



# HERCULES HOISTS LIMITED

58<sup>th</sup> ANNUAL REPORT: 2019-20

*Lifting*

*Moving*

*Strong*

*Material Handling. Delivered.*

**bajaj group**

## FINANCIAL HIGHLIGHTS

(₹ in Lakhs)

Description	2019-20	2018-19	2017-18	2016-17	2015-16
<b>PROFIT &amp; LOSS ACCOUNT</b>					
Gross Sales	8105.00	9,952.72	7,421.63	7,810.45	9803.79
<b>Net Sales</b>	<b>8105.00</b>	<b>9,952.72</b>	<b>7,261.02</b>	<b>6,987.36</b>	<b>8888.07</b>
Sale of Power Units Generated	194.84	264.12	286.09	318.30	225.48
Other Income	1493.27	976.05	980.69	1,174.56	1216.47
<b>Gross Revenue</b>	<b>9,793.11</b>	<b>11,192.89</b>	<b>8,527.80</b>	<b>8,480.22</b>	<b>10,330.02</b>
Cost of Material	4390.20	5,576.08	4,308.75	4,535.78	5192.36
Operating & Other Expenses	3448.89	3,702.49	2,853.49	2,667.90	3223.83
Interest & Finance Expenses	1.91	-	3.80	22.51	24.57
Depreciation/Amortisation	353.20	301.54	292.23	259.05	220.17
<b>Profit Before tax and exceptional items</b>	<b>1,598.91</b>	<b>1,612.78</b>	<b>1,069.53</b>	<b>994.98</b>	<b>1,669.09</b>
Less-Exceptional Items	-	-	-	-	-
<b>Profit Before tax</b>	<b>1598.91</b>	<b>1612.78</b>	<b>1,069.53</b>	<b>994.98</b>	<b>1,669.09</b>
Current Tax (Income Tax)	167.92	361.61	232.26	158.53	433.13
Deferred Tax	133.07	(29.18)	(141.12)	40.83	(86.53)
Adjustment for earlier years/ MAT Credit	-	-	-	-	(6.43)
<b>Profit After Tax &amp; Adjustment for earlier Years</b>	<b>1,297.92</b>	<b>1,280.35</b>	<b>978.39</b>	<b>795.62</b>	<b>1,328.92</b>
<b>Dividend / Proposed Dividend</b>	<b>576.00</b>	<b>480.00</b>	<b>400.00</b>	<b>320.00</b>	<b>480.00</b>
<b>BALANCE SHEET</b>					
Net Worth	33724.21	42,677.61	38,005.28	33,929.26	18773.01
Other Liabilities	65.50	74.78	47.00	41.50	36.00
Deferred Tax Liability (Net)	337.50	685.66	243.39	297.20	331.04
Current Liabilities	1090.62	1,629.62	1,405.48	1,145.89	5138.74
<b>Total Equity and Liabilities</b>	<b>35,217.83</b>	<b>45,067.68</b>	<b>39,701.15</b>	<b>35,413.85</b>	<b>24278.79</b>
Fixed Assets -Gross (including Capital WIP)	4572.67	4,436.38	4,073.79	3,829.37	4967.69
Fixed Assets- Net	3420.86	3,598.81	3,523.63	3,570.72	2621.47
Investments	20005.12	29,784.36	26,044.08	20,472.47	5139.49
Other Assets	224.7	257.33	455.20	1,011.95	1369.68
Current Assets	11567.15	11,427.18	9,678.24	10,358.71	15148.15
<b>Total Assets</b>	<b>35,217.83</b>	<b>45,067.68</b>	<b>39,701.15</b>	<b>35,413.85</b>	<b>24,278.79</b>
<b>RATIOS and STATISTICS</b>					
Proprietary Ratio	0.96:1	0.95:1	0.96:1	0.93: 1	0.77: 1
Debt Equity Ratio	0:1	0:1	0:1	0: 1	0: 1
Current Ratio	10.61:1	7.01:1	6.88:1	9.04:1	2.95: 1
Return on Proprietor's Fund	3.85%	3.00%	2.57%	2.34%	7.08%
Return on Capital Employed	4.69%	3.71%	2.80%	2.97%	8.85%
Operating Expenses Ratio	94.45%	90.82%	94.90%	98.60%	92.35%
Operating Profit Ratio	1.27%	6.23%	1.18%	-2.46%	4.97%
Net Profit Ratio	15.64%	12.53%	12.96%	10.89%	14.58%
Dividend Per Share (Rs.)	1.80	1.50	1.25	1.00	1.50
Earning per Equity Share (Rs.)	4.06	4.00	3.06	2.49	4.15
Price Earning Ratio	12.43	28.93	34.20	61.29	34.89
Debtors Turnover Ratio	4.10	4.07	2.51	2.00	2.38
Inventory Turnover Ratio	1.22	1.54	1.31	1.14	1.32
Book Value per Equity Share (Rs.)	105.39	133.37	118.77	106.03	58.67
No.of Equity Shareholders	11327	11,387	10,845	9,754	8,213
No.of Employees	137	141	136	132	122

