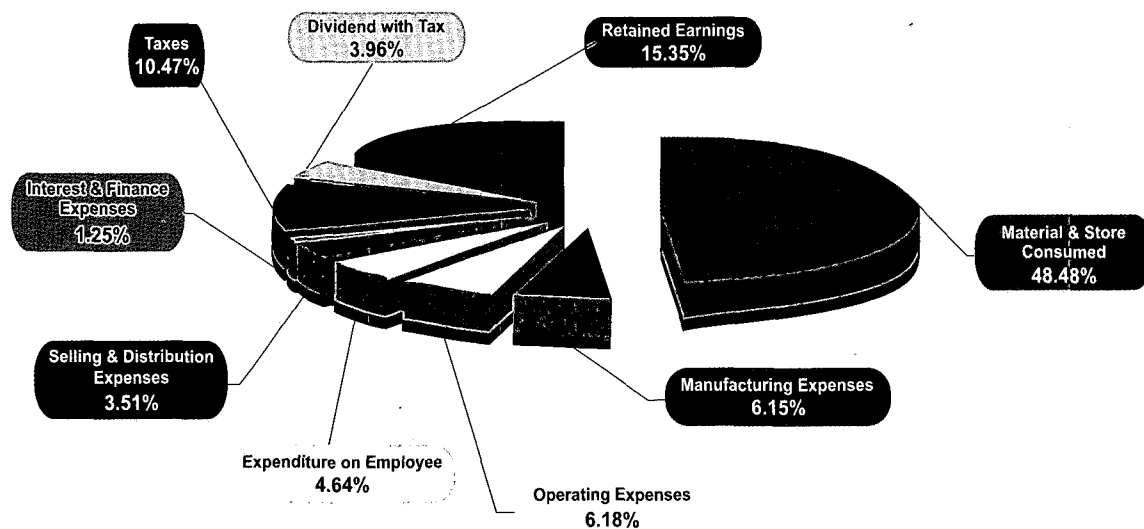


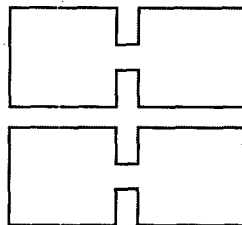
ERCOLAS HOISTS LIMITED
46th ANNUAL REPORT 2007-2008

Sales & Profit Analysis for last 5 years



Distribution of Revenue (Sales & Other Income) for the Financial Year 2007 - 08





HERCULES HOISTS LIMITED

46th ANNUAL REPORT 2007-2008

BOARD OF DIRECTORS

SHEKHAR BAJAJ – Chairman

KLAUS CARL UEBEL

NARESH CHANDRA

VINAYA L. MEHROTRA

KISHORILAL F. JHUNJHUNWALA

E. B. DESAI

SHAILESH V. HARIBHAKTI

MUKUL M. UPADHYAYA

GAURAV V. NEVATIA

TUSHAR P. SHAH

H. A. NEVATIA – Whole Time Director

PRESIDENT & CEO

M. S. SAIGAL

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BANKERS

BANK OF MAHARASHTRA

AUDITORS

M. L. BHUWANIA & CO.

Chartered Accountants

REGISTERED OFFICE

110, Minerva Industrial Estate,
Mulund (West), Mumbai – 400 080.

ANNUAL GENERAL MEETING

on Friday,

25th July, 2008

at 11:30 A.M.

at Kamalnayan Bajaj Hall, Bajaj Bhavan,
Ground Floor, 226, Jamnalal Bajaj Marg,
Nariman Point, Mumbai - 400 021

**Shareholders are requested
to bring with them the
Attendance Slip on page 35
and their copy of the Balance Sheet**

HERCULES HOISTS LIMITED

Regd. Office: 110, Minerva Industrial Estate, Mulund (West), Mumbai - 400 080.
Tel. 91-22-25680381, Fax : 91-22-25683933, E-Mail indef@bom5.vsnl.net.in, Website : www.indef.com

NOTICE

NOTICE is hereby given that the **Forty Sixth 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 400 021, on Friday, the 25th day of July, 2008, at 11.30 A.M. to transact the following business :-

