



# HERCULES HOISTS LIMITED

51st ANNUAL REPORT 2012-2013





# FINANCIAL HIGHLIGHTS

(Rs. in Lacs)

Description	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07
<b>PROFIT &amp; LOSS ACCOUNT</b>							
Gross Sales	13,372.91	12,971.39	12,748.32	8,830.27	10,248.55	10,052.53	9,871.51
<b>Net Sales</b>	<b>12,034.89</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	308.47	275.76	223.86	272.56	244.18	218.65	240.37
Other Income	1,164.78	955.20	559.81	497.95	330.91	389.20	255.34
<b>Gross Revenue</b>	<b>13,508.14</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	6,518.55	6,108.04	5,687.54	4,775.13	4,757.21	4,585.32	3,900.83
Operating & Other Expenses	2,680.81	2,277.15	2,129.18	1,497.34	1,675.78	1,760.86	1,756.55
Interest & Finance Expenses	10.11	5.51	24.29	46.99	76.01	118.55	137.20
Depreciation/Amortisation	201.79	203.32	202.65	196.99	175.71	175.55	169.99
<b>Profit Before tax and extra ordinary items</b>	<b>4,096.88</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>4,096.88</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)	1201.99	1,274.00	1,369.55	712.61	1,035.93	964.12	805.51
Deferred Tax	52.14	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	(10.35)	19.42	(16.07)	(34.03)	71.37	8.89	17.75
<b>Profit After Tax &amp; Adjustment for earlier Years</b>	<b>2,853.10</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	560.00	480.00	320.00	320.00	320.00	320.00
Dividend Distribution Tax	95.17	90.85	77.87	53.15	54.38	54.38	44.88
<b>Retained Profit</b>	<b>2,197.93</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	15,985.50	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	31.02	23.52	22.02	22.02	22.12	22.12	22.12
Deferred Tax Liability (Net)	460.31	408.17	366.60	335.92	424.87	424.93	422.61
<b>Total Sources of Funds</b>	<b>16,476.83</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)	4,531.62	4,468.70	4,666.20	4,400.74	4,195.04	3,578.69	3,326.40
- Net	2,846.47	2,976.84	3,361.95	3,292.51	3,230.65	2,770.24	2,678.90
Investments	2,427.95	2,259.27	2,457.27	1,147.04	1,573.32	172.78	172.78
Long term Loans & Advances	915.91	489.93	312.94	635.35	251.76	371.35	218.41
Current Assets	12,697.92	10,577.53	7,820.46	6,254.73	5,015.25	5,669.66	5,461.41
Current Liabilities	(1,714.81)	(1,377.82)	(1,567.63)	(1,212.95)	(794.55)	(1,088.26)	(1,170.91)
Provisions	(696.60)	(706.48)	(649.61)	(447.29)	(449.99)	(438.21)	(243.24)
Miscellaneous Expenditure	-	-	-	-	-	-	0.98
<b>Total Application of Funds</b>	<b>16,476.83</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 Ratio	0.85: 1	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: 1	0.05: 1	0.07: 1	0.12: 1	0.38: 1
Current Ratio	5.27 : 1	5.07 : 1	3.53 : 1	3.77 : 1	4.03 : 1	3.71 : 1	3.86 : 1
Return on Proprietor's Fund	17.85%	22.42%	26.36%	16.15%	24.43%	28.97%	44.54%
Return on Capital Employed	24.93%	31.17%	37.49%	25.53%	35.21%	39.38%	46.34%
Operating Ratio	24.04%	21.09%	20.25%	21.32%	21.08%	23.22%	23.91%
Net Profit Ratio	23.71%	26.22%	25.71%	17.62%	20.97%	20.64%	25.12%
Dividend Per Share (Rs.)	1.75	3.50	3.00	2.00	2.00	2.00	2.00
Earning per Equity Share (Rs.)	8.92	19.32	18.70	8.99	11.98	114.17	135.48
Book Value per Equity Share (Rs.)	49.95	86.17	70.92	55.71	49.05	394.05	304.21
No.of Equity Shareholders	9816	9146	9147	8865	9302	8276	3748
No.of Employees	116	113	108	99	143	131	130

## 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

51<sup>st</sup> ANNUAL REPORT 2012-2013

### 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*

### 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.

### Factory & Administrative Office:

Survey Nos. 43/2B, Village Dhamani,  
Savroli Kharpada Road, Khalapur, (Raigad)  
Khopoli, Maharashtra 410202.

