



ANNUAL REPORT 2019-20

Registered Office : 9, DDA Market, Katwaria Sarai, New Delhi-110016

CIN : L74899DL1973PLC006503

Corporate Office: 57/1, Industrial Area, Site-IV, Sahibabad (U.P.)-201010

E mail : investors@cranexltd.com Website : <http://www.cranexltd.com>

BSE Script Code : 522001 ISIN : INE608B01010



CRANEX LIMITED

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45th Annual Report for the Financial Year 2019-20

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Corporate Information

Board of Directors & KMP

Mr. Suresh Chandra Agrawal
Executive Director & Chairman
DIN: 01958471

Mr. Piyush Agrawal
Managing Director
DIN: 01761004

Mr. Chaitanya Agrawal
Whole-Time Director & CFO
DIN: 05108809

Mr. Maman Chand Jain
Independent Director
DIN: 01958391

Mr. Ashwani Kumar Jindal
Independent Director
DIN: 01958501

Mr. Shubham kapil
Company Secretary & Compliance Officer
Membership No. 55845

Ms. Shilpy Chopra
Independent Director
DIN: 07161915

Key Committees of the Board

Audit Committee

Mr. Maman Chand Jain (Chairman)
Mr. Ashwani Kumar Jindal
Mrs. Shilpy Chopra

Stakeholders Relationship Committee

Mr. Ashwani Kumar Jindal (Chairman)
Mr. Maman Chand Jain
Ms. Shilpy Chopra

Nomination & Remuneration Committee

Mr. Maman Chand Jain (Chairman)
Mr. Ashwani Kumar Jindal
Mrs. Shilpy Chopra

Management Committee

Mr. Piyush Agrawal (Chairman)
Mr. Chaitanya Agrawal
Mr. Ashwani Kumar Jindal

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RTA, Auditors and Bankers

Registrar and Share Transfer Agent

Beetal Financial Computer Services Pvt. Ltd
BEETAL HOUSE, 3rd Floor,
99, Madangir, behind LSC,
New Delhi – 110062
&

Link Intime India Private Limited

45, Community Centre,
2nd Floor, Naraina Industrial Area,
Phase 1, Near PVR,
Naraina, New Delhi 110028

Statutory Auditors

M/s PRYD & ASSOCIATES

Chartered Accountants,
Firm Registration No. 011626N
Add: 4831/24 F.F Govind Lane, Ansari Road,
Darya Ganj, New Delhi-110002

Secretarial Auditors

M/s. Parveen Rastogi & Co.
Company Secretaries
Flat No.-3, First Floor
Sood Building, Ram Nagar, Paharganj
New Delhi-110055

Bankers

Kotak Mahindra Bank Limited
Syndicate Bank
State Bank of India
CTBC Bank & ICBC Bank

Internal Auditors

M/s. Kudsia & Associates
Chartered Accountants
152-A, DDA Flats, Shahpur Jat
New Delhi-110049

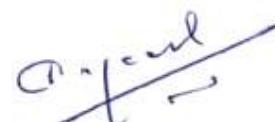
Chairman Message

Dear Shareholders!

Year 2020 marks 47 years of Cranex journey of endurance during which we have pushed many challenging boundaries. I am pleased to share our financial results of the past year and the progress we have made. In the current year the Company has seen a softer growth of 13%. However, our focus on growth and opportunities thereof has continued unabated.

This success would be impossible without our exceptional employees, and we recognize our responsibility to support both their professional and Personal lives, now more than ever. Times like these reinforce the truth that our employees are our most important asset – they are fundamental to the culture and success of our company. In everything we do from operations and technology I would like to take this opportunity to discuss the unprecedented situation caused by the COVID-19. I want to extend our sincere appreciation and gratitude to all those who are in the frontline, working to keep us safe and maintain essential services. This pandemic has changed the way we work, learn, care for ourselves, and importantly, connect. It is amazing how quickly we have mobilized and implemented work-from-home and other resilience.

On behalf of the Board of Directors I would also like to thank you for your continued support, confidence, and partnership.



Suresh Chandra Agrawal
Chairman

Message from Mr. Piyush Agrawal (Managing Director)

I am pleased to present the progress made in FY 19-20 and I am confident of our direction, even in the face of this pandemic and the accompanying economic upheaval. Embracing the new normal, our two biggest assets – our clients and our employees – have both amplified this voice back to us over the recent past. I am deeply grateful and thank each one of them. Also would like to thank you for your continued support, confidence, and partnership



Note from Chaitanya Agrawal (Whole-Time Director & CFO)

We began our year with confidence and performed reasonably well during the first three quarters and then with the rest of the world came a never-before situation – the pandemic – which jolted the local and global markets. Tough times teach the best lessons and despite the gloom we are doing our best to restore production at our factory and ready to reach valued customers across the country. The situation, however, is still fluid, but we definitely see rays of hope to revive our competitive journey.

Cranex at a Glance

Established in the year 1973, Cranex Limited, is one of the experienced EOT cranes manufacturers in India having rich experience of 47 years. With our presence spread across the country, we strive to provide to customers and build a long term sustainable business.



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NOTICE OF 45th e- ANNUAL GENERAL MEETING

Notice is hereby given that the 45th e- Annual General Meeting of the Members of Cranex Limited will be held on Wednesday, the 30th day of September, 2020 at 03.00 P.M. through Video Conferencing ('VC')/ Other Audio Visual Means ('OAVM') facility to transact the following Business:

ORDINARY BUSINESS:

Item No.1-Adoption of Standalone & Consolidated Audited Financial Statement

To receive, consider and adopt the Standalone & Consolidated Audited Financial Statements of the Company for the financial year ended 31st March, 2020 together with the Reports of the Board of Directors and the Auditors thereon.

Item No. 2- To fix the remuneration of M/s PRYD and Associates; Chartered Accountants, (FRN: 011626N) Statutory Auditors of the Company.

Item No.3- Re-appointment of Mr. Suresh Chandra Agrawal (DIN 01958471) as a Director, who retires by rotation and being eligible offers himself for Re-appointment.

“RESOLVED THAT Pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Suresh Chandra Agrawal, Director (DIN: 01958471) who retires by rotation and being eligible offers himself for re-appointment be and is hereby re-appointed as a Director of the Company liable to retire by rotation.”

SPECIAL BUSINESS:

Item No. 4- To increase borrowing powers of the board and authorization limit to secure the borrowings under Section 180(1) (c) and 180(1) (a) of the Companies, Act, 2013.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as Special Resolution:

“RESOLVED THAT the consent of the Company be and is hereby accorded, pursuant to Section 180(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder,

including any amendment(s), modification(s), variation(s) or re-enactment(s) thereof and the Articles of Association of the Company, to the Board of Directors of the Company to continue to borrow from time to time any money(ies) as they deem requisite and/or expedient for the purpose of the business of the Company, notwithstanding that the money(ies) to be borrowed together with money(ies) already borrowed by the Company would exceed the aggregate of paid-up share capital, free reserves and securities premium of the Company, provided that the total amount up-to which money(ies) borrowed by the Board of Directors of the Company at any time, including the temporary loans obtained from the Company's bankers in the ordinary course of business, shall not exceed **Rs. 40 Crore (Rupees Forty Crore only)**.

RESOLVED FURTHER subject to Section 180(1)(a) and other applicable provisions if any, of the Companies Act, 2013 and relevant rules made thereto including any statutory modifications or re-enactments thereof, consent of the shareholders of the company be and is hereby accorded, to the Board of Directors of the Company to pledge, mortgage, hypothecate and/or charge all or any part of the moveable or immovable properties of the Company and the whole or part of the undertaking of the Company of every nature and kind whatsoever and/or creating a floating charge in all or any movable or immovable properties of the Company and the whole of the undertaking of the Company to or in favour of banks, financial institutions, investors and any other lenders to secure the amount borrowed by the Company or any third party from time to time for the due payment of the principal and/or together with interest, charges, costs, expenses and all other monies payable by the Company or any third party in respect of such borrowings provided that the aggregate indebtedness secured by the assets of the Company does not exceed a sum of **Rs. 40 Crores (Rupees Forty Crores only)** taken together at any time.

RESOLVED FURTHER THAT Board of Directors of the Company be and are hereby authorized to file the necessary resolution/documents/ form(s) with the Registrar of the Companies, NCT of Delhi & Haryana and to do all such acts, deeds, matters as may be deemed necessary, desirable for the purpose of giving effect to this resolution or matter connected therewith or incidental thereto”

**By Order of the Board of Directors
For Cranex Limited**

Sd/-
Shubham Kapil
Company Secretary
Membership No. 55844

Place : New Delhi

Date : 31-08-2020

Regd. Office:

CIN: L74899DL1973PLC006503

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Details of the directors seeking appointment/ re-appointment, pursuant to regulation 36(3) of standard-2: meeting, in relation to the appointment or reappointment of directors is as under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards.

| | |
|---|---|
| Name of Director and Designation | Mr. Suresh Chandra Agrawal Executive Director and Chairman DIN: 01958471 |
| D.O.B and Age | 14-10-1919, 100 years |
| Date of Appointment on the Board of the Company | 01-04-2000 |
| Qualification | B.Sc. |
| Experience | 70+ years |
| Expertise and functional area | Advisory |
| No. of directorship held in other company | 2 |
| List of Directorship of other Board | Directorship: <ul style="list-style-type: none">• Cranex Infra Tech Private Limited• IBG Franchising Private Limited |
| No. of Shares held in Cranex Limited | 5,46,383 |
| Relation with other Director and KMP | Mr. Piyush Agrawal - Son Mr. Chaitanya Agrawal- Grand Son |
| No. of Board meeting attended during the year | 8 |
| Last remuneration paid | 30,000 p.m. |

The explanatory statement pursuant to Section 102 of the Companies Act, 2013, Regulation 17(11), and other applicable regulations of SEBI LODR, setting out the material facts concerning agenda No. 4 in the Notice, is annexed below.

