



Lifting loads of indian industry for 50 YEARS

50th ANNUAL REPORT 2011 - 2012

HERCULES HOISTS LIMITED









## HERCULES HOISTS LIMITED

### 50<sup>th</sup> ANNUAL REPORT 2011-2012

#### 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**

**SHAILESH V. HARIBHAKTI**

(Alternate Director to Mr. K. C. Uebel)

**H. A. NEVATIA** – Whole Time Director

#### PRESIDENT & CEO

**M. S. SAIGAL**

#### BANKERS

**BANK OF MAHARASHTRA**

#### AUDITORS

**M. L. BHUWANIA & CO.**

Chartered Accountants

#### REGISTERED OFFICE

Bajaj Bhawan, 2nd Floor,  
226, Jamnalal Bajaj Marg,  
Nariman Point, Mumbai 400 021.

#### ADMINISTRATIVE OFFICE

Survey Nos. 43/2B, 43/5, 45/2,  
Kharpada-Savroli Road,  
At Village Dhamani, Taluka-Khalapur, Khopoli,  
Dist. - Raigad, Maharashtra - 410 202.

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#### ANNUAL GENERAL MEETING

Tuesday, 17th July, 2012, 11.00 A.M.  
at Walchand Hirachand Hall, 4th Floor,  
Indian Merchants' Chamber,  
Indian Merchants' Chamber Marg,  
Churchgate, Mumbai-400 020.

**Shareholders are requested  
to bring with them the  
Attendance Slip on page 39  
and their copy of the Balance Sheet**

**FINANCIAL HIGHLIGHTS**

(Rupees in Lacs)