1. To receive, consider and adopt the audited Profit and Loss Account for the year ended 31st March, 2008 and the Balance Sheet as at that date and Report of Directors and Auditors thereon.
2. To declare dividend.
3. To appoint a Director in place of Shri Vinaya L. Mehrotra, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri Naresh Chandra, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Shri K. F. Jhunjhunwala, who retires by rotation and being eligible, offers himself for re-appointment.
6. To appoint Auditors of the Company for the period commencing from the conclusion of this Meeting till the conclusion of the next Annual General Meeting of the Company and to fix their remuneration

AS SPECIAL BUSINESS :

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

"RESOLVED THAT pursuant to the provisions of Section 94(1)(d) and other applicable provisions, if any, of the Companies Act, 1956 and pursuant to Article 4 of the Articles of Association of the Company and such other approvals and consents as may be required from the Stock Exchanges, the Depositories and other statutory authorities, the approval of the Members, be and is hereby given to Sub-divide one Equity Share of Rs. 10/- each fully paid-up to 10 Equity Shares of Rs. 1/- each fully paid-up, of the Equity Share Capital of the Company."

"RESOLVED FURTHER THAT the Board of Directors, be and is hereby authorised to take such actions, as may be necessary and incidental and to agree to such terms and conditions, if any, as may be prescribed by the Stock Exchanges, the Depositories and other statutory authorities and delegate all or any of the powers hereby vested in the Board for the purposes of implementing the sub-division of the Equity Share Capital of the Company."

"RESOLVED FURTHER THAT pursuant to the provisions of Section 16 and other applicable provisions, if any, of the Companies Act, 1956, the Clause V of the Memorandum of Association of the Company be altered to read as follows:

"The Authorised Share Capital of the Company is Rs.20,000,000/- (Rupees Twenty Million only) divided into 20,000,000 (Twenty Million) equity shares of Re.1/- each with power to increase or reduce the capital, to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, qualified or special rights, privileges and conditions as may be determined by or in accordance with the Companies Act, 1956, for the time being in force and the regulations of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may, for the time being, be provided by the regulations of the Company."

"RESOLVED FURTHER THAT pursuant to the provisions of Section 31 and other applicable provisions, if any, of the Companies Act, 1956, the Article 4 of the Articles of Association of the Company be altered to read as follows:

"The Authorised Share Capital of the Company is Rs.20,000,000/- (Rupees Twenty Million only) divided into 20,000,000 (Twenty Million) equity shares of Re.1/- each, subject also, to be increased or reduced in accordance with Company's regulations and the legislative provisions for the time being in force, in this behalf and with power to divide the share in the capital, for the time being into Equity Share Capital and Preference Share Capital, and to attach thereto respectively, any preferential, qualified or special rights, privileges or conditions."

EXPLANATORY STATEMENT FOR ITEM NO. 7, PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

Currently the Company has a small capital base and the number of its floating Shares in Stock Market is quite minimal. With a view to increase the number of floating Shares and increase the liquidity in Stock Market, the Board has recommended sub-division of the face value of the Equity Shares from Rs. 10/- (Rupees Ten only) to Rs.1/- (Rupee One only) each. This will facilitate the small investors to purchase the Shares of the Company.

To achieve this objective, the Company needs to alter its Memorandum and Articles of Association and your Directors recommend the Special Resolution as set out in item No. 7 of the accompanying notice, for your consideration and approval.

Mr. Shekhar Bajaj, Mr. K. F. Jhunjhunwala, Mr. E. B. Desai and Mr. H. A. Nevatia, Directors, are deemed to be interested in the Resolution to the extent of the equity shares held by them. No other Director is interested or concerned in the said Resolution.

The Members, holding Equity Shares in physical form, are requested to dematerialise their Shares at the earliest, so that, the effect of sub-division of their Shares could be given in their Demat Account quickly and economically.