NOTES FOR MEMBERS' ATTENTION:

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its circular dated 5 May 2020 read with circulars dated 8 April 2020 and 13 April 2020 (collectively referred to as 'MCA Circulars') and SEBI circular dated 12 May 2020 permitted the holding of the Annual General Meeting ('AGM') through VC/OAVM facility, without the physical presence of the members at a common venue. In compliance with the provisions of the Companies Act, 2013 (the 'Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and MCA Circulars, the AGM of the Company is being conducted through VC/OAVM, hereinafter called as 'e-AGM'.
2. Ref: **SEBI Circular no. SEBI/HO/CED/CMD1/CIR/P/2020/84 dated May 20, 2020.** Estimation of the future impact of COVID-19 on operations; The negative effect of COVID-19 will surely be reflected in the turnover and profitability of the Company for the financial year 2019-20 and 2020-21, but the qualitative and quantitative aspect is still cannot be estimated now. We envisage that, even after the country recovers from COVID-19 pandemic, short term reduction in purchasing power and deferment of discretionary expenses may lead to weak demand, taking a few months to adjust and fully recover. Profitability of the Company will be impacted due to the lockdown, where fixed expenses continued to be incurred. The full extent of the effect will be known as the Financial Year progresses. The Company is making use of the time and resources to make working more efficient.
3. The deemed venue for forty fifth e-AGM shall be the Registered Office of the Company. Members may note that the Notice and Annual Report 2019-20 along with other documents will also be available on the Company's website www.cranexltd.com, website of the Stock Exchange, i.e., www.bseindia.com.
4. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the Company. Since this e-AGM is being held pursuant to the MCA Circulars through VC/OAVM facility, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the e-AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
5. The Board has appointed Mr. Parveen Kumar Rastogi, Practicing Company Secretary (COP No. 2883), as the Scrutinizer to scrutinize the e-voting in a fair and transparent manner. The Scrutinizer will submit his report to the Chairman of the Company ('the Chairman') or to any other person authorized by the Chairman after the completion of the scrutiny of the e-voting (votes cast during the AGM and votes cast through remote e-voting), not later than 48 hours from the conclusion of the AGM. The result declared along with the Scrutinizer's report shall be communicated to the stock exchange, NSDL and RTA and will also be displayed on the Company's website, www.cranexltd.com.

6. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the e-AGM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by e-mail through its registered e-mail address to rastogifcs3@gmail.com
7. The Company has engaged the services of NSDL, as authorised agency for conducting the AGM through VC/ OAVM and for providing e-voting facility. Members attending the AGM through VC/ OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
8. The facility of joining the e-AGM through VC/OAVM will be opened 15 minutes before and will be open up-to 15 minutes after the scheduled start time of the e-AGM, i.e. from 2:45 P.M. to 3:15 P.M. and will be available for 1,000 members on a first-come first-served basis. This rule would however not apply to participation of shareholders holding 2% or more shareholding, promoters, institutional investors, directors, key and senior managerial personnel, auditors etc.
9. Investors, who are members of the Company, are encouraged to attend and vote at the forty fifth e-AGM of the Company.
10. SEBI has mandated the submission of Permanent Account Number (PAN) by every person dealing in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or Beetal, RTA.
11. To support “green initiative” and in terms of section 101 and 136 of the Act, read together with the Rules made there under, the listed companies may send the notice of annual general meeting and the annual report, including Financial Statements, Board Report etc. by electronic mode. Pursuant to the said provisions of the Act read with MCA Circulars, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those members whose e-mail 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 at www.cranexltd.com, website of the Stock Exchange i.e. BSE Ltd. at www.bseindia.com, RTA at <http://www.beetalfinancial.com/>
12. To receive shareholders’ communications through electronic means, including Annual Reports and Notices, members are requested to kindly register/update their e-mail address with their respective depository participant, where shares are held in electronic form. Where shares are held in physical form, members are advised to register their e-mail address with Beetal Financial Computer Services Private Limited.
13. Members having any question on Financial Statements or on any Agenda item proposed in the notice of AGM are requested to send their queries at least three days prior at the date of AGM of

the company at its corporate office address to enable the company to collect the relevant information.

14. Register of Members and Share Transfer Books will remain closed from Thursday, 24th September, 2020 to, Wednesday, 30th September, 2020 (both days inclusive) for the purpose of annual closing and AGM.

15. CUT OFF DATE :

- a)** A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on Wednesday, September 23, 2020 (the “Cut-off Date”) only shall be entitled to vote through Remote E-voting and at the AGM. The voting rights of Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the Cut Off date.
- b)** Members are requested to quote their Folio No. / Client ID / DP ID in all correspondences with the Company. They are also requested to furnish their bank account details, change of address and all other required details to the Registrar & Share Transfer Agent in respect of shares if held in physical form. In case of shares held in electronic form, these details should be furnished to the respective Depository Participants (DPs).
- c)** Members are requested to furnish or update their e-mail Ids with the Registrar for sending the soft copies of the Annual Report of the company as required vide circular no. 17/2011 dated April 21, 2011 and circular no. 18/2011 dated April 29, 2011 issued by the Ministry of Corporate Affairs and to avail remote e-voting facility in respect of the resolutions which would be passed at the General Meetings of the Company.
- d)** Pursuant to the prohibition imposed vide Secretarial Standard on General Meetings (SS-2) issued by the ICSI and the MCA circular, no gifts/coupons shall be distributed to the members.
- e)** **Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Registrar and Share Transfer Agents, for consolidation into single folio.**
- f)** In terms of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, the Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their respective Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their PAN details to the Company or to the Registrar and Share Transfer Agents.
- g)** The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of Companies Act, 2013 and related rules there under will be available

for inspection by the members of the Company at the Registered Office of the company on all working days (Monday to Saturday) between 11 A.M. and 2 P.M. up to the date of AGM and will also be available for inspection at the corporate office of the company.

- h)** Members desiring any information as regards to Accounts are requested to write to the Company Secretary at Corporate Office at 57/1, Industrial Area, Site IV, Sahibabad (U.P.)-201010 at least 7 days in advance of the meeting so as to enable the management to keep the information ready.
- i)** **Members are requested to send their queries related to AGM and other matters on the designated exclusive e-mail ID i.e. investors@cranexltd.com before the date of AGM. For redressal of shareholder's complaints\grievances in case you have any unresolved grievances, please write to us at investors@cranexltd.com**
- j)** Any other document referred to in the Notice thereto, will be available for inspection for the Members on any working day, except Sunday during 11.00 A.M. to 2.00 P.M. up to the date of Annual General Meeting at the Registered Office of the Company.

16. Updation of Members' details:

Pursuant to SEBI circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2019/73 dated 20th April, 2019, wherein the Company is required to obtain the copy of Pan Card and Bank details from all shareholders holding shares of the Company in physical form. We request you to kindly furnish a self-attested copy of your Pan Card and a Cancelled Cheque, along with a duly filled in Form, as the same is required as per SEBI circular mentioned above.

Members are requested to send the desired details/ documents to the Company's Registrar & Share Transfer Agent (RTA), M/s. Beetal Financial & Computer Services (P) Ltd at Beetal House, 3rd Floor, 99 Madangir, Behind Local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi-110062.

Members may kindly note that in case we do not receive any response from your side, any future transactions in your shares like transfer, transmission, issue of duplicate share certificates etc., and shall be subject to enhanced due diligence by the Company, PAN and Bank details within 21 days from this notice.

- 1.** To comply with the above mandate, members who still hold share certificates in physical form are advised to dematerialise their shareholding to also avail of numerous benefits of dematerialisation, which include easy liquidity, ease of trading and transfer, savings in stamp duty and elimination of any possibility of loss of documents and bad deliveries.
- 2.** In case of joint holders, the member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the e-AGM. Nomination form SH-13 is available at the website of the Company <http://www.cranexltd.com>.

3. The Company has been maintaining, inter alia, the following statutory registers at its registered office at:
- I. Register of contracts or arrangements in which directors are interested under section 189 of the Act.
 - II. Register of Directors and Key Managerial Personnel and their shareholding under section 170 of the Act.

17. E-VOTING PROCESS

In Compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 45 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, the Company is pleased to provide Members a facility to exercise their right electronically through electronic voting service facility arranged by NSDL. The instructions for e-voting are annexed to the notice.

- I. A member may exercise his vote at the Annual General Meeting by electronic means and the Company may pass any resolution by electronic voting system in accordance with the provisions of the aforesaid Rule. The facility of casting the votes by the Members using an electronic voting system from a place other than venue of AGM (“remote e-voting) will be provided by NSDL.
- II. The remote e -voting period begins on 09.00 A.M. on Sunday, 27th September, 2020 and ends on 05.00 P.M. IST on Tuesday, 29th September, 2020. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. The voting rights of shareholders shall be in proportion to their shares of the paid up equity shares.
- III. A Person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on cut-off date only shall be entitled to avail the facility of remote e-voting or voting of the meeting.
- IV. **The manner and process of remote e-Voting are as under:**

The remote e-voting period begins on 27.09.2020 at 9:00 A.M. and ends on 29.09.2020 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 are mentioned below:

How to Log-in to NSDL e-Voting website?

| Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical | Your User ID is: |
|---|---|
| a) For Members who hold shares in demat account with NSDL. | 8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****. |
| b) For Members who hold shares in demat account with CDSL. | 16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****. |
| c) For Members holding shares in Physical Form. | EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001*** |

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) **If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request

at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
- 7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
- 8. Now, you will have to click on "Login" button.
- 9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 are given below:

How to cast your vote electronically on NSDL e-Voting system

- 1. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted
- 2. Upon confirmation, the message " Vote cast successfully" will be displayed
- 3. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page
- 4. Once you confirm your vote on the resolution, you will not be allowed to modify your vote

General Guidelines for shareholders

- 1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to rastogifcs3@gmail.com with a copy marked to evoting@nsdl.co.in.
- 2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
- 3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request to pallavid@nsdl.co.in or SoniS@nsdl.co.in or at telephone nos.: +91 22 24994545, +91 22 24994559

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), and AADHAR (self attested scanned copy of Aadhar Card) by email to investors@cranexltd.com .
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to investors@cranexltd.com.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM 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 system in the EGM/AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request mentioning their name, demat account number/ folio number, email id, mobile number at (company email id)..
6. Shareholders, who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at (company email id). The same will be replied by the company suitably.