Description	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07
<b>PROFIT &amp; LOSS ACCOUNT</b>						
Gross Sales	12,971.39	12,748.32	8,830.27	10,248.55	10,052.53	9,871.51
<b>Net Sales</b>	<b>11,789.69</b>	<b>11,635.11</b>	<b>8,167.40</b>	<b>9,141.70</b>	<b>8,850.73</b>	<b>8,630.37</b>
Sale of Power Units Generated	275.76	223.86	272.56	244.18	218.65	240.37
Other Income	955.20	559.81	497.95	330.91	389.20	255.34
<b>Gross Revenue</b>	<b>13,020.65</b>	<b>12,418.78</b>	<b>8,937.91</b>	<b>9,716.79</b>	<b>9,458.58</b>	<b>9,126.08</b>
Cost of Material	6,108.04	5,687.54	4,775.13	4,757.21	4,585.32	3,900.83
Operating & Other Expenses	2,277.15	2,129.18	1,497.34	1,675.78	1,760.86	1,756.55
Interest & Finance Expenses	5.51	24.29	46.99	76.01	118.55	137.20
Depreciation/Amortisation	203.32	202.65	196.99	175.71	175.55	169.99
<b>Profit Before tax and extra ordinary items</b>	<b>4,426.64</b>	<b>4,375.12</b>	<b>2,421.46</b>	<b>3,032.08</b>	<b>2,818.30</b>	<b>3,161.51</b>
Extra Ordinary Items	-	-	392.70	-	0.98	0.98
<b>Profit Before tax</b>	<b>4,426.64</b>	<b>4,375.12</b>	<b>2,028.76</b>	<b>3,032.08</b>	<b>2,817.32</b>	<b>3,160.53</b>
Current Tax (IncomeTax)	1,274.00	1,369.55	712.61	1,035.93	964.12	805.51
Deferred Tax	41.56	30.68	(88.95)	(0.06)	10.45	162.84
Fringe Benefit Tax	-	-	-	7.60	7.20	6.67
Adjustment for earlier years	19.42	(16.07)	(34.03)	71.37	8.89	17.75
<b>Profit After Tax &amp; Adjustment for earlier Years</b>	<b>3,091.66</b>	<b>2,990.96</b>	<b>1,439.13</b>	<b>1,917.24</b>	<b>1,826.66</b>	<b>2,167.76</b>
Dividend -Interim / Proposed Dividend	560.00	480.00	320.00	320.00	320.00	320.00
Dividend Distribution Tax	90.85	77.87	53.15	54.38	54.38	44.88
<b>Retained Profit</b>	<b>2,440.82</b>	<b>2,433.09</b>	<b>1,065.98</b>	<b>1,542.86</b>	<b>1,452.28</b>	<b>1,802.88</b>
<b>BALANCE SHEET</b>						
Net Worth	13,787.57	11,346.76	8,913.67	7,847.68	6,304.83	4,868.34
<b>Loan Funds</b>						
- Secured Loan	-	-	397.78	531.77	705.68	1,805.26
- Unsecured Loan	23.52	22.02	22.02	22.12	22.12	22.12
Deferred Tax Liability (Net)	408.17	366.60	335.92	424.87	424.93	422.61
<b>Total Sources of Funds</b>	<b>14,219.26</b>	<b>11,735.38</b>	<b>9,669.39</b>	<b>8,826.44</b>	<b>7,457.56</b>	<b>7,118.33</b>
<b>Fixed Assets &amp; Intangible Assets</b>						
- Gross (including Capital WIP)	4,468.70	4,666.20	4,400.74	4,195.04	3,578.69	3,326.40
- Net	2,976.84	3,361.95	3,292.51	3,230.65	2,770.24	2,678.90
Investments	2,259.27	2,457.27	1,147.04	1,573.32	172.78	172.78
Long term Loans & Advances	489.93	312.94	635.35	251.76	371.35	218.41
Current Assets	10,577.53	7,820.46	6,254.73	5,015.25	5,669.66	5,461.41
Current Liabilities	(1,377.82)	(1,567.63)	(1,212.95)	(794.55)	(1,088.26)	(1,170.91)
Provisions	(706.48)	(649.61)	(447.29)	(449.99)	(438.21)	(243.24)
Miscellaneous Expenditure	-	-	-	-	-	0.98
<b>Total Application of Funds</b>	<b>14,219.26</b>	<b>11,735.38</b>	<b>9,669.39</b>	<b>8,826.44</b>	<b>7,457.56</b>	<b>7,118.33</b>
<b>RATIOS and STATISTICS</b>						
Proprietary Fund Ratio #	0.85 : 1	0.81 : 1	0.79 : 1	0.78 : 1	0.7 : 1	0.57 : 1
Debt Equity Ratio *	0 : 1	0 : 1	0.05 : 1	0.07 : 1	0.12 : 1	0.38 : 1
Current Ratio	5.07 : 1	3.53 : 1	3.77 : 1	4.03 : 1	3.71 : 1	3.86 : 1
Return on Proprietors Fund	22.42%	26.36%	16.15%	24.43%	28.97%	44.54%
Return on Capital Employed Ratio+	31.17%	37.49%	25.53%	35.21%	39.38%	46.34%
Operating Ratio !	21.04%	20.04%	25.55%	20.25%	21.89%	22.33%
Net Profit Ratio	37.55%	37.60%	24.84%	33.17%	31.83%	36.62%
Dividend Per Share (Rs.)	3.50	3.00	2.00	2.00	2.00	2.00
Earning per Equity Share (Rs.)	19.32	18.70	8.99	11.98	114.17	135.48
Book Value per Equity Share (Rs.)	86.17	70.92	55.71	49.05	394.05	304.21
No. of Equity Shareholders	9146	9147	8865	9302	8276	3748
No. of Employees	113	108	99	143	131	130

# Proprietor's Fund = Equity Capital + Reserves &amp; Surplus - Miscellaneous Expenses.

\* Debt Equity = Term Liability / Net Worth.

+ Capital Employed = Equity Capital + Reserves &amp; Surplus + Loan Funds - Miscellaneous Expenses.

! Operating Costs for Operating Ratio = Operating &amp; Other Expenses + Depreciation/Amortisation + Extra-Ordinary Item.

**Note:**

Ratios and Statistics given for F.Y. 2011-12 and F.Y. 2010-11 are as per Revised Schedule VI. Therefore some figures may not be comparable with other 4 years due to change.

## HERCULES HOISTS LIMITED

**Regd. Office:** Bajaj Bhawan, 2nd floor, 226, Jamnalal Bajaj Marg, Nariman Point, Mumbai - 400 021.  
Tel. 91-22-22023626, Fax : 91-22-22025160

**Admn. Office :** Survey Nos. 43/2B, Village Dhamani, Savroli Kharpada Road, Taluka Khalapur, Dist. Raigad, Pin Code : 410202 Maharashtra.  
Tel. (02192) 274135, Fax : (02192) 274325. E-Mail : indef@indef.com

### NOTICE

**NOTICE** is hereby given that the **Fiftieth Annual General Meeting of the Members of Hercules Hoists Limited** will be held at Walchand Hirachand Hall, 4th floor, Indian Merchants' Chamber, Indian Merchants' Chamber Marg, Churchgate, Mumbai 400 020, on Tuesday, the 17th day of July, 2012, at 11.00 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, 2012 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 K.F. Jhunjhunwala, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri Mukul M. Upadhyaya, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Shri Gaurav V. Nevatia, 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.

