



Ref: KSM/CM6

Date: December 22, 2023

Listing Department
The Bombay Stock Exchange Limited,
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai- 400023
[Scrip Code- 505720]

Listing Department,
National Stock Exchange of India Limited
Exchange Plaza, Bandra-Kurla Complex,
Bandra (East), Mumbai-400051
[Scrip Code HERCULES EQ]

Sub: Intimation under Regulation 30 of the SEBI (LODR) Regulations, 2015

Ref: Update on scheme of demerger between Hercules Hoists Limited (Demerged Company) and
Indef Manufacturing Limited (Resulting Company)

Dear Sir/Madam

In continuation of our earlier communication, we enclose herewith copy of the order pronounced on December 19, 2023 (passed in the demerger of Company Scheme Application No.: C.A. (CAA)/181/MB/2023) as received by the Company.

We request you to take the above on record and treat the same as compliance under the applicable provisions of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

Thanking you,

For Hercules Hoists Limited,

KIRAN Digitally signed
by KIRAN
SUBHASH SUBHASH
Kiran Mukadam MUKADAM
Company Secretary Date:
MUKADAM 2023.12.22
M 18:30:02
+05'30'

Company: HERCULES HOISTS LIMITED

T: +91 22 45417301 | F: +91 2192 274125 | E: indef@indef.com | U: www.indef.com

Corporate Office: 501-504, Shelton Cubix, Sector 15, Plot #87, CBD Belapur, Navi Mumbai 400614, INDIA

Works: Khalapur, Chakan | **Regional Offices:** Pune, Delhi, Chennai, Kolkata

Registered Office: Bajaj Bhawan, 2nd Floor, 226, Jammalal Bajaj Marg, Mumbai 400 021, INDIA

CIN: L45400MH1962PLC012385

**THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH, COURT I**

CA(CAA)/181/MB/2023

*In the matter of
The Companies Act, 2013
And
In the matter of
The Section 232 r/w Section 230 of
The Companies Act, 2013
read with other applicable provisions of The
Companies Act, 2013 and Companies
(Compromises, Arrangements and
Amalgamation) Rules, 2016
and
In the matter of
Scheme of Demerger and Arrangement*

Hercules Hoists Limited

CIN: L45400MH1962PLC012385

...Applicant No. 1 Company/
Demerged company

Indef Manufacturing Limited

CIN: U29308MH2022PLC390286

...Applicant No. 2 Company/
Resulting company

Order delivered on 19.12.2023

Coram:

Shri Prabhat Kumar

Hon'ble Member (Technical)

Justice V.G. Bisht (Retd.)

Hon'ble Member (Judicial)

Appearances (through)

For the Applicant(s) : : Mr. Ninad Sahasrabuddhe, PCS

ORDER

1. The present Scheme is a Scheme of Demerger and Arrangement between **Hercules Hoists Limited** ('First Applicant Company' or 'Demerged Company') and **Indef Manufacturing Limited** ('Second Applicant Company' or 'Resulting Company') and their respective shareholders.
2. The Demerged Company is a listed public limited company and is engaged in the business of manufacturing, sales, distribution and marketing of mechanical hoists, electric chains hoists, wire rope hoists and other material handling equipments and other business by way of investments in various mutual funds schemes and equity instruments.
3. The Resulting Company is an unlisted public limited company incorporated with a view to undertake the businesses of manufacturing of hoists, cranes and other material handling equipments i.e. the business of the Demerged Company and specifically the Manufacturing Business.
4. The Scheme of Arrangement (Demerger) is presented under Section 232 r/w Section and other applicable provisions of the Companies Act, 2013 for demerger of manufacturing business i.e. undertaking related to manufacturing, sale, service of hoists, cranes and other material handling equipments of Hercules Hoists Limited (Demerged Company) into Indef Manufacturing Limited (Resulting Company).

5. The entire issued, subscribed and paid up share capital of the Resulting Company is currently held by the Demerged Company along with nominees.
6. The Board of Directors of the Applicant Companies vide their respective resolutions passed in the respective meetings of Board of Directors dated 23rd September 2022 approved the scheme of Demerger and Arrangement between the Applicant Companies. The appointed date for the Scheme is 1st October 2022 or such other date as the Tribunal may direct or fix for the purpose of the Scheme.
7. The management of the Applicant Companies believe that the scheme of Demerger and Arrangement between the Applicant Companies shall result in:
 - a) Splitting of manufacturing business and investment business of the Demerged Company with a view to unlocking value, enhance the scope of work of both, the Demerged Company and the Resulting Company, and further to draw new investors, JV, bringing technology partner, merger & acquisition for exploring other growth potential in it.
 - b) Increased flexibility and enhance the ability of Applicant Companies to undertake their respective businesses, thereby contributing to enhancement of future business potential.
 - c) Allowing the respective management to pursue independent growth strategies. The Scheme will also provide scope of separate companies for independent collaboration and expansion.
 - d) Focused management attention, resources and skill set allocation of both the Applicant Companies with a view to rationalize and simplify the structure of the Demerged Undertaking.
 - e) Facilitating focused management attention, provide leadership vision, facilitate efficiency in operations due to individual