**By Order of the Board of Directors
For Cranex Limited**

Sd/-
Shubham Kapil
Company Secretary
Membership No. 55844

Place : New Delhi

Date : 31-08-2020

Explanatory Statement Pursuant to Section 102 of Companies Act, 2013

The following Explanatory Statement, as required by Section 102 of the Companies Act, 2013, sets out material facts including the nature and concern or interest of the Directors in relation to the Special Business under item 4 mentioned in the accompanying Notice:

ITEM NO. 4

The total facility availed from the bank as on March 31, 2020 was Rs. 27.25 Crore. In view of this, it is considered desirable to increase the Company's existing borrowing limit upto Rs. 40 Crore as the company intended to expand its production capacity in near future. In order to comply with the requirements under Section 180(1)(c) of the Companies Act, 2013, consent of the members is sought through the resolution(s) proposed at Agenda No.4 by way of special resolution to enable the Board of Directors of the Company to borrow moneys upto a sum of Rs. 4,00,00,000 (Rupees Forty Crore) only, including the temporary loans obtained from Company's Bankers in the ordinary course of business. Accordingly, the aggregate amounts borrowed, which are outstanding at a given point of time shall not exceed the limit of 40/- Crore as recommended by the Board to the members for their consent. The borrowings of the Company include term loans, overdraft facilities, issue of non-convertible debentures, commercial papers, acceptance of deposits from public etc. All the related documents and registers referred in the Notice, which do not form part of the Annual Report, if any, are available for inspection at the Registered Office of the Company.

None of the directors are related inter-se. No Director or any Key Managerial Personnel or the relatives of the directors or Key Managerial Personnel is in any way concerned or interested, financially or otherwise, in the said resolutions. The Board of Directors therefore, recommend the passing of the special resolution proposed at Agenda No.4 of the Notice.

**By Order of the Board of Directors
For Cranex Limited**

Sd/-
Shubham Kapil
Company Secretary
Membership No. 55844

**Place : New Delhi
Date : 31-08-2020**

REPORT OF THE BOARD OF DIRECTORS

TO,

THE MEMBERS,

The Directors have pleasure in presenting the 45th Annual Report on the business and operations of the Company together with the financial results for the period ended 31st March, 2020.

FINANCIAL RESULTS

Financial results are presented in the table below:

(Amount in lakh)

| Particulars | Standalone | | Consolidated | |
|---|------------|------------|--------------|------------|
| | 31-03-2020 | 31-03-2019 | 31-03-2020 | 31.03.2019 |
| Revenue from operation | 3553.00 | 3136.46 | 3553.00 | 3136.46 |
| Total Revenue | 3608.47 | 3173.28 | 3608.47 | 3173.28 |
| Less: Total Expenses | 3520.11 | 3089.94 | 3521.43 | 3089.94 |
| Profit before Exceptional and Extra ordinary items & tax | 88.36 | 83.34 | 87.23 | 83.34 |
| Less: Exceptional Items | ---- | ---- | ---- | ---- |
| Less: Extraordinary Items | ---- | ---- | ---- | ---- |
| Profit or Loss before Tax | 88.36 | 83.34 | 87.23 | 83.34 |
| Less: | | | | |
| (a) Current tax expense for current year | 16.12 | 20.83 | 16.12 | 20.83 |
| (b) Deferred tax | --- | --- | --- | --- |
| (c) Prior Period Tax | --- | --- | --- | --- |
| Profit or Loss After Tax | 72.24 | 62.50 | 71.11 | 59.66 |

STATE OF AFFAIRS AND OUTLOOK

The financial statements have been prepared as per the IND-AS prescribed by the Institute of Chartered Accountants of India (ICAI)

Standalone Financials: During the year under review, your Company has achieved a turnover of Rs. 3,553.00 Lakh against Rs. 3,136.46 during previous year. The Company reported a Net Profit of Rs. 72.24 Lakh as against Rs. 62.50 Lakh earned during previous year.

Consolidated Financials: During the year under review, your Company has achieved a consolidated turnover of Rs. 3553.00 Lac against Rs. 3136.46 During previous year. The Company reported a Net profit of Rs. 71.11 Lac against Rs. 59.66 Lac during previous year. However you're Directors are confident that the Company will perform much better in future and will bring more promising improvement in coming years.

The Operational performance of the Company has been extensively covered in the Management Discussion and Analysis, which form part of this Directors' Report.

DIVIDEND

Your Directors do not recommend any dividend for the financial year ended 31st March 2020.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- i. in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- ii. they have 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 of the Company for that period;
- iii. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. they have prepared the annual accounts on a going concern basis;
- v. they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- vi. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively. Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and external consultants and the reviews performed by management and the relevant board committees, including the audit committee, the board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2019-20.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS

The Company's policy on directors' appointment and remuneration and other matters provided in Section 178(3) of the Act has been disclosed in website of company.

INTERNAL FINANCIAL CONTROL SYSTEM

According to Section 134(5) (e) of the Companies Act, 2013 the term Internal Financial Control (IFC) means the policies and procedures adopted by the company for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention

and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information.

The Company has a well-placed, proper and adequate internal financial control system which ensures that all assets are safeguarded and protected and that the transactions are authorised, recorded and reported correctly. The Company's internal financial control system also comprises due compliances with Company's policies and Standard Operating Procedures (SOPs) and audit and compliance by in-house Internal Audit Division, supplemented by internal audit checks from M/s. Kudsia & Associates, Chartered Accountants, the Internal Auditors. The Internal Auditors independently evaluate the adequacy of internal controls and concurrently audit the majority of the transactions in value terms. Independence of the audit and compliance is ensured by direct reporting of Internal Audit Division and Internal Auditors to the Audit Committee of the Board.

NUMBER OF MEETINGS OF THE BOARD

During the Financial Year 2019-20, the Company held 9 (Nine) meetings of the Board of Directors as per Section 173 of Companies Act, 2013 which is summarized below. The provisions of Companies Act, 2013 were adhered to while considering the time gap between two meetings.

| S. No | Date of the meeting |
|-------|---------------------|
| 1. | 30.05.2019 |
| 2. | 10.08.2019 |
| 3. | 14.08.2019 |
| 4. | 30.08.2019 |
| 5. | 30.10.2019 |
| 6. | 14.11.2019 |
| 7. | 06.12.2019 |
| 8. | 14.02.2020 |
| 9. | 24.02.2020 |

ATTENDANCE OF DIRECTORS

| S. No | Name of Director | Meeting of Board | | | |
|-------|------------------------|------------------------|--|-----------------------------|------|
| | | Number of meeting Held | Number of Meeting to be entitled to attend | Number of Meeting attendant | % |
| 1 | PIYUSH AGRAWAL | 9 | 9 | 9 | 100 |
| 2 | MAMAN CHAND JAIN | | 9 | 4 | 44.4 |
| 3 | SURESH CHANDRA AGRAWAL | | 9 | 9 | 100 |
| 4 | ASHWANI KUMAR JINDAL | | 9 | 4 | 44.4 |
| 5 | CHAITANYA AGRAWAL | | 9 | 9 | 100 |
| 6 | SHILPY CHOPRA | | 9 | 9 | 100 |

COMMITTEES OF THE BOARD

Detailed information on the Committees is given below.

MANDATORY COMMITTEES

Audit Committee: (Section 177 of Companies Act, 2013) and Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provision.

The Audit Committee comprised of Three Independent Directors namely, Mr. Maman Chand Jain, Mr. Ashwani Kumar Jindal and Ms. Shilpy Chopra, Mr. Maman Chand Jain is the Chairman of the Audit Committee. All the recommendations made by the Audit Committee were accepted by the Board.

The composition of the audit committee and the details of meetings attended by its members are given below:

| S. No. | Name of Director | Designation | Category | Total meeting held during the year | Number of Meeting to be entitled to attend | Number of meeting attended | % |
|--------|--------------------------|----------------------|----------|------------------------------------|--|----------------------------|-----|
| 1 | Mr. Maman Chand Jain | Independent Director | Chairman | 4 | 4 | 4 | 100 |
| 2. | Mr. Ashwani Kumar Jindal | Independent Director | Member | 4 | 4 | 4 | 100 |
| 3. | Ms. Shilpy Chopra | Independent Director | Member | 4 | 4 | 4 | 100 |

v. Four audit committee meetings were held during the year and the gap between two meetings did not exceed four months. The dates on which the said meetings were held are as follows:

May 30, 2019; August 14, 2019; November 14, 2019 and February 14, 2020.

The necessary quorum was present for all the meetings.

Nomination and Remuneration Committee (Section 178 of Companies Act, 2013 and Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provision.

The Nomination and Remuneration Committee comprised of three Independent Directors namely, Mr. Maman Chand Jain, Mr. Ashwani Kumar Jindal and Ms. Shilpy Chopra. Mr. Maman Chand Jain is the Chairman of the Nomination and Remuneration Committee. Two Nomination & Remuneration Committee meetings were held on, August 30, 2019 and February 14, 2020 during the year.