#### 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 13th July, 2012 to Tuesday, the 17th July, 2012, both days inclusive.
3. Payment of Dividend, if sanctioned, will be made after 17th July, 2012.
4. Members holding shares physically are requested to notify immediately any change of address to the Company.

On behalf of the Board of Directors

Place : Mumbai  
Dated : 28<sup>th</sup> May, 2012

**Shekhar Bajaj**  
Chairman

**DIRECTORS' REPORT**

We present our **50th Annual Report** together with the Audited Financial Accounts for the year ended 31st March, 2012:

1.
 

Financial Results	As on 31st March, 2012 (Rs.)	As on 31st March, 2011 (Rs.)
Revenue from Operations	1,210,014,433	1,193,584,840
Gross Profit	462,996,223	457,777,201
Depreciation	20,331,958	20,265,218
Profit after Depreciation	442,664,265	437,511,983
Extraordinary Items (VRS)	0	0
Provision for taxation for the year (including deferred tax)	131,556,409	140,022,849
Net Profit after tax & VRS	311,107,856	297,489,134
Earlier year's income-tax adjustment	(1,941,624)	1,606,709
Balance brought forward	15,000,000	15,000,000
Profit available for appropriation	324,166,232	314,095,843
Proposed Dividend	56,000,000	48,000,000
Corporate Tax on Dividend	9,084,600	7,786,800
Transferred to General Reserve	244,081,632	243,309,043
Balance carried to BALANCE SHEET	15,000,000	15,000,000
2. The Directors recommend for consideration of the shareholders at the Annual General Meeting payment of dividend of Rs.3.50 (including Rs.0.50 for the Golden Jubilee Year) per Equity Share of Re.1/- for the year ended 31st March, 2012, as against Rs.3.00 per Equity Share of Re.1/- in the previous year.
3. The revenue from operations of the Company at Rs.121.00 Crores are 1.40% higher compared to last year's revenue from operations of Rs.119.36 Crores. The net profit of Rs.30.92 Crores is also 3.40% higher, as compared to last year's net profit of Rs.29.91 Crores. The Company has been able to maintain the sales, inspite of slow-down in new projects/expansion activities on the one hand and increased competition on the other hand. The Directors are hopeful of improved performance in the current year. The company is constantly exploring the possibility of tie-up with foreign firms for improving sales as well as new products/designs.
4. The Company's 4 Windmills produced 64.48 lakhs units of energy in the year 2011-12, as against 54.27 lakhs units of energy produced in the previous year.
5. Shri K.F. Jhunjhunwala, Shri Mukul M. Upadhyaya and Shri Gaurav V. Nevatia, Directors of the Company retire by rotation and being eligible, offer themselves for re-appointment.
6. Unauthorised price increase of Rs.1.98 Crores over a period of 3 years were given by some officers of the Company in collusion with certain identified vendors. The Company has terminated the services of those officers. The amount lying to the credit of these vendors have been held back and appropriate legal action is being taken against the perpetrators. Some of the above identified vendors have filed winding up petition against the Company for non-payment of their dues. The Company's solicitors are taking appropriate legal action in the matter. The Auditors of the Company have made a remark of the same in Annexure No. (i)(xxi) to their Report,.
7. 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.
8. To comply with the requirements of Corporate Governance pursuant to the Listing Agreement with The Bombay Stock Exchange Limited and National Stock Exchange of India Limited, the Management Discussion and Analysis Statement, Corporate Governance Report and the Practising Company Secretary's Certificate are included in the Annual Report.
9. 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.
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.

13. The relationship with the employees continued to be cordial.

Your Directors take this opportunity to thank the banks, government authorities, regulatory authorities, stock exchanges, employees and stake holders for their continued co-operation and support to the Company.

On behalf of the Board of Directors

Place : Mumbai  
Dated : 28<sup>th</sup> May, 2012

**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
1. Electricity:		
(a) Purchased		
Units	298977	316776
Total Amount (Rs.)	2,392,580	2,063,410
Rate/Unit (Rs.)	8.00	6.51
(b) Own Generation		
Through Diesel Generator		
Units	25143	31571
Units per litre of Diesel Oil	2.62	2.43
Diesel Cost (Rs.)	430,821	525886
Rate/Unit (Rs.)	17.13	16.66
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 made substantial improvements in the Steel Mill Duty Hoists ranging from 5 T. to 30 T. capacity.