## CONTENTS

Notice .....	02
Directors Report .....	.04
Compliance Certificate.....	06
Management Discussion & Analysis .....	10
Corporate Governance Report .....	11
Corporate Governance Compliance Certificate .....	16
Auditors Report .....	17
Balance Sheet.....	20
Profit & Loss Account .....	21
Cash Flow Statement.....	22
Significant Accounting Policies & Notes to Accounts .....	24
Balance Sheet Abstract & General Business Profile .....	38
Proxy Form & Attendance Slip.....	39

## ANNUAL GENERAL MEETING

### Date and Time:

7th August 2013 at 11.00 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 39 and their copy of  
the Balance Sheet



## NOTICE

**NOTICE** is hereby given that the **51st 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 Wednesday, the 7th August 2013, 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, 2013 and the Balance Sheet as at that date and Reports of Directors and Auditors thereon.
2. To declare dividend for the financial year ended 31st March 2013.
3. To appoint a Director in place of Shri. Tushar P. Shah, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri. K.C. Uebel, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Shri. Shekhar Bajaj, who retires by rotation and being eligible, offers himself for re-appointment.
6. 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, 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 next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors on recommendation of the audit committee"

**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 Sections 198, 269, 309 and other applicable provisions read with Schedule XIII of the Companies Act, 1956, (including any statutory modification(s) or enactment thereof) and Articles of Association of the Company, Shri. H.A. Nevatia be and is hereby re-appointed as a Director in whole-time employment of the Company as an Adviser for a period of two years from 22nd November, 2012 to 21st November, 2014, on the following remuneration and perquisites with powers to the Board of Directors to alter and vary the terms and conditions of remuneration (including minimum remuneration in case of absence or inadequacy of profits) in such manner as the Board may deem fit within the limits specified in schedule XIII of the Companies Act, 1956 or any statutory modification or substitution thereof.

a) **Remuneration** : Rs.10,000/- per month.

b) **Perquisites** :

i) Free use of Company's car for Company's work as well as for personal purposes, along with driver.

ii) Telephone at residence and a mobile phone at Company's cost."

**"RESOLVED FURTHER THAT** in any financial year during the period 22nd November, 2012 to 21st November, 2014, when the Company has made no profits or its profits are inadequate, it will pay to the whole-time Director by way of remuneration and perquisites as specified above, subject to restrictions, if any, set forth in Schedule XIII of the Companies Act, 1956."

**"RESOLVED FURTHER THAT** Shri. Shekhar Bajaj, Director of the Company be and is hereby authorised to do all the acts, deeds and things which are necessary for the re-appointment of aforesaid person as a whole time director of the Company."

**Explanatory Statement Pursuant to Section 173(2) of the Companies Act 1956 for Item No.7**

Shri H.A. Nevatia was appointed as a Director in the whole-time employment of the Company as an Adviser from 22nd November, 2001 after retiring as Managing Director of the Company. His current term expired on 21st November, 2012.

The Board of Directors felt that his continued contribution on various matters will be in the interest of the Company. Accordingly, it was decided in the Board Meeting held on 2nd November 2012 to continue the services of Shri H.A. Nevatia as a Director in the whole-time employment of the Company as an Adviser on the terms as set out in the resolution. The approval of the shareholders is accordingly sought for the re-appointment of Shri H.A. Nevatia as a Director in the whole-time employment of the Company and the remuneration payable to him. The perquisites like Provident Fund, Gratuity, Superannuation and Leave are not applicable to Shri H.A. Nevatia. The Board recommends passing of the Special Resolution as set out in Item No. 7 of the Notice.

None of the Directors of the Company except Shri H.A. Nevatia is concerned or interested in the said resolution.