The composition of the Nomination and Remuneration Committee and the details of meetings attended by its members are given below:

| S. No. | Name | Nature of Directorship | Designation in Committee | Total meeting held during the year | Number of Meeting to be entitled to attend | Number of meeting attended |
|--------|--------------------------|------------------------------------|--------------------------|------------------------------------|--|----------------------------|
| 1 | Mr. Maman Chand Jain | Non-Executive Independent Director | Chairman | 2 | 2 | 2 |
| 2 | Mr. Ashwani Kumar Jindal | Non-Executive Independent Director | Member | 2 | 2 | 2 |
| 3. | Ms. Shilpy Chopra | Non-Executive Independent Director | Member | 2 | 2 | 2 |

Stakeholders Relationship Committee (Section 178 of Companies Act, 2013 and Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provision.

The Stakeholders Relationship Committee comprised of three Independent Directors namely, Mr. Maman Chand Jain, Mr. Ashwani Kumar Jindal and Mrs. Shilpy Chopra. Mr. Ashwani Kumar Jindal is the Chairman of the Stakeholders Relationship Committee.

One meeting of the stakeholders' relationship committee was held on 14th February, 2020 during the financial year 2019-20.

The composition of the Stakeholders' Relationship Committee and the details of meetings attended by its members are given below:

| S. No. | Name | Nature of Directorship | Designation in Committee | Total meeting held during the year | Number of Meeting to be entitled to attend | Number of Meeting Attended | % |
|--------|--------------------------|------------------------------------|--------------------------|------------------------------------|--|----------------------------|-----|
| 1 | Mr. Ashwani Kumar Jindal | Non-Executive Independent Director | Chairman | 1 | 1 | 1 | 100 |
| 2 | Mr. Maman Chand Jain | Non-Executive Independent Director | Member | 1 | 1 | 1 | 100 |
| 3. | Ms. Shilpy Copra | Non-Executive Independent Director | Member | 1 | 1 | 1 | 100 |

NON MANDATORY COMMITTEES

MANAGEMENT COMMITTEE

As at March 31, 2020, the Management Committee comprised of Mr. Suresh Chandra Agrawal, Executive Director, Mr. Piyush Agrawal, Managing Director, Mr. Chaitanya Agrawal, Whole Time Directors and Mr. Ashwani Kumar Jindal, Independent Director of the Company. Mr. Piyush Agrawal is the Chairman of the Management Committee.

SEPARATE MEETING OF THE INDEPENDENT DIRECTORS

The Independent Directors of the Company met separately on 14th February, 2020 without the presence of Non-Independent Directors and the members of management. The meeting was attended by all the Independent Directors. The meeting was conducted informally to enable the Independent Directors to discuss matters pertaining to the Company's affairs and put forth their combined views to the Board of Directors of the Company. In accordance with the Listing Regulations, following matters were, inter-alia, discussed in the meeting:

- Performance of Non-Independent Directors and Board as a whole.
- Performance of the Chairman of the Company after taking into consideration the views of Executive and Non-Executive Directors.
- Assessment of the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

EXTRACT OF ANNUAL RETURN

As provided under Section 92(3) of the Act, the extract of annual return is given in **Annexure I** in the prescribed Form MGT-9, which forms part of this report.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 form part of this Report and are annexed as **Annexure II**. There are no employees who are drawing remuneration in excess of the limits as set out in provisions of Section 197(12) of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

EMPLOYEES BENEFITS

Retirement benefit in the form of provident fund is a defined contribution scheme. The contributions to the provident fund are charged to the statement to the profit and loss for the year when the contributions are due. Pending determination of liability for gratuity payable, no provision has been made in the accounts for expenses of gratuity. The expenditure on account of gratuity is accounted in the year of payment. On

account of non-provision of gratuity payable, the profit has been over stated but the same cannot be quantified in absence of exact amount payable under this account.

CODES, STANDARDS AND POLICIES AND COMPLIANCES THERE UNDER

CODE OF CONDUCT FOR THE BOARD OF DIRECTORS AND THE SENIOR MANAGEMENT PERSONNEL

Your Company has adopted a Code of Conduct for its Board of Directors and the Senior Management Personnel. The Code requires the Directors and employees of the Company to act honestly, ethically and with integrity and in a professional and respectful manner. Directors and Senior Management of the Company have confirmed compliance with the code of conduct applicable to the Directors and employees of the Company and declaration in this regard made by Chief Financial Officer which forms part of this Annual Report.

CODE FOR PROHIBITION OF INSIDER TRADING PRACTICES

The Board of Directors adopted the Code of Conduct for Board Members and Senior Managerial Personnel. The said code was communicated to the Directors and members of the senior management and they affirmed their compliance with the said code. The adopted Code is posted on the Company's website www.cranexltd.com. Pursuant to the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015, your Company has adopted Code of practices and procedures for disclosure of unpublished price sensitive information and Code of Conduct in order to monitor and report Insider Trading.

All Directors and the designated employees have confirmed compliance with the Code.

PREVENTION, PROHIBITION & REDRESSAL OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Company has in place a Policy on Prevention, Prohibition & Redressal of Sexual Harassment of Women at Workplace. The primary objective of the said Policy is to protect the women employees from sexual harassment at the place of work and also provides for punishment in case of false and malicious representations.

The Policy provides for protection against sexual harassment of woman at workplace and for prevention of such complaints.

| Particulars | No. |
|--|------------|
| Number of complaints pending as on the beginning of the period | Nil |
| Number of complaints filed during the Financial period | Nil |
| Number of complaints pending as on the end of the period | Nil |

NOMINATION, REMUNERATION & EVALUATION POLICY

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a Nomination Remuneration & Evaluation Policy, which, inter-alia, lays down the criteria for identifying the persons who are qualified to be appointed as Directors and/or Senior Management Personnel of the Company, along with the criteria for determination of remuneration of Directors, KMPs and other employees and their evaluation and includes other matters, as prescribed under the provisions of Section 178 of Companies Act, 2013.

DISCLOSURE ON WHISTLE-BLOWER POLICY /VIGIL MECHANISM

Pursuant to the provisions of Section 177(9) & (10) of the Companies Act, 2013 read with Rule 7 of Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015], the Company has adopted a Whistle Blower Policy, which provides for a vigil mechanism that encourages and supports its Directors, and employees to report instances of unethical behaviour, actual or suspected, fraud or violation of the Company's Code of Conduct or Ethics Policy. It also provides for adequate safeguards against victimisation of persons who use this mechanism and direct access to the Chairman of the Audit Committee in exceptional cases.

RISK MANAGEMENT POLICY

Your Company has formulated and adopted a Risk Management Policy. The Board of Directors is overall responsible for identifying, evaluating and managing all significant risks faced by the Company. The Risk Management Policy approved by the Board acts as an overarching statement of intent and establishes the guiding principles by which key risks are managed across the organisation.

SECRETARIAL AUDITORS AND THEIR REPORTS

M/s PARVEEN RASTOGI & CO., Practising Company Secretaries, was appointed as Secretarial Auditors of the Company for the financial year 2019-20 pursuant to Section 204 of the Companies Act, 2013. The Secretarial Audit Report submitted by them in the prescribed Form MR- 3 is attached as '**Annexure III**' and forms part of this report. There are no qualifications or observations or other remarks of the Secretarial Auditors in the Report issued by them for the financial year 2019-20 which call for any explanation from the Board of Directors.

RELATED PARTY TRANSACTION POLICY

Related Party Transaction Policy, as formulated by the Company, defines the materiality of related party transactions and lays down the procedures of dealing with Related Party Transactions. The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website.

STATUTORY AUDITORS AND THEIR REPORTS

M/s PRYD & Associates, Chartered Accountants, (FRN: 011626N) were appointed as statutory auditors of

the Company in the Annual General Meeting held on 22/09/2017. There are no qualifications or adverse remarks in the Auditors' Report which require any clarification/explanation. The Notes on financial statements are self-explanatory and needs no further explanation.

TRANSACTIONS WITH RELATED PARTIES

Related party transactions entered during the financial year under review are disclosed in Note No. 28 (6) of the financial statements for the financial year ended March 31, 2020. These transactions entered were at an arm's length basis and in the ordinary course of business. There were no materially significant related party transactions with the Company's Promoters, Directors, Management or their relatives, which could have had a potential conflict with the interests of the Company. Form AOC-2, containing the note on the aforesaid related party transactions is enclosed herewith as **Annexure-IV**

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review hence the said provision is not applicable.

SUBSIDIARY, ASSOCIATE AND JOINT VENTURE

The Company does not have any subsidiary and joint venture whereas the Company has one associated Company. Details of associated Company are given below.

| Sr. No. | Name And Address Of The Company | CIN | % of shares held | Applicable Section |
|---------|---|-----------------------|------------------|-------------------------------------|
| 1. | IFE CRANEX ELEVATORS AND ESCALATORS INDIA PRIVATE LIMITED ADDRESS: 9, DDA MARKET KATWARIA SARAI NEW DELHI NEW DELHI 110016 | U93090DL2017FTC319415 | 26 % | Section 2(6) of Companies Act, 2013 |

EMPLOYEES STOCK OPTION SCHEME

During the year under review, the Company has not allotted any shares under Employee Stock Option Scheme (ESOS) and hence no disclosure is required to be made in compliance with Securities and Exchange Board of India (Share Based Employee Benefit Schemes) Regulations, 2014.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Pursuant to provisions of Section 134 of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, the details of Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo are as follows:

A. Conservation of Energy

a) Energy conservation measures taken :

The Company has always been conscious of the need for the conservation of energy and optimum utilisation of available resources and has been steadily making progress towards this end.