NOTES :

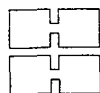
1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER. IN ORDER TO BE EFFECTIVE, THE PROXY FORM DULY COMPLETED AND STAMPED MUST REACH THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE TIME OF HOLDING THE MEETING.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from Friday, the 18th July, 2008 to Friday, the 25th July, 2008, both days inclusive.
3. Payment of Dividend, if sanctioned, will be made on or after 25th July, 2008, to those shareholders, whose names appear in the Register of Members of the Company as on 25th July, 2008.
4. Members are requested to notify immediately any change of address to the Company.

On behalf of the Board of Directors

Place : Mumbai
Dated : 21st May, 2008.

Shekhar Bajaj
Chairman





HERCULES HOISTS LIMITED

DIRECTORS' REPORT

Dear Shareholders,

We are pleased to present our 46th Annual Report together with the Audited Financial Accounts for the year ended 31st March, 2008:

01. Financial Results	Current Year Rupees	Previous Year Rupees
Sales (Net)	906,938,107	887,074,463
Gross Profit	299,384,553	333,051,674
Depreciation	17,554,584	16,999,276
Profit after Depreciation	281,731,951	316,052,398
Provision for taxation for the year (including deferred tax/Fringe Benefit tax)	98,176,928	97,502,184
Net Profit after tax	183,555,023	218,550,214
Earlier year's income-tax adjustment	(889,011)	(1775790)
Balance brought forward	15,000,000	15,000,000
Profit available for appropriation	197,666,012	231,774,424
Interim Dividend	-	32,000,000
Proposed Dividend	32,000,000	-
Corporate Tax on Dividend	5,438,400	4,488,000
Transferred to General Reserve	145,227,612	180,286,424
Balance carried to BALANCE SHEET	15,000,000	15,000,000

02. The Directors recommend for consideration of the shareholders at the Annual General Meeting payment of dividend of Rs.20.00 per share for the year ended 31st March, 2008, as against Rs.20.00 per share in the last year.
03. The Sales of the Company are higher as compared to previous year by Rs. 19,863,644/- (2.24%). The order book remains good. The buildings for the new factory and office at Khopoli, District Raigad, Maharashtra, are under construction. Hopefully, the production is expected to start by the third Quarter of Financial Year 2008-09, thereby increasing the capacity substantially. The Directors expect the growth momentum to continue in the current year.
04. The Company has installed capacity of 5.00 M.W. with investment of Rs.25.00 Crores in wind energy business. 38.26 lakhs units of energy were produced in the year 2007-08, as against 42.98 lakhs units of energy produced in the year 2006-07.
05. The Company's Equity Shares have been listed with National Stock Exchange of India Limited with effect from 19th February, 2008. The Board of Directors have recommended a proposal, for the approval of the shareholders in the ensuing Annual General Meeting, to sub-divide the Equity Shares of the Company from the existing Rs. 10/- each to Re. 1/- each. To comply with the requirements of Corporate Governance pursuant to Clause 49 of the Listing Agreement with The Bombay Stock Exchange Limited and National Stock Exchange of India Limited, a Management Discussion and Analysis Statement, Corporate Governance Report and the Practising Company Secretary's Certificate are included in the Annual Report.
06. Pursuant to Section 217 (2AA) of the Companies Act, 1956, the Directors, based on the information/representations received from the Management, confirm that :
 - (i) in the preparation of the annual accounts, the applicable standards have been followed and that no material departures have been made from the same;
 - (ii) 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;
 - (iii) 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
 - (iv) the annual accounts are prepared on a going concern basis.
07. Shri Vinaya L. Mehrotra, Shri Naresh Chandra and Shri K. F. Jhunjhunwala, Directors of the Company retire by rotation and being eligible, offer themselves for re-appointment.
08. You are requested to appoint Auditors for the period from the conclusion of the ensuing Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.
09. The relationship with the employees continued to be cordial throughout the year.
10. 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.

11. Particulars with regard to employees as required by Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 and forming an integral part of the Directors' Report are given in Annexure-II hereto.
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.

On behalf of the Board of Directors,

Place : Mumbai
Date : 21st May, 2008.