The above may also be treated as an abstract of the terms of appointment of Shri H.A. Nevatia as a Director in the whole-time employment of the Company and the nature of the concern or interest of the Directors therein as required by Section 302 of the Companies Act, 1956

**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 3rd August 2013 to 7th August 2013, both days inclusive.
3. Payment of Dividend, if sanctioned, will be made after 7th August 2013.
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.

**On behalf of the Board of Directors**

**Place : Mumbai**  
**Dated : 29/05/2013**

**Shekhar Bajaj**  
**Chairman**

**DIRECTORS' REPORT**

Dear Members,

We present our **51st** Annual Report together with the Audited Financial Accounts for the year ended **31st March, 2013**:

1. Financial Results:-

(In Rupees)

<b>Financial Results</b>	<b>As on 31st March 2013</b>	<b>As on 31st March 2012</b>
Revenue from Operations	<b>1,236,626,399</b>	1,210,014,433
Profit before Depreciation and Taxes	<b>429,866,632</b>	462,996,223
Depreciation	<b>20,178,665</b>	20,331,958
Profit after Depreciation and Taxes	<b>409,687,967</b>	442,664,265
Provision for taxation for the year (including deferred tax)	<b>125,412,772</b>	131,556,409
Net Profit after tax & VRS	<b>284,275,195</b>	311,107,856
Earlier year's income-tax adjustment	<b>1,035,138</b>	(1,941,624)
Balance brought forward	<b>15,000,000</b>	15,000,000
Profit available for appropriation	<b>300,310,333</b>	324,166,232
Proposed Dividend	<b>56,000,000</b>	56,000,000
Corporate Tax on Dividend	<b>9,517,200</b>	9,084,600
Transferred to General Reserve	<b>184,793,133</b>	244,081,632
Balance carried to BALANCE SHEET	<b>50,000,000</b>	15,000,000

2. The Directors recommend for consideration of the shareholders at the Annual General Meeting payment of dividend of Rs. 1.75/- per Equity Share of Re.1/- for the year ended 31st March, 2013 on the enhanced share capital after issue of 1:1 bonus shares. The Company had paid Rs.3.50 (including Rs.0.50 for the Golden Jubilee Year) per Equity Share of Re.1/- on paid up capital before issue of bonus shares in the previous year.
3. The revenue from operations of the Company at Rs.123.66 Crores are 2.20% higher compared to last year's revenue from operations of Rs.121.00 Crores. The net profit of Rs.28.53 Crores is 7.73% lower, as compared to last year's net profit of Rs.30.92 Crores. The Company has been able to maintain the sales, in spite of slow-down in capital goods industry on the one hand but, the profit is declined due to stiff competition, higher raw material cost and increase in overhead cost on the other hand. The economic outlook also remains uncertain. However, the Directors are hopeful of improved performance due to new products introduced in the last year. The company is constantly exploring the possibility of tie-ups with foreign firms for improving export as well as getting new products/designs.
4. The Company's 4 Windmills produced 71.42 lakhs units of energy in the year 2012-13, as against 64.48 lakhs units of energy produced in the previous year.
5. The Company has increased its authorized capital from Rs.2, 00, 00,000 (Twenty million) to Rs.4,00,00,000 (Forty Million) vide passing of ordinary resolution passed in the extra-ordinary general meeting held on 3rd July 2012. Further, the Company has allotted 1, 60, 00,000 Bonus shares to the existing shareholders whose names appeared in the Register of Members during the book closure period, at a ratio of 1:1 on 18th July 2012. The shares were credited to the shareholders respective accounts.
6. Shri. Tushar P. Shah, Shri. K.C. Uebel and Shri. Shekhar Bajaj retire by rotation at the ensuring Annual General Meeting and being eligible, offer themselves for re-appointment. The detailed profiles of the above Directors are given under the head "Corporate Governance."
7. M/s M. L. Bhuwania & Co., Chartered Accountants, Mumbai, the statutory Auditors of the Company, retire at the ensuring 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 section 224 (1B) of the Companies Act 1956. The Board recommends their appointment.
8. Pursuant to orders issued by the Ministry of Corporate Affairs, Government of India, under the provisions of section 233B of the Companies Act 1956, the Company has come under purview of Cost Audit for the first time in the Financial Year 2012-13.
9. 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.
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. 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.
12. 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.

13. 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.