- The company has taken lot of initiatives for reduction in power cost by improving the production processes. Production process of the company does not require much power.
- There is an optimum ratio of glass windows to utilise natural light and proper insulation / ventilation to balance temperature and reduce heat.

b) Impact of above measures:

- The above measures will results in lower energy consumption, significant reduction in Carbon emissions, and hedge against continuous energy rate increase.

B. Technology Absorption, Adaptation And Innovation

The company has successfully absorbed the technology for the development of various new models of the cranes. Your company is constantly improving its technology to match world standards, which is reflected in the new orders being received from very quality conscious customers.

C. Foreign Exchange Earnings and Outgo.

| S. No. | Particulars | F.Y. 2019-20 Amounts (in Rs.) | F.Y. 2018-19 Amount (in Rs.) |
|--------|-------------------------|-------------------------------|------------------------------|
| 1. | Foreign Exchange Earned | 42,71,812 | 38,92,850 |
| 2. | Foreign Exchange Outgo | 79,29,311 | 2,72,22748 |

MANAGEMENT DISCUSSION AND ANALYSIS

As per Regulation 34 and schedule V of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 the Management Discussion and Analysis for the year is separately given and forms part of this Annual Report as **Annexure V** which provides a more detailed analysis on the performance of individual businesses and their outlook.

GREEN INITIATIVE

In accordance with the “Green Initiative” the Company has been sending Annual Report/Notice of AGM in electronic mode to those Shareholders whose email ids are registered with the Company and/or the Depository Participants.

DEMATERIALIZATION OF SHARES

The shares of your company are being traded in electronic form and the Company has established connectivity with Central Depository Services (India) Limited (CDSL) and National Securities Depository

Limited (NSDL). In view of the numerous advantages offered by the Depository system, members are requested to avail the facility to dematerialization of shares either of the Depositories as aforesaid. Directors are thankful to the Shareholders for actively participating in the Green Initiative.

PERFORMANCE EVALUATION OF NON – INDEPENDENT DIRECTORS:

The performance evaluation of Chairman and the non-independent directors were carried out by the independent directors, considering aspects such as effectiveness as Chairman, in developing and articulating the strategic vision of the company; demonstration of ethical leadership, displaying and promoting throughout the company a behaviour consistent with the culture and values of the organization; contribution to discussion and debate through thoughtful and clearly stated observations and opinions; creation of a performance culture that drives value creation without exposing the company to excessive risks.

CORPORATE GOVERNANCE

The Company is not required to mandatorily comply with the provision of Regulation 17 to Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015(Listing Regulations, 2015) as its equity share capital is less than Rs.10 Crore and Net Worth is not exceeding Rs.25 crores, as on the last day of the previous financial year. However, the Company has voluntarily adopted various practices of governance conforming to highest ethical and responsible standard of business, globally benchmarked.

DECLARATION BY INDEPENDENT DIRECTOR

The Independent Directors have confirmed and declared that they are not disqualified to act as an Independent Director in compliance with the provisions of Section 149 of the Companies Act, 2013 and the Board is also of the opinion that the Independent Directors fulfil all the conditions specified in the Companies Act, 2013 making them eligible to act as Independent Directors

MATERIAL CHANGES AND 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.

CAPITAL STRUCTURE

The authorised share capital as on 31st March, 2020 was Rs. 100,000,000/- (Rupees Ten Crore) comprising 10000000 (One Crore) Equity Shares of Rs. 10 (Rupees Ten) each

The Issued, Subscribed and paid up equity share capital as on 31st March, 2020 was Rs.60,000,000/- (Rupees Six Crores) comprising 6,000,000 (Sixty Lakhs) Equity Shares of Rs. 10 (Rupees Ten) each.

There was no public issue, rights issue, bonus issue or preferential issue etc. during the year. The Company has not issued shares with differential voting rights, sweat equity shares nor has it granted any stock options

The Company's shares are listed on the Bombay Stock Exchange Limited (BSE), and are actively traded. The company has paid the listing fees to Bombay Stock Exchanges for the year 2020-21.

DIRECTOR AND KEY MANAGERIAL PERSONNEL (KMP)

Appointments & Reappointments/ Cessations

- 1.1** According to Article of Association of the Company, Mr. Suresh Chandra Agrawal (DIN 01958471) Executive Director retire by rotation and being eligible, offers himself for reappointment at the 45th AGM scheduled on 30th September, 2020. Subject to the approval of the Members in the AGM
- 1.2** Mr. Shubham Kapil was appointed as a Company Secretary & Compliance officer in the Meeting of Board of Director held on 14th February, 2020.

Cessations

- 1.3** Mr. Prakash Kedia resigned from the post of Company Secretary and Compliance officer effective 14th February, 2020

DEPOSITS FROM PUBLIC

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

LISTING OF SHARES

The equity shares of the Company are listed on the Bombay Stock Exchange Ltd (BSE). The listing fee for the year 2020-21 has been already been paid to the stock exchanges.

INDUSTRIAL RELATION

The Company maintained healthy, cordial and harmonious industrial relations at all levels. The enthusiasm and unstinting efforts of Employees have enabled the Company at good position in the industry. It has taken various steps to improve productivity across organization.

ACKNOWLEDGEMENTS

Your Directors place on record their gratitude to the Central Government, State Governments and Company's Bankers for the assistance, co-operation and encouragement they extended to the Company. Your Directors also wish to place on record their sincere thanks and appreciation for the continuing support and unstinting efforts of investors, vendors, dealers, business associates and employees in ensuring an excellent all around operational performance.

**By Order of the Board of Directors
For Cranex Limited**

**Place: New Delhi
Date: 30.08.2020**

**Sd/-
Chaitanya Agrawal
Whole Time Director
DIN: 05108809**

**Sd/-
Piyush Agarwal
Managing Director
DIN: 01761004**

ANNEXURE-1

FORM MGT-9
EXTRACT OF ANNUAL RETURN
FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2020
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the
Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

| | | |
|------|---|---|
| i. | CIN | L74899DL1973PLC006503 |
| ii. | Registration Date | 27/02/1973 |
| iii. | Name of the Company | CRANEX LIMITED |
| iv. | Category/Sub-Category of the Company | LIMITED BY SHARES/INDIAN NON-GOVERNMENT COMPANY |
| v. | Address of the Registered office and contact details | 9, DDA MARKET, KATWARIA SARAI, NEW DELHI - 110016 |
| vi. | Whether listed company | YES |
| vii. | Name, Address and Contact details of Registrar and Transfer Agent, if any | <p>BEETAL FINANCIAL AND COMPUTER SERVICES PRIVATE LIMITED Beetal House, 3rd Floor, 99 Madangir, Behind Local Shopping Center, Near dada Harsukhdas Mandir, New Delhi-110062</p> <p>LINK INTIME INDIA PRIVATE LIMITED 45 Community Center, 2n Floor, Naraina Industrial Area, Phase I, New Delhi-110028 Tel: 011-41410592/ 93/94 Telefax: 011-41410591 E-mail: delhi@linkintime.co.in</p> |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

| Sr. No. | Name and Description of main products/ services | NIC Code of the Product/ service | % to total turnover of the company |
|---------|---|----------------------------------|------------------------------------|
| 1 | Manufacturing of EOT cranes | 2915 | 100% |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

| Sr. No. | Name And Address Of The Company | CIN/GLN | Holding/ Subsidiary /Associate | % of shares held | Applicable Section |
|---------|--|---------------------------|--------------------------------|------------------|-------------------------------------|
| 1. | IFE CRANEX ELEVATORS AND ESCALATORS INDIA PRIVATE LIMITED ADDRESS: 9, DDA MARKET KATWARIA SARAI NEW DELHI 110016 | U93090DL2017F TC319415 | Associate | 26 % | Section 2(6) of Companies Act, 2013 |

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Shareholding

| Category of Shareholders | No. of Shares held at the beginning of the year 01.04.2019 | | | | No. of Shares held at the end of the year 31.03.2020 | | | | % Change during the year | |
|-------------------------------|--|----------|----------------|-------------------|--|----------|----------------|-------------------|--------------------------|--|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | | |
| A . Promoter | | | | | | | | | | |
| 1) Indian | | | | | | | | | | |
| a) Individual/ HUF | 2279871 | 0 | 2279871 | 38.01 | 2575345 | 0 | 2575345 | 42.92 | +4.91 | |
| b) Central Govt | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| c) State Govt(s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| d) Bodies Corp | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| e) Banks / FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| f) Any Other | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Sub-total(A)(1):- | 2278871 | 0 | 2279871 | 38.01 | 2575345 | 0 | 2575345 | 42.92 | +4.91 | |
| 2) Foreign | | | | | | | | | | |
| g) NRIs-Individuals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| h) Other-Individuals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| i) Bodies Corp. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| j) Banks / FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| k) Any Other.... | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Sub-total (A) (2):- | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| B. Public Shareholding | | | | | | | | | | |
| 1) Institutions | | | | | | | | | | |
| a) Mutual Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| b) Banks / FI | 300 | 22000 | 22300 | 0.37 | 300 | 22000 | 22300 | 0.37 | 0 | |
| c) Central Govt. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| d) State Govt(s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| e) Venture Capital Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| f) Insurance Companies | 21600 | 0 | 21600 | 0.36 | 21600 | 0 | 21600 | 0.36 | 0 | |
| g) FIIs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |