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 :-
Power and Fuel Consumption

Particulars	Current Year	Previous Year
1. Electricity:		
(a) Purchased		
Units	491046	489250
Total Amount (Rs.)	2,583,480	2,557,180
Rate/Unit (Rs.)	5.26	5.23
(b) Own Generation		
Through Diesel Generator		
Units	45366	60906
Units per litre of Diesel Oil	5.04	4.41
Diesel Cost (Rs.)	322,434	516,744
Rate/Unit (Rs.)	7.10	8.48
2, 3 & 4. Coal, Furnace Oil, Others/Internal Generation	Nil	Nil

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 has, during the year, focused on products and processes enabling the Company to establish a competitive edge in Indian as well as international markets, from a long term perspective. The development of new range of Wire Rope Electric Hoists (WRH-N) and Steel Mill Duty Wire Rope Electric Hoists have been completed and have been taken up for production. The Company's engineers have continued to improve the design and quality of the existing products.

C. Foreign Exchange Earnings & Outgoings:

Particulars	Current Year	Year Previous
(i) Foreign Exchange Earnings	37,045,987	38,681,945
(ii) Foreign Exchange Outgo	39,493,149	29,934,726

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, 2008 is given below.

Name	Designation & Nature of Duties	Remuneration (Gross) Rupees	Remuneration (Net) Rupees	Qualification	Age (Years)	Experience No of Years	Date of commencement of employment	Last employment and designation (Period of Service)
Shri. M.S. Saigal	President & C.E.O.	5,603,168/-	3,237,246/-	A.I.M.E., M.B.M.	66	45	10.10.1990	Works Manager Sesa Goa Ltd. (10 years)

Notes :

- The appointment of Shri. M.S. Saigal is on contractual basis.
- 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, car expenses, etc.
- Shri M.S. Saigal is not related to any Director of the Company.

COMPLIANCE CERTIFICATE

To:

The Members

HERCULES HOISTS LIMITED

110, Minerva Industrial Estate,

Mulund (West), Mumbai - 400 080

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 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 2008. 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 as stated in **Annexure 'B'** to this Certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made thereunder.
3. The Company, being a public limited Company, comment under this paragraph is not required.
4. The Board of Directors of the Company duly met **four** times respectively on 11th June 2007, 27th July 2007, 29th October 2007 and 25th January 2008 and in respect of these 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 20th July 2007 to 27th July 2007 (both days inclusive) and necessary compliance of Section 154 of the Act has been made. The Company had also fixed a record date on 20th March, 2007 for the purpose of ascertaining the shareholders entitled to receive interim dividend for the Financial Year 2006-07.
6. The Annual General Meeting for the financial year ended on 31st March 2007 was held on 27th July 2007 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extraordinary General Meeting was held during the financial year 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.
9. The Company has not entered into any contracts falling within the purview of Section 297 of the Act.
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. As there were no instances falling within the purview of Section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, members or Central Government, as the case may be.
12. No duplicate share certificates were issued during the financial year under review.
13. The Company:
 - i. has 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. had deposited the amount of interim dividend for the FY 2006-07 declared on 12th March, 2007 within 5 days from the date of declaration in a separate bank account.
 - iii. had paid / posted demand draft for dividends to all members within a period of 30 (thirty) days from the date of declaration.
 - iv. has transferred to Investor Education and Protection Fund, an amount of Rs.13,426/- in respect of matured deposit/unclaimed interest on fixed deposit which remained unclaimed or unpaid for a period of seven years. Apart from the aforesaid, the Company did not have amounts in the unpaid dividend account; application money due for refund, matured debentures and the interest accrued thereon, which remained unclaimed or unpaid for a period of seven years.
 - v. has duly complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. The Board had appointed 3 additional Directors, viz Mr. Mukul M. Uppadhaya, Mr. Gaurav V. Nevalia and Mr. Tushar P. Shah, whose appointments were confirmed in the Annual General Meeting held on 27th July, 2007.