- 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 Interest & Tax / (Equity Capital + Reserves & Surplus+ Non Current Liabilities - Miscellaneous Expenses)  
6) Operating Expenses Ratio = (Cost of Material + Operating & Other Expenses ) / (Net Sales+windmill income)  
7) Operating Profit Ratio= (Profit before Tax-Other Income)/( Net Sales+windmill income)  
7) Net Profit Ratio = Profit After Tax / (Net Sales+windmill income)  
8) Price Earning Ratio=Market Price Per Share/ Earning Per Share  
9) Debtors Turnover Ratio= (Net Sales+Windmill income)/(Average Trade Receivable)  
10) Inventory Turnover Ratio= Cost of Materials / Average Inventory

**Note:** Ratio from FY 2016-17 onwards are based on financials prepared under IND AS and ratio of FY 2015-16 is based on financial prepared under IGAAP



# HERCULES HOISTS LIMITED

## 58<sup>th</sup> ANNUAL REPORT 2019-2020

### BOARD OF DIRECTORS

Shekhar Bajaj - *Chairman*  
 H A Nevatia (*Whole-time Director*)  
 Gaurav Nevatia  
 Shruti Jatia  
 Vandan Shah  
 Nirav Nayan Bajaj (*w.e.f. 05-06-2019*)

### MANAGEMENT TEAM

Prakash Subramaniam (*President & CEO*)  
 Vivek Mahendru (*Vice President-Operations*)  
 Vijay Singh (*Chief Financial Officer*)  
 Debi Prasad Padhy (*General Manager-Sales & Marketing*)  
 Kailas Menon (*General Manager-Supply Chain Management*)

### COMPANY SECRETARY

Kiran Mukadam (*with effect from May 25, 2019*)

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### BANKERS

HDFC Bank, Axis Bank,  
 Bank of Maharashtra, Yes Bank

### AUDITORS

Kanu Doshi Associates LLP- *Chartered Accountants*

### COST AUDITORS

R Nanabhoy and Co.- *Cost Accountants*

### SECRETARIAL AUDITORS

S N Ananthasubramaniam & Co.- *Company Secretaries*

**CIN:** L45400MH1962PLC012385

**Website:** [www.indef.com](http://www.indef.com)

### ANNUAL GENERAL MEETING

On Wednesday, September 16, 2020 at 3.30 pm through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")

**Note:** *Members are requested to kindly download the Annual Report copy from [www.indef.com](http://www.indef.com)*

### REGISTERED OFFICE

Bajaj Bhawan, 2<sup>nd</sup> floor, 226, Jamnalal Bajaj Marg,  
 Nariman Point, Mumbai, 400021 (MH)