| | | | | | | | | | |
|---|----------------|---------------|----------------|--------------|----------------|---------------|----------------|--------------|--------------|
| h) Foreign Venture Capital Funds | | | | | | | | | |
| i) Others (specify) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-total (B)(1) | 21900 | 22000 | 43900 | 0.73 | 21900 | 22000 | 43900 | 0.73 | 0 |
| 2) Central Government/State Government(s)/ President of India | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub Total (B)(2) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3) Non-Institutions | | | | | | | | | |
| Individuals | | | | | | | | | |
| (i) Individual shareholders holding nominal share capital up-to Rs. 2 lakh | 2002298 | 14850 | 2017148 | 33.62 | 1982162 | 14850 | 1997012 | 33.28 | -0.33 |
| (ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh | 1032311 | 74630 | 1106941 | 18.45 | 1058286 | 74630 | 1132916 | 18.88 | +0.44 |
| Non Resident Indians (Non Repat) | 19110 | 0 | 19110 | 0.32 | 19200 | 0 | 19200 | 0.32 | 0.00 |
| Non Resident Indians (Repat) | 47676 | 0 | 47676 | 0.79 | 47676 | 0 | 47676 | 0.79 | 0.00 |
| Hindu Undivided Families | 405612 | 0 | 405621 | 6.76 | 116925 | 0 | 116925 | 1.94 | -4.82 |
| Clearing Members | 820 | 0 | 820 | 0.013 | 1000 | 0 | 1000 | 0.016 | +0.003 |
| Bodies Corporate | 72422 | 6500 | 78922 | 1.32 | 59526 | 6500 | 66026 | 1.10 | -0.21 |
| Sub-total (B)(3) | 3580249 | 98980 | 3676229 | 61.27 | 3284775 | 95980 | 3380755 | 56.34 | -4.94 |
| Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3) | 3602149 | 117980 | 3720129 | 62.00 | 3306675 | 117980 | 3424655 | 57.07 | -4.94 |
| C. Shares held by Custodian for GDRs & ADRs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Grand Total(A+B+C) | 5882020 | 117980 | 6000000 | 100 | 5882020 | 117980 | 6000000 | 100 | 0 |

ii. Shareholding of Promoters

| Sr. No | Shareholders Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | |
|--------|------------------------|---|----------------------------------|--|-------------------------------------|----------------------------------|--|--|
| | | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | % change in shares holding during the year |
| 1. | Piyush Agrawal | 1830967 | 30.52 | 0 | 1596617 | 26.61 | 0 | -3.91 |
| 2. | Suresh Chandra Agrawal | 16559 | 0.28 | 0 | 546383 | 9.10 | 0 | -8.82 |
| 3. | Ritu Agrawal | 242345 | 4.04 | 0 | 242345 | 4.04 | 0 | 00 |
| 4. | Chaitanya Agrawal | 190000 | 3.17 | 0 | 190000 | 3.17 | 0 | 00 |
| | TOTAL | 2279871 | 38.01 | 0 | 2575345 | 42.92 | 0 | +4.91 |

ii. Change in Promoters' Shareholding.

| Sr. No | Shareholder's Name | Shareholding at the beginning of the year | | Increase/(Decrease) in Share Holding | | | Cumulative Shareholding during the year | | Shareholding at the end of the year | |
|--------|------------------------|---|----------------------------------|--------------------------------------|---------------|----------------------------|---|----------------------------------|-------------------------------------|----------------------------------|
| | | No. Of shares | % of total shares of the company | Date | No. of Shares | Reason | No. Of shares | % of total shares of the company | No. Of shares | % of total shares of the company |
| 1. | PIYUSH AGRAWAL | 1830967 | 30.52 | - | -234350 | Transfer & Rectification | 1596617 | 26.61 | 1596617 | 26.61 |
| 2. | SURESH CHANDRA AGRAWAL | 16559 | 0.28 | - | +529824 | Transfer and Rectification | 546383 | 9.10 | 546383 | 9.10 |
| 3. | RITU AGRAWAL | 242345 | 4.04 | - | 0 | - | 242345 | 4.04 | 242345 | 4.04 |
| 4. | CHAITANYA AGRAWAL | 190000 | 3.17 | - | 0 | - | 190000 | 3.17 | 190000 | 3.17 |
| TOTAL | | 2279871 | 38.01 | - | -295474 | - | 2575345 | 42.92 | 2575345 | 42.92 |

iv. Shareholding of Directors and Key Managerial Personnel:

| Sr. No. | For each of the Directors and KMP | Shareholding at the Beginning of the year | | Increase / (Decrease) in Shareholding | | | Cumulative Shareholding during the year | | Shareholding at the End of the year | |
|---------|---|---|----------------------------------|---------------------------------------|---------------|--------------------------------------|---|----------------------------------|-------------------------------------|----------------------------------|
| | | No. of shares | % of total shares of the company | Date | No. of Shares | Reason | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1 | PIYUSHAGRAWAL (MANAGING DIRECTOR) | 1830967 | 30.52 | | -234350 | Transfer and Rectification of shares | 1596617 | 26.61 | 1596617 | 26.61 |
| 2 | SURESH CHANDRAAGRAWAL | 16559 | 0.28 | | +529824 | Transfer and Rectification of shares | 546383 | 9.10 | 546383 | 9.10 |
| 3 | CHAITANYA AGRAWAL (WHOLE TIME DIRECTOR AND CHIEF FINANCIAL OFFICER) | 190000 | 3.17 | - | - | - | 190000 | 3.17 | 190000 | 3.17 |
| Total | | 2037526 | 33.97 | | +295474 | | 2333000 | 38.88 | 2333000 | 38.88 |

V. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

| S. NO | NAME | NO. OF SHARES AS ON 31.03.2020 | % OF TOTAL SHAREHOLDING |
|-------|-----------------------------|--------------------------------|-------------------------|
| 1. | HITESH RAMJI JAVERI | 159000 | 2.65 |
| 2. | HARSHA HITESH JAVERI | 140000 | 2.33 |
| 3. | ANIL KUMAR JAIN | 105655 | 1.76 |
| 4. | MUKESH KANOOGA S | 88045 | 1.47 |
| 5. | TANVI JIGNESH MEHTA | 85150 | 1.42 |
| 6. | DIPAK KANAYALAL SHAH | 75000 | 1.25 |
| 7. | KUMARI R VAZIR | 58000 | 0.97 |
| 8. | KAILASHBEN ASHOKKUMAR PATEL | 46827 | 0.78 |
| 9. | JYOTINDRA MANSUKHLAL MEHTA | 39931 | 0.67 |
| 10. | PRATIMA NAYAK | 39200 | 0.66 |

VI. INDEBTEDNESS

Indebtedness of the company including interest outstanding/accrued but not due for payment.

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|---|-------------------------------------|---------------------|----------|-----------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | 3,66,91,493 | 15,37,46,771 | - | 19,04,38,264 |
| ii) Interest due but not paid | | | | |
| iii) Interest accrued but not | | | | |
| Total (i+ii+iii) | 3,66,91,493 | 15,37,46,771 | - | 19,04,38,264 |
| Change in Indebtedness during the financial year | | | | |
| - Addition | 1,23,85,521 | 1,09,06,741 | - | 2,32,92,262 |
| - Reduction | | | | |
| Net Changes | 1,23,85,521 | 1,09,06,741 | - | 2,32,92,262 |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | 4,90,77,014 | 1,64,65,3512 | - | 21,37,30,526 |
| ii) Interest due but not paid | | | | |
| iii) Interest accrued but not due | | | | |
| Total (i+ii+iii) | 4,90,77,014 | 16,46,53,512 | - | 21,37,30,526 |

VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

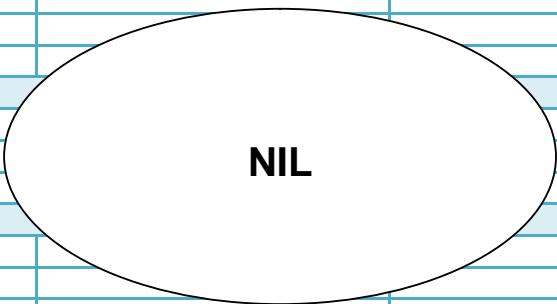
| Sl. No. | Particulars of Remuneration | Key Managerial Personnel | | | |
|------------|---|--|--|---|------------------|
| | | Managing Director (Mr. Piyush Agrawal) | Company Secretary Mr. Shubham Kapil | Whole Time Director & CFO (Mr. Chaitanya Agrawal) | Total Amount |
| 1. | | | | | |
| 2. | Gross salary: (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(2A) of the Income-tax Act, 1961 | 18,00,000 | 5,14,120 | 12,00,000 | 35,14,120 |
| 3. | Stock Option | 0 | 0 | 0 | 0 |
| 4. | Sweat Equity | 0 | 0 | 0 | 0 |
| 5. | Commission - as % of profit - Others, specify... | 0 | 0 | 0 | 0 |
| 6. | Others, please specify | 0 | 0 | 0 | 0 |
| 7. | Total (A) | 18,00,000 | 5,14,120 | 12,00,000 | 35,14,120 |

B. Remuneration to other directors:

| Particulars of Remuneration | Mr. Ashwani Kumar Jindal (ID) | Mr. Maman Chand Jain (ID) | Ms. Shilpy Chopra (ID) | Mr. Suresh Chandra Agrawal (Chairman) |
|--|-------------------------------|---------------------------|------------------------|---------------------------------------|
| 1 <u>Independent Directors</u> -Fee for attending board committee meetings -Commission -Others, please specify | 5,000 p. a. 0 0 | 5,000 p. a. 0 0 | 2,500 p. m. 0 0 | 0 0 0 |
| Total(1) | 5,000 p.a. | 5,000 p.a. | 2,500 p.m. | 0 |
| <u>Other Non-Executive Directors</u> -Fee for attending board committee meetings -Commission -Others, please specify | | | | |
| Total(2) | 0 | 0 | 0 | 0 |
| Total(B)=(1+2) | 5,000 p.a. | 5,000 p.a. | 2,500 p.m. | 0 |
| <u>Executive Directors</u> • Salary • Commission • Others, please specify | - | - | - | 3,60,000 p.a. 0 0 |
| Total Managerial Remuneration | 5,000 p.a. | 5,000 p.a. | 2,500 p.m. | 3,60,000 p.a. |