specialization, provide greater leveraging due to financial independence and facilitate strategic financial investment to the Demerged Undertaking and enabling the management of Demerged Company to focus on the Remaining Undertaking and allow it to grow aggressively.

- f) The transfer and vesting of the Demerged Undertaking along with assets and liabilities relating to the Demerged Undertaking into IML, will benefit IML and its members.
- g) In consideration of the Demerger, the Shareholders of the Demerged Company will receive equity shares in the Resulting Company, which will be listed on Stock Exchange(s). The Shares held by the Demerged Company in the Resulting Company (if any) will be cancelled upon the effectiveness of the Scheme as the shareholding pattern of the Demerged Company and the Resulting Company will be exactly the same (i.e. mirror shareholding pattern).
- h) The Demerger and the consequent issue of equity shares by the Resulting Company are proposed to allow shareholders of the Demerged Company and the Resulting Company and the investors to invest in the distinct key businesses and allow shareholders of the Demerged Company and the Resulting Company unlock the value of their investments.
- i) The proposed demerger will assist in the potential of the respective businesses being realized more fully and will have beneficial results for the said companies and their shareholders.
- j) The Scheme is in the interest of shareholders, creditors and there is no likelihood that any shareholder or creditor of either Demerged Company or Resulting Company would be prejudiced as a result of the Scheme of Arrangement. The Scheme will neither impose any additional burden on the shareholders of the Demerged Company, nor will it adversely affect the interests of any of the shareholders or creditors of the Demerged Company and the

Resulting Company. Further, the Scheme is only for the transfer and vesting of the Demerged Undertaking by way of an arrangement from the Demerged Company into the Resulting Company and is not an arrangement or compromise with the creditors of any of the entities involved in the Scheme.

8. CONSIDERATION:

Upon the Scheme coming into effect, in consideration of the demerger of the Demerged Undertaking into Resulting Company pursuant to provisions of this Scheme, and without any further application, act, deed payment, consent acts, instruments or deed, Resulting Company will issue and allot fully paid-up equity shares of Re. 1 each (the "New Shares") to shareholders of Demerged Company in accordance with the terms of the Scheme. The New Shares will be issued by Resulting Company to such equity shareholders of Demerged Company whose names are recorded in the register of members of Demerged Company as on the Record Date in the ratio of 1:1, i.e. ***“1 (One) equity share of INDEF MANUFACTURING LIMITED of Face Value of INR 1 each fully paid up shall be issued for every 1 (One) equity share of Face Value of INR 1 each fully paid up held in HERCULES HOISTS LIMITED”***.

9. The valuation report recommending share entitlement ratio for the Scheme of Arrangement (Demerger) dated 22nd September 2022 is issued by Paras K. Savla, IBBI Registered Valuer (IBBI/RV/06/2018/10102) and is annexed as Exhibit 13 in the Company Scheme Application.

10. The Demerged Company is listed with the BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE'). Pursuant to the Securities and Exchange Board of India ('SEBI') Circular CFD/DIL3/CIR/P/2021/0000000665 dated 23.11.2021, as amended from time to time and read with Regulation 37 of the SEBI (Listing

Obligations and Disclosure Requirements) Regulations, 2015 the Demerged Company had applied to BSE and NSE for their Observation Letter / No Objection Letter to file the Scheme for sanction of the Tribunal. BSE and NSE vide their respective letters dated 23rd May 2023 and 24th May 2023 respectively have provided their No Adverse Observation Letter / No Objection Letter to the Scheme.