### CORPORATE OFFICE

501-504, Shelton Cubix, Sector 15, Plot 87,  
 CBD Belapur, Navi Mumbai , Thane 400614



## NOTICE

**NOTICE** is hereby given that the **58th Annual General Meeting of the Members of Hercules Hoists Limited** will be held through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") on Wednesday, September 16, 2020 at 3.30 p.m. to transact the following businesses :-

1. To receive, consider and adopt the audited statement of Profit and Loss Account for the year ended March 31, 2020 and the Balance Sheet as at that date and Report of Directors and Auditors thereon.
2. To declare dividend for the financial year ended March 31, 2020.
3. To appoint a Director in place of Shri Nirav Nayan Bajaj [DIN No. 08472468] who retires by rotation and being eligible, offers himself for re-appointment.

### Special Business

4. To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:  
**"RESOLVED THAT** pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, the remuneration of Rs. 45,000/- plus GST, reimbursement of out of pocket expenses payable to the Cost Auditor, M/s R Nanabhoy & Co, Cost Accountants appointed by the Board of Directors of the Company, for the financial year 2020-21, be and are hereby ratified and confirmed.
5. To consider and, if thought fit, to pass with or without modification(s), the following Resolution as Special Resolution:  
**"RESOLVED THAT**, in accordance with the provisions of Section 149 read with Schedule IV of the Companies Act, 2013, and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, or any amendment thereto or modification thereof, be and is hereby re-appointed Ms. Shruti Jatia (DIN: 00227127) as an Independent Director of the Company for a period of five years with effect from November 12, 2019 to November 11, 2024
6. To consider and, if thought fit, to pass with or without modification(s), the following Resolution as Special Resolution:  
**"RESOLVED THAT**, in accordance with the provisions of Section 149 read with Schedule IV of the Companies Act, 2013, and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, or any amendment thereto or modification thereof, be and is hereby re-appointed Mr. Vandan Shah (DIN: 00759570) as an Independent Director of the Company for a period of five years with effect from February 6, 2021 to February 5, 2026

### NOTES:

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 12, 2020 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act 2013 read with MCA circulars and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the AGM of the Company is being held through VC/OAVM.
2. A member entitled to attend and vote is allowed to appoint a proxy to attend and vote instead of himself. Since this AGM is being held pursuant to the MCA Circulars through VC/ OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence proxy form and attendance slip are not annexed to this Notice.
3. Institutional / Corporate Shareholders (i.e. other than individual/ HUF, NRI etc) are required to send a scanned copy of its Board resolution or authorization, authorizing its representative to attend the AGM through VC/ OAVM on its behalf and to vote through remote e-voting.
4. The Register of Members and the Share Transfer Books of the Company will remain closed from September 10, 2020 to September 16, 2020 both days inclusive.
5. Payment of Dividend, if sanctioned and subject to deduction of tax at source, will be made after September 16, 2020
6. Since the AGM will be held through VC/OVAM, the Route Map is not annexed to this Notice
7. Members holding shares physically are requested to notify immediately any change in address to the Company.
8. 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.
9. In compliance with the aforesaid MCA circulars and SEBI circular dated May 12, 2020, Notice of AGM along with the Annual Report is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website **www.indef.com** and stock exchange websites i.e. **www.bseindia.com** and **www.nseindia.com**

10. All documents referred to in the accompanying Notice and Explanatory statement shall be open for inspection at the Registered Office of the Company during the office hours on all working days up to the date of the Annual General Meeting of the Company.
11. The Company is providing e-voting facility to all members to enable them to cast their votes electronically on all resolutions set forth in the Notice. This is pursuant to section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014.
12. The Companies can send various notices/documents to its shareholder through electronic mode to the registered email addresses of shareholders. Accordingly, members are requested to intimate their email address to the Company's Registrar and Share Transfer Agent. Please note that as a member of the Company, you are entitled to receive on request a physical copy of the said documents in accordance with the provisions of the Companies Act, 2013.