#### i. Foreign Exchange Earnings & Outgoings:

Particulars	Current Year	Previous Year
(i) Foreign Exchange Earnings	12,539,652	9,096,449
(ii) Foreign Exchange Outgo	25,069,162	21,975,460

## 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, 2012 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.	8,240,214	7,100,757	A.M.I.E., M.B.M.	69	49	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, telephone expenses, car expenses, taxable rent, furniture perks, etc.
- Shri M.S. Saigal is not related to any Director of the Company.

**COMPLIANCE CERTIFICATE FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2012**

To,  
The Members  
**HERCULES HOISTS LIMITED**

**CIN: L45400MH1962PLC012385**

**AUTHORISED CAPITAL: Rs. 2,00,00,000 PAID-UP CAPITAL: Rs. 1,60,00,000**

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 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 2012**. 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 filed the forms and returns with the payment of additional fees in the event of delayed filing as stated in **Annexure "B"** to this certificate, with the Registrar of Companies, 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 respectively on **17th May 2011, 27th July 2011, 8th November 2011** and **8th February 2012** 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 2011 to 27th July 2011 (both days inclusive) and necessary compliance of Section 154 of the Act has been made.
6. The 49th Annual General Meeting for the financial year ended on 31st March 2011 was held on 27th July 2011 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.
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 contract 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. 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 has not issued any duplicate share certificates.
13. The Company:
  - (i) has delivered certificates on splitting up of securities within the time limit prescribed under the Act
  - (ii) has deposited the amount of dividend declared on 27th July 2011 in a separate Bank Account on 29th July 2011, which is within five days from the date of declaration of such dividend.
  - (iii) has made ECS credits to shareholders entitled to receive dividend on 2nd August 2011, which is within 30 days from the date of declaration of the aforesaid dividend.
  - (iv) has transferred an amount of Rs. 140/- (Rupees One Hundred and Forty Only) to Investor Education and Protection Fund on 24th August 2011, being unclaimed dividend for the year 2003-04 which had remained unclaimed for a period of seven years from the date of transfer to unclaimed dividend Account within the prescribed time.
  - (v) has duly complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. There was no other appointment of additional directors, alternate directors and directors to fill casual vacancy during the year under review.
15. The Company approved at the Annual General Meeting held on 27th July 2011 the re-appointment of Mr. H.A. Nevatia as Whole-Time Director for a period of 2 years from 22nd November 2010 to 21st November 2012 and necessary compliance with respect to the said appointment was made.
16. The Company has not appointed any sole selling agents.
17. The Company was not required to obtain any approval from Registrar of Companies, Company Law Board, Regional Director, Central Government 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 year under review.
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 dividend benefits pertaining to 3,88,240 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 made short term loans to companies and body corporate and also made investments, which are in compliance with the provisions of the Act and necessary entries have been made 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 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 year under review.
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 Company has made the contribution towards Provident Fund to the Recognised Provident Fund Commissioner during the year under review.

Place : Mumbai  
Dated : 9<sup>th</sup> May, 2012

**S. N. Ananthasubramanian**  
C. P. No.: 1774

### ANNEXURE 'A'

Registers as maintained by the Company

Sr. No.	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	-
11.	Register of Investments	372(A)

### 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 2012.

Sr. No	Form	Filed u/s.	For
1.	<b>32</b>	u/s 303(2) on 9th June 2011	Cessation of Mr. Shailesh V. Haribhakti as Alternate Director to Mr. Klaus Carl Uebel with effect from 5th February 2011.
2.	<b>32</b>	u/s 303(2) on 9th June 2011	Appointment of Mr. Shailesh V. Haribhakti as Alternate Director to Mr. Klaus Carl Uebel with effect from 8th February 2011.
3.	<b>23</b>	u/s 192 on 12th August 2011	Re-appointment of Mr. H. A. Nevatia for a term of 2 years from 22nd November 2010 to 21st November 2012 approved at the Annual General Meeting held on 27th July 2011.
4.	<b>66</b>	u/s 383 (1)(A) on 12th August 2011	Compliance Certificate for the year ended 31st March 2011.
5.	<b>1INV</b>	u/s 205C on 25th August 2011	Transfer of Rs. 140/- on 24th August 2011 to Investor Education and Protection Fund.
6.	<b>20B</b>	u/s 159 on 20th September 2011	Annual Return as on the date of Annual General Meeting held on 27th July 2011.
7.	<b>23AC-XBRL &amp; 23ACA-XBRL</b>	u/s 220 on 2nd December 2011	Balance Sheet & Profit & Loss A/C for the year ended 31st March 2011 adopted at Annual General Meeting held on 27th July 2011 in XBRL format.