15. The appointment of Mr. H A Nevatia as Whole-time Director of the Company which has been made in accordance with the provisions of Section 269 read with Schedule XIII to the Act.
16. The Company has not appointed any sole selling agents during the financial year under review.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar of Companies and / or such authorities as prescribed under the various provisions of the Act.
18. The Directors have disclosed their interest in other firms / companies to the Board of Directors and complied with the provisions of the Act.
19. The Company has not issued any shares, debentures or other securities during the financial year under review.
20. The Company has not bought back any shares during the financial 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. There were no transactions necessitating the Company to keep in abeyance the rights of dividend, rights shares and bonus shares pending registrations of transfer of shares.
23. The Company has not invited / accepted any deposits including any unsecured loans within the purview of Section 58A during the financial year under review.
24. The amount borrowed by the Company from Directors, members, public, financial institutions, banks and others during the financial year ending 31st March, 2008 are within the borrowing limits of the Company.
25. The Company has made loans and investments in compliance with the provisions of the Act and has made necessary entries in the Register kept for the 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 altered the provisions of the Memorandum of Association of the Company with respect to the objects of the Company during the financial 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 financial 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 financial year under review.
30. The Company has not altered the Articles of Association of the Company with respect to share capital during the financial year under review.
31. There were no prosecutions initiated against or show cause notices received by the Company, during the financial year under review, for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year under review.
33. The Company has made the contribution towards Provident Fund to the Recognised Provident Fund Commissioner during the financial year under review.

Sd/-

S. N. ANANTHASUBRAMANIAN
C. P. No.: 1774
Practising Company Secretary

Place : Thane
Date : May 12, 2008

ANNEXURE 'A'

Registers as maintained by the Company

Sr. No.	Registers	Under Section
1.	Register of Members and Index of Members	150 and 151
2.	Register of Share Transfers	—
3.	Register of Directors, Managing Directors	303
4.	Register of Director's Share and Debenture Holdings	307
5.	Register of Charges (including Debentures)	143
6.	Register of Contracts	301
7.	Register of Contracts, Companies and Firms in which Directors are interested	301(3)
8.	Register of Renewed and Duplicate Certificates	Rule 7 of the (Companies (Issue of Share Certificates) Rules, 1960
9.	Register of Directors' Attendance	—
10.	Register of Shareholders' Attendance	—
11.	Register of Proxies	—
12.	Register of Documents Sealed	—
13.	Minutes Book	193
14.	Books of Accounts	209

ANNEXURE 'B'Forms and Returns as filed by the Company with Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ended on 31st March 2008

Sr. No.	Form	Filed u/s.	For
1	1	205C on 17 th April, 2007	Transferred to Investor Education and Protection Fund an amount of Rs.3227/- in respect of matured deposits and unclaimed interest on fixed deposit after a period of seven years.
2	1	205C on 10 th July, 2007	Transferred to Investor Education and Protection Fund an amount of Rs.8,996/- on 10th July, 2007 towards unclaimed interest on matured Fixed deposits.
3	23	269 on 17 th August, 2007	Re-appointment of Mr. H. A. Nevatia as a Whole-time Director.
4	23AC, 23ACA	220 on 17 th August, 2007	Annual Accounts for the financial year ended 31 st March 2007 and adopted as on the date of Annual General Meeting i.e. 27 th July 2007.
5	66	383A (1) on 17 th August, 2007	Compliance Certificate for the financial year ended 31 st March 2007.
6	32	17 th August, 2007	Confirmation of appointment of Directors w.e.f. 27 th July 2007- Mr. Mukul M. Upadhyaya Mr. Gaurav Vinod Nevatia Mr. Tushar P. Shah
7	20B	159 on 14 th September, 2007	Annual Return as on the date of Annual General Meeting held on 27 th July 2007.
8	17	138 on 3 rd December, 2007	Satisfaction of charge created on 18 th January 2006 in favour of Rabo India Finance Pvt Ltd. amounting to Rs. 8,75,00,000 and satisfied on 5 th November 2007.
9	1	205C on 9 th January, 2008	Transferred to Investor Education and Protection Fund an amount of Rs.1,203/- in respect of unclaimed interest on matured Fixed Deposit after a period of seven years.

Sd/-

S. N. ANANTHASUBRAMANIAN
C. P. No.: 1774
Practising Company Secretary

Place : Thane
Date : May 12, 2008