**Explanatory Statements under the Companies Act, 2013 and SEBI (LODR) Regulations 2015:****Item No. 4**

The Board of Directors of the Company on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s R Nanabhoy & Co., Cost Accountants, to conduct the audit of the cost records of the Company for the financial year 2020-21. In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is to be ratified by the Members of the Company. Accordingly, the Members are requested to ratify the remuneration payable to the Cost Auditors as set out in the Resolution for the aforesaid services to be rendered by them. The Board recommends passing of the Ordinary Resolution as set out in item No. 4 of the Notice.

None of the Directors, Key Managerial Personnel of the Company, and their relatives, are in any way concerned or interested in the said Resolution.

**Item No. 5**

The Members at the 52nd Annual General Meeting held on August 11, 2014 approved the appointment of Smt Shruti Jatia as an Independent Director of the Company for a period of five years with effect from November 12, 2014. She completed her present term on November 11, 2019. The Board of Directors of the Company at the meeting held on November 8, 2019, on the recommendation of the Nomination & Compensation Committee, recommended for the approval of the Members, the re-appointment of her as an Independent Director of the Company for another five year term with effect from November 12, 2019, in terms of Section 149 read with Schedule IV of the Companies Act, 2013 ('the Act'), and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations 2015'), or any amendment thereto or modification thereof. The Board recommends passing of the Special Resolution as set out in item No. 5 of the Notice.

None of the Directors, Key Managerial Personnel of the Company, and their relatives, are in any way concerned or interested in the said Resolution except Smt. Shruti Jatia

**Item No. 6**

The Members at the 54th Annual General Meeting held on August 12, 2016 approved the appointment of Shri Vandan Shah as an Independent Director of the Company for a period of five years with effect from February 6, 2016. He will complete his present term on February 5, 2021. The Board of Directors of the Company at the meeting held on June 25, 2020, on the recommendation of the Nomination & Compensation Committee, recommended for the approval of the Members, the re-appointment of his as an Independent Director of the Company for another five year term with effect from February 6, 2021, in terms of Section 149 read with Schedule IV of the Companies Act, 2013 ('the Act'), and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations 2015'), or any amendment thereto or modification thereof. The Board recommends passing of the Special Resolution as set out in item No. 6 of the Notice.

None of the Directors, Key Managerial Personnel of the Company, and their relatives, are in any way concerned or interested in the said Resolution except Shri. Vandan Shah