14. The relationship with the employees continued to be cordial during the year. However, there has been a disruption in production due to agitation by the shopfloor workmen between the period 17th April 2013 to 25th May 2013.

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 : 29/05/2013

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	326868	298977
	Total Amount (Rs.)	3031140	2,392,580
	Rate/Unit (Rs.)	9.27	8.00
(b) Own Generation Electricity	Units	11419	25143
	Units per litre of Diesel Oil	2.62	2.62
	Diesel Cost (Rs.)	207,776	430,821
	Rate/Unit (Rs.)	18.20	17.13
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 models like Safe Chain Pulley Blocks with load limiter, new series of Compact Intelligent Chain Electric Hoists upto 20tons capacity, Crane kits, Automated Storage & Retrieval Solutions etc.

### C. Foreign Exchange Earnings & Outgoings:

Particulars	Current Year	Previous Year
(i) Foreign Exchange Earnings	4,453,126	12,539,652
(ii) Foreign Exchange Outgo	38,083,328	25,069,162

## 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, 2013 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.	84,55,553	56,17,108	A.M.I.E., M.B.M.	70	50	10.10.1990	Works Manager, Sesa Goa Ltd. (10 years)

### Notes :

- The appointment of Shri. M.S. Saigal was 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 was not related to any Director of the Company.
- Shri. M S Saigal retired on 31/03/2013.

**COMPLIANCE CERTIFICATE FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2013**

To,  
The Members  
**HERCULES HOISTS LIMITED**  
Bajaj Bhavan, 2nd Floor,  
226, Jarnalal Bajaj Marg,  
Nariman Point, Mumbai- 400021

**CIN: L45400MH1962PLC012385**

**AUTHORISED CAPITAL: Rs. 4,00,00,000**

**PAID-UP CAPITAL: Rs. 3,20,00,000**

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 2013**. 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 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 **28th May 2012, 17th July 2012, 2nd November 2012 and 7th February 2013** 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 13th July 2012 to 17th July 2012 (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 50th Annual General Meeting for the financial year ended on 31st March 2012 was held on 17th July 2012 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. An Extraordinary General Meeting was held on **3rd July, 2012** to obtain approval of the members for the alteration of Share Capital in the Memorandum and Articles of Association and issue of bonus shares by capitalization of reserves of the Company. Due notices were given to the members of the Company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
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 issued fourteen duplicate share certificates during the period under review after due approval from the Board of Directors.
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 on 17th July 2012 in a separate Bank Account on 18th July 2012 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 an amount of Rs. 2040/- (Rupees Two thousand Forty Only) to Investor Education and Protection Fund on 8th August 2012, being unclaimed dividend for the year 2004-05 which had remained unclaimed for a period of seven years from the date of transfer to unclaimed dividend Account within the prescribed time.
  - 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 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 issued and allotted 1,60,00,000 equity shares of Rs.1/- each, as fully paid up bonus equity shares in the ratio of one bonus equity share for every one share held in the Company as on the date of Book closure fixed for the said purpose, i.e. 13th July 2012 to 17th July 2012 (both days inclusive). The Company has made necessary compliance subsequent to the allotment of shares.
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 and to bonus share 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 the necessary entries in the Register of Investments with respect to investments during the period under review.
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 altered the provisions of the Memorandum of Association of the Company with respect to share capital during the year under review and complied with the provisions of the Act.
30. The Company has altered the Articles of Association of the Company for alteration of Capital after obtaining approval of members at the Extraordinary General Meeting held on 3rd July 2012 during the year under review and the amendments to the Articles of Association have been duly filed with Registrar of Companies.
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 Commissioner.