11. The Resulting Company is wholly owned subsidiary of the Demerged Company and the Resulting Company has obtained the consent of the Demerged Company to the Scheme by way of an affidavit dated 15th June 2023. In view of the fact that the Equity Shareholder of the Resulting Company has given its consent affidavit, the meeting of the Equity Shareholders of the Resulting Company is hereby dispensed with.
12. The Resulting Company do not have any Secured or Unsecured Creditors in its books of accounts as on 31st March 2023. In view of the above, the question of meeting of Secured / Unsecured Creditors of the Resulting Company does not arise.
13. That since the Demerged Company is a listed Company with the BSE and NSE and considering a fact that it is extremely demanding to obtain a prior approval of shareholders of the Demerged Company, the meeting of the Equity Shareholders of the Demerged Company be convened and held on 30.01.2024 at 11.00a.m. (IST), through Video Conferencing ('VC') or Other Audio Visual Means ('OAVM') mode without holding a general meeting requiring the physical presence of shareholders at a common venue, as per applicable operating procedures mentioned in Circular No. 14/2020 dated 08.04.2020 read with Circular Nos. 17/2020 dated 13.04.2020, 22/2020 dated 15.06.2020, 33/2020 dated 28.09.2020, 39/2020 dated 31.12.2020 and 10/2021 dated 23.06.2021, 2/2022 and 3/2022 dated 05.05.2022 and

10/2022, 11/2022 dated 28.12.2022 and 09/2023 dated 25.09.2023 issued by the Ministry of Corporate Affairs (MCA Circulars), with necessary modifications as stated herein or as may be required, and not in physical presence of shareholders.

14. In view of provisions of Section 230(4) read with Section 108 of the Companies Act, 2013 read with Rule 20 and other applicable provisions of the Companies (Management and Administration) Rules, 2014 and in accordance with Regulation 44(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Demerged Company proposes to provide the facility of remote e-voting to its Equity Shareholders in respect of the resolution to be passed at the aforesaid meeting. The Equity Shareholders of the Demerged Company are also allowed to avail the facility of e-voting during the aforesaid meeting to be held through VA/ OAVM on 30.01.2024 at 11.00 a.m. (IST). The e-voting facility for the Equity Shareholders of the Demerged Company shall be provided in compliance with the conditions specified under the Companies (Management and Administration) Rules, 2014, Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS2) issued by the Institute of Company Secretaries of India, as applicable.

15. That at least 30 (thirty) days before the said Meeting of the Equity Shareholders of the Demerged Company to be held as aforesaid, a Notice convening the said Meeting at the day, date and time as aforesaid, together with a copy of the Scheme, a copy of Explanatory Statement disclosing all material facts as required under Section 230(3) of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rule, 2016 notified on 14th December, 2016 shall be sent by email to those Equity Shareholders whose email addresses are duly registered with the

Demerged Company, addressed to each of the shareholders, at their last known email addresses as per the records of the Demerged Company. That at least 30 (thirty) days before the said Meeting of the Equity Shareholders of the Demerged Company to be held as aforesaid, a Notice convening the said Meeting at the day, date and time as aforesaid be published once each in 'Business Standard' in English and 'Navshakti' in Marathi, both having wide circulation in the State of Maharashtra.

16. That Mr. Aditya Jain, Advocate, email adv.adityajain88@gmail.com Mob: 9860088287 failing him Mr. K. J. Mallya, Independent Director of the Demerged Company shall be the Chairman of the aforesaid meeting of the Equity Shareholders of the Demerged Company to be held on Friday, 30.01.2024, 2023 at 11.00 a.m. (IST) or any adjournment or adjournments thereof. The Remuneration shall be fixed Rs. 1,50,000/- to be paid.
17. That the Scrutinizer for the meeting shall be M/s. S. N. Ananthasubramanian & Co., Practising Company Secretaries, Thane. The fee of the professional appointed as Scrutinizer for the meeting of the shareholders of the Demerged Company shall be Rs. 35,000/- (Rupees Thirty Five Thousand only) excluding applicable taxes.
18. That the Chairperson appointed for the aforesaid meeting of the Equity Shareholders of the Demerged Company to issue the notices of the meeting referred to above. The said Chairperson shall have all powers pursuant to sections 230 and 232 of the Companies Act, 2013 read with other applicable provisions of the Companies Act, 2013, the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, Companies (Management and Administration) Rules, 2014 and MCA Circulars, to the extent necessary and applicable, in relation to the conduct of the meeting including for deciding procedural questions that

may arise or at any adjournment thereof or any other matter including, an amendment to the Scheme or resolution, if any, proposed at the meeting by any person(s).