**On behalf of the Board of Directors**

Dated : 25/06/2020  
Place : Mumbai

**Shekhar Bajaj**  
Chairman  
(DIN No. 00089358)



## VOTING THROUGH ELECTRONIC MEANS

- A) In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation no. 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the ensuing Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM will be provided by Link Intime India Private Limited (Link Intime)
- B) The facility for voting through e-voting shall be made available at the AGM and the members attending the meeting through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM"), who have not cast their vote by remote e-voting shall be able to exercise their right at the AGM.
- C) The members who have cast their vote by e-voting prior to the AGM may also attend the AGM through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM"), but shall not be entitled to cast their vote again.
- D) The e-voting period commences on September 13, 2020 (9:00 am) and ends on September 15, 2020 (5:00 pm). During this period, members' of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of September 9, 2020 may cast their vote by e-voting. The e-voting module shall be disabled by Link Intime for voting thereafter.
- E) The process and manner for remote e-voting are as under:
1. Log-in to e-voting website of LI IPL and Open web browser by typing the following **URL: [https:// instavote.linkintime.co.in](https://instavote.linkintime.co.in)**.
  2. Click on "Login" tab, available under 'Shareholders' section. Enter your User ID, password and image verification code (CAPTCHA) as shown on the screen and click on "SUBMIT".
  3. Your Password details are given below:-  
If you are using e-voting system of **LI IPL: <https:// instavote.linkintime.co.in>** for the first time or if you are holding shares in physical form, you need to follow the steps given below:  
Click on "Sign Up" tab available under 'Shareholders' section register your details (PAN, Bank Account Number) and set the password of your choice and confirm (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter). For Shareholders holding shares in Demat Form or Physical Form:
    - a) User ID: Enter your User ID
      - Members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.
      - Members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID.
      - Members holding shares in physical form shall provide Event No + Folio
    - b) PAN: Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (applicable for both demat shareholders as well as physical shareholders). Members who have not updated their PAN with depository Participant or in the Company record are requested to contact [karlekar@unisec.in](mailto:karlekar@unisec.in) or [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in)
    - c) DOB / DOI : Enter the DOB (Date of Birth) / DOI (Date of Incorporation) as recorded with depository participant or in the Company record for the said demat account or folio number in dd/mm/ yyyy format
    - d) Bank Account Number: Enter the Bank Account number as recorded in your demat account or in the Company records for the said demat account or folio number.  
Please enter the DOB / DOI or Bank Account number in order to register. If the above-mentioned details are not recorded with the depository participants or Company, please enter Folio number in the Bank Account number.
  4. If you are holding shares in demat form and had registered on e-voting system of **LI IPL: <https:// instavote.linkintime.co.in>**, and / or voted on earlier voting of any company then you can use your existing password to login.
  5. **If you have forgotten the password:**
    - Click on '**Login**' under '**SHARE HOLDER**' tab and further Click '**forgot password?**'
    - Enter **User ID**, select **Mode** and Enter Image Verification (CAPTCHA) Code and Click on '**Submit**'.
    - in case shareholders/ members are having valid email address, Password will be sent to his / her registered e-mail address.
    - Shareholders/ members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.
    - The password should contain minimum 8 characters, at least one special character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter.
    - It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  6. After successful login, you will be able to see the notification for e-voting. Select '**View**' icon. **Then**, -voting page will appear. Please refer the Resolution description and cast your vote by selecting your desired option '**Favour / Against**' (If you wish to view the entire Resolution details, click on the '**View Resolution**' file link). After selecting the desired option i.e. Favour / Against, click on '**Submit**'. A confirmation box will be displayed. If you wish to confirm your vote, click on '**Yes**', else to change your vote, click on 'No' and accordingly modify your vote.
  7. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.
  8. Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to e-voting system of **LI IPL: <https:// instavote.linkintime.co.in>** and register themselves as 'Custodian / Mutual Fund / Corporate Body'. They are also required to upload a scanned certified true copy of the board resolution / authority letter / power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the 'Custodian / Mutual Fund / Corporate Body' login for the Scrutinizer to verify the same.
  9. During the voting period, shareholders can login any number of time till they have voted on the resolution(s) for a particular "Event".
  10. Shareholders holding multiple folios / demat accounts shall choose the voting process separately for each of the folios / demat accounts.
  11. In case the shareholders have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and Insta vote e-voting manual available at <https://instavote.linkintime.co.in>, under Help section or write an email to [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or call us :-Tel : **022 – 49186000 or [karlekar@unisec.in](mailto:karlekar@unisec.in)**
  12. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of September 9, 2020.
  13. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of e-voting / voting at the AGM.
  14. The Scrutinizer (M/s S N Ananthasubramaniam & Co., Practising Company Secretary, Thane) shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
  15. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company and on the website of Link Intime immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE /NSE. The resolution shall be deemed to be passed at the Annual General Meeting of the Company scheduled to be held on September 16, 2020.

### Process and manner for attending the Annual General Meeting through InstaMeet

Shareholders/Members are entitled to attend the Annual General Meeting through VC/OAVM provided by Link Intime by following the below mentioned process.