VIII. PENALTIES/PUNISHMENT/COMPOUNDINGOFOFFENCES: NIL

| Type | Section of the companies Act | Brief description | Details of Penalty/ Punishment/Compounding fees imposed | Authority[RD /NCLT/Court] | Appeal made. If any(give details) |
|----------------------------------|------------------------------|-------------------|---|---------------------------|-----------------------------------|
| A. Company | | | | | |
| <u>Penalty</u> | <u>NIL</u> | | | | |
| <u>Punishment</u> | | | | | |
| <u>Compounding</u> | | | | | |
| Directors | | | | | |
| <u>Penalty</u> | <u>NIL</u> | | | | |
| <u>Punishment</u> | | | | | |
| <u>Compounding</u> | | | | | |
| Other Officers In Default | | | | | |
| <u>Penalty</u> | <u>NIL</u> | | | | |
| <u>Punishment</u> | | | | | |
| <u>Compounding</u> | | | | | |


 NIL

 By Order of the Board of Directors
 For Cranex Limited

 Place: New Delhi
 Date: 30.08.2020

 Sd/-
 Chaitanya Agrawal
 Whole Time Director
 DIN: 05108809

 Sd/-
 Piyush Agarwal
 Managing Director
 DIN: 01761004

ANNEXURE - II

The ratio of the remuneration of each director to the median employee's remuneration and other details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

| Sl. No. | Requirements | Disclosure |
|---------|---|---|
| 1 | The ratio of the remuneration of each director to the median Remuneration of the employees for the financial year 2019-20. | <p>EXECUTIVE DIRECTOR 1. Mr. Suresh Chandra Agrawal-Chairman & Director-3.60 lac 2. Mr. Piyush Agrawal-Managing Director 18 Lac 3. Mr. Chaitanya Agrawal- whole Time Director- 12 Lac</p> <p>NON EXECUTIVE DIRECTORS- 1. Mr. Maman Chand Jain – Independent Director – Rs. 5000 (Sitting Fee) p.a. 2. Mr. Ashwani Kumar Jindal – Independent Director –Rs. 5000 (Sitting Fee) p.a. 3. Ms. Shilpy Chopra – Independent Director Rs. 2500 (Sitting fees) p.m.</p> <p>KMP'S (OTHER THAN MANAGINGDIRECTOR & WHOLE TIME DIRECTOR) Mr. Shubham Kapil- Company Secretary-Rs. 5,14,120 per annum.</p> |
| 2 | The percentage increase in remuneration of each Director in the financial year | Chairman: 100% (w.e.f. 1 st October, 2019) MD: 20% (w.e.f. 1 st October, 2019) WTD: 100% (w.e.f. 1 st October, 2019) |
| 3 | The percentage increase in the median remuneration of employees in the financial year. | 10.31 |
| 4 | The number of permanent employees on the rolls of the Company. | There were 97 permanent employees on the rolls of the Company, as on March 31, 2020. |
| 5 | The explanation on the relationship between average increase in remuneration and Company's performance. | There was increase in remuneration of the employees of the Company. The Company, inter -alia, considered the following factors for deciding upon the increase in the remuneration of the employees: (a) Individual Performance/contribution of the vis-à vis Company Performance; (b) Industry Benchmarking (c) Balance between fixed and incentive pay reflecting short and long term performance objectives |
| 6 | Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company. | For the Financial Year 2019-20, the total remuneration paid to the KMPs was approx. 38.64 % of the net profit for the year. |
| 7 | Average percentile increase already made in the salaries of employees other than the managerial personnel in the last year. (2019-20) | 14.97% |
| 8 | Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company | The comparison of remuneration of each of the Key Managerial personnel against the performance of the Company is as under: Particulars % of Net Profit for F.Y. 2019-20 Managing Director 22.84% WTD & CFO 12.16% Company Secretary 3.64% |
| 9 | The key parameters for any variable component of Remuneration availed by the Directors. | Any variable component of remuneration payable to the Directors is based on the parameters, as approved by the Board of Directors, on the basis of the recommendation of the Nomination & Remuneration Committee of the Board. The said parameters are set considering the provisions of applicable regulations, Nomination (including Boards 'Diversity'), Remuneration and Evaluation Policy of the Company and the respective resolution(s) of the Members of the Company, as applicable. |
| 10 | The ratio of the remuneration of the highest paid director to that of the employees who are not Directors but receive remuneration | During the financial year 2019-20, there is no employee in the Company who receives remuneration in excess of the highest paid director. |
| 11 | Affirmation that the remuneration is as per the remuneration policy of the Company. | It is hereby affirmed that the remuneration is as per the Nomination and Remuneration Policy of the Company. |

ANNEXURE-III

FORM NO. MR-3 SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel Rules, 2014)]

To,
The Members,

CRANEX LIMITED
9, DDA MARKET, KATWARIA SARAI,
NEW DELHI-110016

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **CRANEX LIMITED** (hereinafter called the “Company”) having **CIN L74899DL1973PLC006503**, Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon. Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31st March, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms, returns filed and other records maintained by **CRANEX LIMITED** (the “Company”) for the financial year ended on 31st March, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under ;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-Laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment. There was no External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not Applicable to the Company during the Audit period.)
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not Applicable to the Company during the Audit period as the Company has not issued Employee Stock Option Scheme and Employee Stock Purchase Scheme);
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008(Not Applicable to the Company during the Audit period);
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations,1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable to the Company during the Audit period); and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not Applicable to the Company during the Audit period);
 - i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
 - j) Securities and Exchange Board of India (Depositories and Participants) regulations, 2019
- (vi) As informed to us, the following other Acts/laws specifically applicable to the company are under:
1. Provident Fund Act, 1952
 2. The Employees State Insurance Act, 1948
 3. Labour Welfare Fund Act
 4. Contract Labour (Regulation and Abolition) Act, 1970
 5. Professional Tax Act
 6. Payment of Gratuity Act, 1972
 7. Payment of Bonus Act, 1965
 8. Minimum Wages Act, 1948
 9. Payment of Wages Act, 1936
 10. Maternity Benefit Act, 1961
 11. Equal Remuneration Act, 1976
 12. Employee Compensation Act, 1923
 13. Employee Exchange Act, 1959
 14. Trade License Act
 15. Goods & Service Tax Act

-
- 16. Income Tax Act, 1961
 - 17. Companies (Auditors' Report) Order, 2016
 - 28. Legal Metrology Act, 2009
 - 19. The Factories Act, 1948
 - 20. The Central Excise Act, 1985
 - 21. The Custom Act, 1962
 - 22. The Sexual harassment of Women at Work Place (Prevention, Prohibition & Redressal) Act, 2013

We have also examined compliance with the applicable clauses of the following:

- Secretarial Standards issued by The Institute of Company Secretaries of Indiaon meetings of the Board of Directors and General Meetings.
- We have not examined compliance by the Company with applicable financial laws, like direct and indirect tax laws, since the same have been subject to review by statutory financial audit and other designated professionals.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

The Board of Directors of the Company was duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meetings.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

We further report that there is a scope to improve the systems and processes in the company and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that:

- There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- There was no prosecution initiated against or show cause notice received by the company during the year under review.

We further report that during the audit period there were no instances of:

- Public / Right / Preferential issue of shares/ debentures / sweat equity.
- Redemption / buy-back of securities.
- Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013
- Merger / amalgamation / reconstruction etc.
- Foreign technical collaborations.

As reported, the Company has executed the rectification of shares on 26.11.2020 wherein 912,270 Equity Shares were transferred from Permanent ISIN to Temporary ISIN so as to remove the mismatch issue with the depository. The relevant compliances for the same have been duly complied with BSE and Depository (NSDL) in prescribed Manner.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with the applicable laws, rules, regulations and guidelines.

We further report that during the audit period there were no specific events /actions having major bearing on the affairs of the Company in pursuance of the above referred laws, guidelines, standards, etc.

**FOR PARVEEN RASTOGI & CO.
COMPANY SECRETARIES**

Date: 31/08/2020

Place: New Delhi

UDIN: F004764B000652587

Sd/-

**PARVEEN RASTOGI
C.P. No. 2883
M. No. 4764**

ANNEXURE - IV

FORM NO. AOC- 2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.)

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

| S. NO. | PARTICULARS | DETAILS |
|--------|--|-------------------|
| (a) | Name(s) of the related party & nature of relationship | |
| (b) | Nature of contracts/arrangements/transaction | |
| (c) | Duration of the contracts/arrangements/transaction | |
| (d) | Salient terms of the contracts or arrangements or transaction including the value, if any | |
| (e) | Justification for entering into such contracts or arrangements or transactions' | |
| (f) | Date of approval by the Board | |
| (g) | Amount paid as advances, if any | Not Applicable |
| (h) | Date on which the special resolution was passed in General meeting as required under first proviso to section 188. | |

2. Details of contracts or arrangements or transactions at Arm's length basis.

| S. NO. | PARTICULARS | DETAILS |
|--------|---|-----------------------------------|
| (a) | Name(s) of the related party & nature of relationship | Please refer the note given below |
| (b) | Nature of contracts/arrangements/transaction | |
| (c) | Duration of the contracts/arrangements/transaction | |
| (d) | Salient terms of the contracts or arrangements or transaction including the value, if any | |
| (e) | Justification for entering into such contracts or arrangements or transactions' | |
| (f) | Date of approval by the Board | |
| (g) | Amount paid as advances, if any | |

*NOTE: The details of names, nature of relationship; nature of such contracts / arrangements / transactions are disclosed in **Note No.28 (6)** of the Financial Statements.