19. That the quorum of the aforesaid Meeting of the Equity Shareholders of the Demerged Company shall be as prescribed under Section 103 of the Companies Act, 2013 and would include Equity Shareholders present through VC/ OAVM means. In case the required quorum as stated above is not present at the commencement of the meeting, the meeting shall be adjourned by 30 (thirty) minutes and thereafter the persons present shall be deemed to constitute the quorum.
20. The voting by proxy shall not be permitted as the meeting would be held through VC/ OAVM. However, voting in case of body corporate be permitted, provided the prescribed form/authorization is filed with the Demerged Company no later than 48 hours before the start of the aforesaid meeting as required under Rule 10 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
21. That the value and number of the shares of each Shareholder shall be in accordance with the books / registers of the Demerged Company or depository records and where the entries in the books / register / depository records are disputed, the Chairperson of the meeting shall determine the value for the purpose of the aforesaid meeting and his/her decision in that behalf would be final.
22. That the Chairperson shall file a compliance report not less than 7 (Seven) days before the date fixed for the holding of the meeting of the Equity Shareholders of the Demerged Company and report to this Tribunal that the directions regarding the issue of notices and advertisements have been duly complied with as per Rule 12 of Companies (Compromises, Arrangements and Amalgamations) Rules,

2016. That the Chairperson shall report to this Tribunal, the result of the aforesaid meeting within thirty days of the conclusion of the said meeting of the Equity Shareholders of the Demerged Company, and the said report shall be verified by his undertaking.

23. That there are no secured creditors in the books of accounts of the Demerged Company as on 31st March 2023 and hence, the question of convening and holding the meeting of the Secured Creditors of the Demerged Company does not arise.

24. That there are 254 Unsecured Creditors of Rs 14,64,96,766/- in value as on 31st March 2023 in the Demerged Company. Since the present Scheme is an arrangement between the Applicant Companies and its shareholders as contemplated in Section 230(1)(b) and not in accordance with the provisions of Section 230(1)(a) of the Companies Act, 2013, as there is no compromise of arrangement with creditors as it does not affect the rights and interests of the Unsecured Creditors of the Applicant Companies. Further there is no diminution of liability of any of the Unsecured Creditors of the Demerged Company who will be paid off in the ordinary course of business. In view of above the meeting of the Unsecured Creditors of Demerged Company is hereby dispensed with. However, the Demerged Company is hereby directed to issue notices through Registered Post-AD, Speed Post and email along with copy of Scheme and state that "*If no response is received by the Tribunal from the concerned Authorities within 30 days of the date of receipt of the notice it will be presumed that the concerned Authorities has no objection to the proposed Scheme*" having outstanding amount of Rs.5,00,000 and above.

25. The Applicant Companies shall serve the Notice in terms of Section 230 (5) of the Companies Act, 2013, upon -

- a. The Central Government, through Regional Director, Everest, 5th Floor, 100 Marine Drive, Mumbai-400002;
- b. The Registrar of Companies, Mumbai;
- c. GST Department
- d. Jurisdictional Income Tax Authorities; within whose jurisdiction; the Applicant Company's assessment are made; and the Nodal Authority in the Income Tax Department having jurisdiction over such authority i.e. Pr. CCIT, Mumbai, Address:- 3rd Floor, Aayakar Bhawan, Mahrishi Karve Road, Mumbai – 400 020, Phone No. 022-22017654 [E-mail: Mumbai.pccit@incometax.gov.in];
- e. National Stock Exchange;
- f. Securities Exchange Board of India;
- g. Bombay Stock Exchange;
- h. Any other sectoral regulator as may be directed by this Hon'ble Tribunal.

26. The Notice shall be served through by Registered Post-AD, Speed Post and email along with copy of Scheme and state that "*If no response is received by the Tribunal from the concerned Authorities within 30 days of the date of receipt of the notice it will be presumed that the concerned Authorities has no objection to the proposed Scheme*". It is clarified that notice service through courier shall be taken on record only in cases where it is supported with Proof of Delivery having acknowledgement of the noticee.

27. The Applicant Companies will submit –

- i. Details of Corporate Guarantee, Performance Guarantee and Other Contingent Liabilities, if any.

- ii. List of pending IBC cases, if any, along with all other litigation;
- iii. pending against the Applicant Companies having material impact on the proposed Scheme.
- iv. The Applicant Companies shall submit details of all Letters of Credit sanctioned and utilized as well as Margin Money details; if any.

28. The Applicant Companies to file an affidavit of service within 10 working days after serving to notice to all the regulatory authorities as stated above and do report to this Tribunal that the directions regarding the issue of notices have been duly complied with.

Sd/-

Prabhat Kumar
Member (Technical)

Sd/-

Justice V.G. Bisht
Member (Judicial)