- Facility for joining the Annual General Meeting through VC/OAVM shall open 15 minutes before the time scheduled for the Annual General Meeting and will be available to the Members on first come first serve basis.
- Shareholders/Members are requested to participate on first come first serve basis as participation through VC/ OAVM is limited and will be closed on expiry of 15 (fifteen) minutes from the scheduled time of the Annual General Meeting.
- Shareholders/Members with more than 2% shareholding, Promoters, Institutional Investors, Directors, KMPs, Chair Persons of Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Auditors etc. may be allowed to the meeting without restrictions of first-come-first serve basis.
- Members can log in and join 15 (fifteen) minutes prior to the schedule time of the meeting and window for joining shall be kept open till the expiry of 15 (fifteen) minutes after the schedule time.
- Participation is restricted upto 1000 members only.
- Shareholders/ Members will be provided with InstaMeet facility wherein Shareholders/ Member shall register their details and attend the Annual General Meeting as under:

1. Open the internet browser and launch the URL <https://instameet.linkintime.co.in> for InstaMeet and register with your following details:

- a. Demat Account No. or Folio No.: Enter your 16 digit Demat Account No. or Folio Number registered with the Company
- b. PAN: Enter your 10 digit Permanent Account Number (PAN)
- c. Mobile No.
- d. Email ID

2. Click "Go to Meeting"

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience. Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting. Please note that Shareholders/Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network.

It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches. In case the shareholders/members have any queries or issues regarding e-voting, you can write an email to [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in) or Call us: - **Tel : ( 022-49186175 )**

3. Instructions for Shareholders/Members to register themselves as Speakers during Annual General Meeting:

- a. Shareholders/ Members who would like to express their views/ ask questions during the meeting may register themselves as a speaker by sending their request at least 7 days in advance mentioning their name, demat account number/folio number, email id, mobile number at [cs1@indef.com](mailto:cs1@indef.com); [ksm@indef.com](mailto:ksm@indef.com)
- b. Shareholders/Members will get confirmation on first cum first basis depending on availability of time for the AGM. Shareholders will receive speaking serial number once they mark attendance for the meeting.
- c. Those shareholders/members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
- d. Other shareholder may ask questions to the panelist, via active chat-board during the meeting
- e. The Company reserves the right to restrict the number of speakers depending on the availability of time for the Annual General Meeting.
- f. Shareholders/ Members should allow to use camera and are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

4. Instructions for Shareholders/Members to Vote during the Annual General Meeting through InstaMeet: Once the electronic voting is activated by the scrutinizer during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

- a. On the Shareholders VC page, click on the link for e-Voting "Cast your vote".
- b. Enter Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMeet and click on 'Submit'.
- c. After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
- d. Cast your vote by selecting appropriate option i.e. "Favour/ Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
- e. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
- f. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.
- g. Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting
- h. In case the shareholders/members have any queries or issues regarding e-voting, you can write an email to [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in) or Call - Tel : (022-49186175)

## DIRECTORS' REPORT

Dear Members,

We present our **58<sup>th</sup> Annual Report** together with the Audited Financial Accounts for the year ended **March 31, 2020**:

### 1. Financial Results

(Rs. in Lakhs)

Financial Results	As on March 31, 2020	As on March 31, 2019
Revenue from Operations	<b>8299.84</b>	10216.84
Other Income	<b>1493.27</b>	976.05
Total Income	<b>9793.11</b>	11192.89
Profit before Finance Cost & Depreciation	<b>1954.01</b>	1914.32
Less- Finance Cost	<b>1.91</b>	-
Less-Depreciation	<b>353.19</b>	301.54
Profit before taxes	<b>1598.91</b>	1612.78
Provision for taxation for the year (including deferred tax and Earlier year's income-tax adjustment)	<b>300.98</b>	332.43
Profit after Taxes	<b>1297.93</b>	1280.35

### 2. Dividend

The Directors recommend for consideration of the shareholders at the Annual General Meeting payment of dividend of Rs. 1.80 per Equity Share of Re. 1.00 each for the year ended March 31, 2020 as against Rs. 1.50 per Equity Shares of Re.1.00 each in the previous year.