Place : Mumbai  
Dated : 9<sup>th</sup> May, 2012

**S. N. Ananthasubramanian**  
C. P. No.: 1774

**MANAGEMENT DISCUSSION AND ANALYSIS****(a) Industry Structure and Development:**

The Company manufactures material handling equipments, such as, Chain Pulley Blocks, Chain and Wire Rope Electric Hoists, Ratchet Lever Hoists, Winches, Roll-out Racks, Light Profile Systems, Pulling and Lifting Machines, H.O.T./E.O.T./Jib Cranes, Floor Operated Stacker Cranes and Stores Stacker Cranes. The Company supplies its products to various industries, such as, iron and steel, cement, oil and gas, chemicals, construction, material handling equipments' manufacturers, state electricity boards, power plants, petro chemicals, mining, pharmaceutical, logistics, general engineering industries, turn-key solutions providers, etc., wherever unit loads are moved. The Company is also marketing Shrouded Conductors of AKAPP, Netherlands and Profile Crane Systems of Erikkila, Finland.

The Company has a modern machine shop, assembly lines and testing facilities. Strict quality control is maintained through raw-materials, in line and finished product inspection. The Company is supported by well qualified vendors and ancillary workshops. The Company has ISO-9001 accreditation from RWTUV of Germany since May, 1997 and licence for its product Chain Pulley Blocks from Bureau of Indian Standards..

The Company has 4 Windmills of 1.25 M.W. each, installed in District Dhule of Maharashtra.

The Company's growth greatly depends upon new projects and expansion of existing companies, besides the replacement requirements. Although the government is conscious of the need for speedier development of infrastructure and related projects, various bottle-necks are holding up the push that is needed in this area. The Company hopes that the uncertainties will soon be removed.

**(b) Opportunities and Threats:**

The Company is trying to increase its sales and market share through aggressive marketing, advertisement in trade journals, participation in industrial exhibitions, such as, CeMat, etc. and vigorous follow-up with customers. The Company has strengthened its marketing set-up by appointing new Business Facilitators. The Company is expanding the Crane business and is hopeful of achieving some revenue from this sector. The Company is making concerted efforts to export its products in the Middle East, U.S.A. and neighbouring countries and have started getting few orders. The company is also making efforts to obtain CE marking for its products, so that, it can export its products to Europe and other countries.

The Company faces competition from the unorganized sector manufacturing similar products as well as imports from China, which are cheaper. The Company is also facing competition from foreign manufacturers, who have set-up operations in India. The Company is making efforts to upgrade its products to meet this challenge. The Company has taken measures to check sales of fake **Indef** products in the market.

**(c) Financial Review / Segment wise Performance :**

The Company has achieved gross revenue of Rs.121.00 Crores, as against Rs.119.36 Crores in the previous year. The profit before tax is Rs.44.27 Crores as against Rs.43.75 Crores in the previous year. The net profit after tax stands at Rs.30.92 Crores as against Rs.29.91Crores in the previous year.

**Segment Performance :**

Name of the segment	Segment Revenue for the year 2011-12	Segment Revenue for the year 2010-11
Materials Handling Equipments	1,182,438,500	1,171,198,700/-
Windmill Segment	27,575,933	22,386,140/-

**(d) 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.

**(e) Risks and Concerns:**

The Company is engaged in the manufacturing and marketing of Material Handling Equipments and its demand potentialities are linked with infrastructural development, growth in capital equipments' demand and big projects' expansion activities. Any negative change in the outlook of this sector can affect the Company's performance. The Government of India and other state governments have given priority to infrastructural development and as such, the capital goods industry should grow at a better pace in the years to come.

The Company has adequate capacity in its Khopoli factory. This has enabled the Company to be more competitive, to meet the market demand and reduce delivery period. Effective steps are constantly taken to control costs, improve the quality of the products, introduce design changes and strengthen the internal control procedures.

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.

**(f) Business Out-look:**

The Indian economy appears to have slightly improved, as compared to the global economy. The Company will be able to maintain its growth in view of its good brand image, wide range of good quality products, quicker delivery and effective marketing.

**(g) Development in Human Resources / Industrial Relations front :**

Your company recognizes the employees as the real assets of the organization and lays due emphasis on all round development of its human resources. The Company continued its endeavour in maintaining peace and harmony at all levels of employment in the organization in the year under review. At present, the Company has 113 employees comprising of engineers, marketing staff, commercial staff and workmen.

**(h) 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