Place : Thane  
Dated : 14th May 2013

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 2013**

SN	Form No	u/s Filed on	For
1.	17	u/s 138 on 15th June 2012	Satisfactions of Charge (Charge ID No. 90219479 created for an amount of Rs. 2,19,24,000/- in favour of Bank of India.
2.	17	u/s 138 on 15th June 2012	Satisfactions of Charge (Charge ID No. 90219256 created for an amount of Rs. 1,60,000/- in favour of Bank of India.
3.	17	u/s 138 on 15th June 2012	Satisfactions of Charge (Charge ID No. 90219268 created for an amount of Rs. 1,20,000/- in favour of Bank of India.
4.	17	u/s 138 on 15th June 2012	Satisfactions of Charge (Charge ID No. 90219305 created for an amount of Rs. 8,60,000/- in favour of Bank of India.
5.	17	u/s 138 on 15th June 2012	Satisfactions of Charge (Charge ID No. 90216492 created for an amount of Rs. 8,00,000/- in favour of Bank of India.
6.	17	u/s 138 on 15th June 2012	Satisfactions of Charge (Charge ID No. 90219242 created for an amount of Rs. 1,05,000/- in favour of Bank of India.
7.	17	u/s 138 on 18th June 2012	Satisfactions of Charge (Charge ID No. 90219206 created for an amount of Rs. 8,00,000/- in favour of Bank of India.
8.	17	u/s 138 on 18th June 2012	Satisfactions of Charge (Charge ID No. 90219880 created for an amount of Rs. 4,35,000/- in favour of Bank of India.
9.	17	u/s 138 on 18th June 2012	Satisfactions of Charge (Charge ID No. 90219216 created for an amount of Rs. 8,00,000/- in favour of Bank of India.
10.	17	u/s 138 on 18th June 2012	Satisfactions of Charge (Charge ID No. 90218726 created for an amount of Rs. 8,60,000/- in favour of Bank of India.
11.	17	u/s 138 on 18th June 2012	Satisfactions of Charge (Charge ID No. 90219283 created for an amount of Rs. 4,35,000/- in favour of Bank of India.
12.	17	u/s 138 on 18th June 2012	Satisfactions of Charge (Charge ID No. 90219476 created for an amount of Rs. 8,00,000/- in favour of Bank of India.
13.	17	u/s 138 on 18th June 2012	Satisfactions of Charge (Charge ID No. 90219315 created for an amount of Rs. 8,60,000/- in favour of Bank of India.
14.	17	u/s 138 on 20th June 2012	Satisfactions of Charge (Charge ID No. 90219847 created for an amount of Rs. 40,00,000/- in favour of Bank of India.
15.	23C	u/s 233B on 12th June 2012 and CG Order 52/26/CAB/2010 dated 24/01/2012	Appointment of M/s R. Nanabhoy & Company as cost auditors for the financial year ending 31st March 2013.
16.	5	u/s 97 on 06/07/2012	Increase in Authorized Share Capital from Rs.2,00,00,000/- to Rs.4,00,00,000/- at the Extraordinary General Meeting held on 3rd July 2012.
17.	23	u/s 192 on 06/07/2012	Registration of alteration to Articles of Association altered at the Extraordinary General Meeting held on 3rd July 2012.
18.	66	u/s 383A(1) on 25/07/2012	Compliance Certificate for the financial year ended 31st March 2012.
19.	2	u/s 75 on 27/07/2012	Allotment of 1,60,00,000 bonus equity of Rs. 1/- each fully paid up equity shares on 18th July 2012.
20.	1 INV	u/s 205C on 09/08/2012	Transfer of unclaimed / unpaid dividend pertaining to financial year ended 2004-2005 to Investor Education and Protection Fund due on 8th August 2012.
21.	20B	u/s 159 on 05/09/2012	Annual Return as on the date of Annual General Meeting held on 17th July 2012.
22.	5 INV	on 24/09/2012	Statement of unpaid and unclaimed amounts till year ended 31st March 2011 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
23.	5 INV	on 26/09/2012	Statement of unpaid and unclaimed amounts till year ended 31st March 2012 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
24.	25C	u/s 269(2) on 26th November 2012	Re-appointment of Mr. H. A. Nevatia as Whole- Time Director.
25.	23ACXBRL & 23 ACA-XBRL	u/s 220 on 5th December 2012	Balance Sheet & Profit & Loss A/C for the year ended 31st March 2012 adopted at Annual General Meeting held on 17th July 2012 in XBRL format.
26.	17	u/s 138 on 14th December 2012	Satisfaction of Charge (Charge ID No. 90218522 created for an amount of Rs. 9,08,00,000/- in favour of Bank of Maharashtra.)