### 3. Operations

The revenue from operations of Rs. 8299.84 lakhs is 18.76% lower than last year's revenue from operations of Rs. 10216.84 Lakhs. The net profit of Rs. 1297.93 is more 1.37% , as compared to last year's net profit of Rs. 1280.35 lakhs.

The growth in sectors like automotive, metals, engineering, and other manufacturing sectors where the Company's offer its products / solution, are not noticeable in current financial year and as such investment in capital goods and heavy industries is still to pick up. The Company is working on adding new / enhanced product lines in existing portfolio, enlarging its range and reach in market and cost control.

The Company's 4 Windmills produced 65.11 Lakhs units of energy in the current year, as against 70.80 Lakhs units of energy produced in the previous year.

### 4. Directors and Key Managerial Personnel-Changes

As per section 152 (6) of the Companies Act, 2013, Shri Nirav Nayan Bajaj is liable to retire by rotation at the ensuring Annual General Meeting and being eligible, offer himself for re-appointment. The Board recommends his re-appointment for the consideration of the Members of the Company at the forthcoming Annual General Meeting. His Brief profile has been given in Corporate Governance Report.

During the year under review, the Board of Directors on recommendation of the Nomination and Remuneration Committee re-appointed Smt Shruti Jatia and Shri Vandan Shah as an Independent Director on the Board of Directors of the Company in accordance with Section 149(4) of the Act, with effect from November 11, 2019 and February 6, 2021, respectively, to hold office for second term of 5 (five) consecutive years subject to approval of ensuing Annual General Meeting of the Company. Brief profile of both Directors are given in Corporate Governance Report

Shri Kiran Mukadam was appointed as a Company Secretary and Compliance Officer with effect from May 25, 2019 in place of Shri Mahesh Kumar Sharma's who resigned on May 24, 2019.

### 5. Independent Directors

The Independent Directors have submitted the declaration of Independence, as required pursuant to section 149(7) of the Companies Act, 2013. In the opinion of the Board, the Independent Directors, fulfil the conditions of independence specified in Section 149(6) of the Act and Regulation 16(1) (b) of the Listing Regulations. The Independent Directors have also confirmed that they have complied with the Company's Code of Business Conduct & Ethics. The terms and conditions of appointment of the Independent Directors are placed on the website of the Company.



In compliance with the requirement of Listing Regulations, the Company has put in place a familiarisation programme for the independent directors to familiarise them with their role, rights and responsibility as directors, the working of the Company, nature of the industry in which the Company operates. The details of familiarisation programme are explained in the Corporate Governance Report

## **6. Auditors**

### **A) Statutory Auditor**

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules made thereunder, the auditors of the Company, M/s. Kanu Doshi Associates LLP, Chartered Accountants, Mumbai were appointed as Statutory Auditors of the Company for a period of five consecutive years at the Annual General Meeting (AGM) of the Members held August 9, 2017. The statutory auditors of the Company shall hold office from the conclusion of the 55th AGM of the Company till the conclusion of the 60th AGM. The Audit Report for FY2019-20 is unmodified, i.e., it does not contain any qualification, reservation, or adverse remark.

### **B) Cost Auditor:**

Pursuant to Section 148 of the Companies Act, 2013 and rules made thereunder, the Board of Directors had, on the recommendation of the Audit Committee, appointed M/s R Nanabhoy & Co. Cost Accountants, to audit the cost accounts of the Company for the financial year 2020-21 at a remuneration of Rs. 45,000/-plus GST, reimbursement of out-of pocket expenses, subject to ratification by the shareholders at ensuing Annual General Meeting. Accordingly, a Resolution seeking Members' ratification for the remuneration payable to Cost Auditors is given in the notice.

### **C) Secretarial Auditor:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the rule made thereunder, the Company has appointed M/s S N Ananthasubramaniam & Co, Company Secretaries, to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report is annexed herewith as "Annexure C". There is no secretarial audit qualification for the year under review.

## **7. Significant and Material orders passed by the Regulators or Court**

During the year in review, there were no significant and material orders passed by the Regulators or Courts or tribunals, which may impact the going concern status of the Company and its operations in future.

## **8. Internal Control over system and financial reporting**

The Company's internal control system is commensurate with its size, scale, and complexities of its operations. The internal and operational audit is entrusted to M/s Deloitte Touche Tohmatsu India LLP. The Audit Committee of the Board of Directors periodically reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same. The Company has policies and procedure in place for reliable financial reporting.

## **9. Material Changes & Commitments**

There have been no material changes and commitments, affecting the financial position of the Company, which have occurred between the end of the financial year of the Company and the date of this report.

## **10. Presentation of Financial Results**

The financial results of the Company for the year ended March 31, 2020 have been disclosed as per Schedule III of the Companies Act, 2013.

The financial statements up to year ended March 31, 2020 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules 2006 as amended and other relevant provisions of the act.

The annexed financial statements comply in all material aspects with Indian Accounting Standards (IND AS) notified as per Companies (Indian Account Standard) Rules 2015 under section 133 of the Companies Act 2013 and other relevant provisions of the act.

## **11. Risk Management**

Risk management is embedded in your Company's operating framework. The risk management framework is reviewed periodically by the Board and the Audit Committee. Information on the development and implementation of a risk management framework for the company is given under Management Discussion and Analysis.

## **12. Corporate Social Responsibility (CSR)**

Detailed information on CSR Policy developed and implemented by the Company on CSR initiatives taken during the year pursuant to section 134 & 135 of the Companies Act 2013 is given in the "Annexure A".

**13. Directors' Responsibility Statement**

As required under section 134(3)(c) of the Companies Act, 2013 Directors, to the best of their knowledge and belief, state that -

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, 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 and loss of the Company for that period;
- c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the Directors had prepared the annual accounts on a going concern basis;
- e) the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively and
- f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**14. Vigil Mechanism**

The details of the Vigil Mechanism Policy covered under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 are explained in the Corporate Governance Report and posted on the website of the Company.

**15. Directors' Remuneration Policy and Criteria for matters under section 178**

Information regarding Directors' Remuneration Policy & criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of Section 178 of the companies Act 2013 are provided in the annexed Corporate Governance Report.

**16. Corporate Governance**

Detailed reports on matters relating to Corporate Governance and Management Discussion and Analysis Report under SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, are annexed as part of this Annual report together with the report of Practicing Company Secretary on its compliance thereon.

**17. Business Responsibility Report**

SEBI expands the ambit of Business Responsibility Reporting (BRR) to top 1000 listed Companies by notification No. SEBI/LAD-NRO/GN/2019/45 dated 26.12.2019. Your Company, being one of such top 1000 listed entities, has included first BRR, as part of the Annual Report, describing initiatives taken from an environmental, social and governance perspective. As a green initiative, the BRR for financial year 2019-20 has been hosted on the website of the Company- [www.indef.com](http://www.indef.com). Physical copy of the BRR will be made available to any members on request.

**18. Particulars of Employees**

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. The Company had one employee who was employed throughout the year and were in receipt of remuneration more than Rs. 102 lakh per annum. The details of his remuneration are given under MGT 9 – Point VII- Remuneration details of Directors and Key Managerial Personnel.

In terms of Section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting.

**19. Particulars of Loans, Guarantees or Investments**

Details of Loans, Guarantees and Investments, if any covered under the provisions of Section 186 of the Companies Act, 2013 are given in note No. 8, 13 and 17 to the Financial Statements.

**20. Number of Meetings of the Board and Audit Committee**

During the year, four Board Meetings and four Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report.