**By Order of the Board of Directors
For Cranex Limited**

Place: New Delhi
Date: 30.08.2020

Sd/-
Chaitanya Agrawal
Whole Time Director
DIN: 05108809

Sd/-
Piyush Agarwal
Managing Director
DIN: 01761004

ANNEXURE - V

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

- **UPDATE ON COVID-19 PANDEMIC** Towards the end of financial year 2019-20, the crane industry and the entire global economy has been faced with an unprecedented disruption, owing to the COVID-19 pandemic. The COVID-19 has resulted in interrupted supply chains, halted production and lock-down, leading to no or minimum business across all economic sector. With COVID-19 situation escalating, the Company had proactively rolled-out a slew of measures to ensure health and safety of its employees and business partners, including suspending production at its manufacturing facilities on March 22, 2020. The Company the Company reopened, in a gradual manner, its manufacturing facilities during the first week of May 2020. While the COVID-19 pandemic has pushed several timelines, the Company has successfully navigated through the unprecedented times. The Company is largely dependent on the sales to Govt. of India and PSUs and is confident about gradual resumption of the pre-lockdown sales figure. The Company is proactively adapting to the changing business needs and will stay prepared dynamically to do course correction if and when required.
- **INDUSTRY STRUCTURES AND DEVELOPMENTS**

The growth of equipment manufacturers (cranes, construction and material handling equipment's) is concerned; it is linked with growth of infrastructure, real estate, agricultural and indirectly with the growth of Indian economy. It requires expertise, in terms of technology, design and providing customer satisfaction. Its potential and market is huge; however only companies who would be able to provide good quality products at most competitive price will survive. The Company's CRANEX brand has emerged as brand for reliability and has been able to win the customer loyalty in all these years. CRANEX LIMITED will continue its successful stint in the industry, through providing good quality products at most reasonable prices and complete customer satisfaction by its strong distribution and service network.
- **OPPORTUNITIES**

Recent changes in the consumer spending behaviour along with fall in disposable income have posed serious challenges for sustained future growth. To maintain such growth, your Company is taking necessary steps such as expanding its production capacity. Your Company is also working on various cost-optimisation measures including efficient production process, digitalisation drive across the organization, etc., to eliminate redundancies. Your Company continues to focus on reliable and sustainable quality products so as to be ahead of competition.

Cranex continues to focus on various strategies and initiatives to overcome challenges. These include consolidation of new generation cranes in the targeted market segments. Cranex maintained its market position and is well positioned to achieve growth in terms of volumes and market share through better service levels and by providing the best of technology at an affordable price. We

believe that our proactive steps in providing best solutions to our customers and implementation of our strategies have prepared us for growth

- **THREATS**

- Economic downturn or slowdown can lead to decreased volumes and capacity utilization.
- Continued threat of material price volatility due to slowdown in supply and demand chain translating into pressure on margins during a rapid increase in raw material prices.
- Weak currency resulting in pressure on margins.
- Any change in the government policy or its budgetary allocation to the infrastructure sector will have a major impact on Company's business.
- Change in the tax structure of, GST, Income tax, FEMA, RBI and their tax rates etc.
- Increasing competition from National and International players.
- Unforeseen business losses

- **RISK & CONCERNS**

The Company's ability to foresee and manage business risks is crucial in achieving favourable results. The Company operates in an environment which is affected by various risks some of which are identifiable and Controllable some others are unexpected and cannot be controlled. Under these conditions, proper identification and management of risks is very important in determining the ability of the organization to sustain and create value for its stakeholders. The impact of the key risks which are listed below has been identified through a formal process by the management. However, the Company has been taking appropriate measures to mitigate these risks on a continuous basis. Some of the risks that are potentially significant in nature and need careful monitoring are listed hereunder:

- **The New Normal- COVID Aftermath**

Under the "New Normal" as India Inc. shifts to "work from home" and with socialising becoming a rare occasion, The silver lining, however, is the increasing awareness about health, thereby driving the demand for sustainable and eco friendly products. The infrastructure business is expected to improve gradually the current government initiatives on Industry 4.0 will surely pace up in coming months.

- **Raw material prices volatility**

As COVID Pandemic hit the country economic activity the liquidity slowdown and raw material market is Steel and other commodities are subject to price volatility and our profitability and cost effectiveness may be affected due to any increase in \$ decrease in the prices of raw materials and other inputs.

- **Continued economic growth -**

Demand of our equipment / machines is dependent on economic growth and / or infrastructure development. Any slowdown in the economic growth affects our growth.

- **Market risk-**

Even as the Indian economy slowly recovers from the Nation-wide lockdown, infrastructure spends will take time to kick in. Consequently, demand for construction equipment remains muted. There ever there is demand, one finds stiff competition from other players trying to secure these orders at such prices as may put unsustainable pressure on margins.

- **Foreign Currency Risk-**

Due to Govt. continuous assertion on import of Chinese goods the Exchange rate fluctuations have an adverse impact on the Company. Further the Escalator business need to reinvent its resources to supplement the Self dependence Economy.

- **Cyclical nature of the Industry-**

The Company's growth is linked to those of the crane Industry, which is cyclical in nature. The demand for crane has a significant impact on the demand and prices of the products manufactured by the Company. A fall in the demand and / or prices would adversely impact the financial performance of the Company.

- **CAUTIONARY STATEMENT**

Statements made in this report describing the Company's objectives, projections, estimates and expectations may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates; changes in the Government regulations; tax laws and other statutes and incidental factors.

MD/CFO'S CERTIFICATE

We, Chaitanya Agrawal, Chief Financial Officer and Piyush Agrawal Managing Director certify that:

1. We have reviewed the financial statements and cash flow statement for the year ended 31st March, 2020 and to the best of our knowledge and belief:
 - a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b. these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
2. To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2020 are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware, have been disclosed to the auditors & Audit Committee and steps have been taken to rectify these deficiencies.
4.
 - a) There has not been any significant change in internal control over financial reporting during the year under reference;
 - b) There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements; and
 - c) We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

By Order of the Board of Directors
For Cranex Limited

Place: New Delhi
Date: 30.08.2020

Sd/-
Chaitanya Agrawal
Whole Time Director
DIN: 05108809

Sd/-
Piyush Agarwal
Managing Director
DIN: 01761004

ANNUAL COMPLIANCE WITH THE CODE OF CONDUCT FOR THE FINANCIAL YEAR 2019-20

Declaration pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

All Board Members and senior Management Personnel have affirmed compliance with the code of ethics for the financial year ended 31st March, 2020

**By Order of the Board of Directors
For Cranex Limited**

**Place: New Delhi
Date: 31-08-2020**

Sd/-

**Piyush Agrawal
Managing Director
DIN: 01761004**

**M/s PRYD & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGISTRATION No. 011626N
4831/24 F.F GOVIND LANE, ANSARI ROAD,
DARYA GANJ, NEW DELHI-110002**

INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS OF CRANEX LIMITED

Report on Audit of Standalone Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of M/s CRANEX LIMITED (“the Company”) which comprises the Balance Sheet as at March 31st 2020, the Statement of Profit and Loss, the Cash Flow Statement for the year ended, (the Statement), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the Listing Regulations) and a summary of significant accounting policies and other explanatory information. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone annual financial results give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India, of the net profit and other comprehensive income/(loss) and other financial information of the Company for the year ended March 31, 2020.

Basis for Opinion

We conducted our audit of the financial statement in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (“ICAI”) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key Audit Matters are those matters that, in our Professional judgement, were of most significant in our audit of the standalone financial statement of the current period. These matters were addressed in the context of our audit of the Standalone financial Statement as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Emphasis on Matter

We draw your attention to Note 3 of the financial result with regard to management's assessment about impact on Company/Group operations due to Covid-19 Pandemic outbreak and lockdown. The management apart from considering the internal and external information up to the date of approval of this financial statement, the company has also performed sensitivity analysis on the assumptions used. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements. Considering the continuing uncertainties, the Management will continue to monitor any material changes to future economic conditions.

Our report is not modified in respect of this matter.

Board of Directors' Responsibilities for the Standalone financial results

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Indian Accounting Standards) Rules, 2015 as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of these Standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Audit of the Annual Standalone Financial Results

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the stand alone Ind AS financial statements are free from material misstatement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also obtain an understanding of internal control relevant to the audit

in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Information other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard. The Board of Directors of the Company is responsible for overseeing the financial reporting process of the Company.

Other Matters

The Financial Results reflect total revenues of Rs. 3608.47 Lakh and Rs. 72.23 Lakh, net profit for the quarter and financial year ended 31st March, 2020 and total assets of Rs. 4329.54 lacs as considered in the consolidated financial results which have been audited by other auditor. The Independent auditors' reports on financial results of this entity has been furnished to us, and our opinion on the consolidated financial

results, in so far as it relates to the amounts and disclosures included in respect of this entity, is based solely on the report of such auditor and the procedures performed by us are as stated in paragraph above.

For and on behalf of
M/s PRYD & ASSOCIATES
Chartered Accountants
(Firm Registration No. : 011626N)

SD/-
(C.A P.M Mittal) Partner
(Membership No.: 094667)
Place: New Delhi
Date: 30 / 07 /2020
UDIN: 20094667AAAAGP5604

Annexure A" to the Independent Auditors' Report

**To the members of
M/S CRANEX LIMITED**

Report on the matters specified in paragraph 3 of the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143 (11) of the Companies Act, 2013 ("the Act") as referred to in paragraph 1 of 'Report on Other Legal and Regulatory Requirements' section.

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
(b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
(c) The title deeds of immovable properties are held in the name of the company.
- 2) The management has conducted the physical verification of inventory at reasonable intervals. The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the of the Companies Act, 2013. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and I86 of the Companies Act, 2013,in respect of loans, investments, guarantees, and security, as there is no such transaction as mentioned in the said section.
- 5) As per information and explanation provided to us, the Company has not accepted any public deposits during the year. Further we have not come across any such deposit(s) nor has the management reported any such deposit therefore the directive issued by Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and the Rules, framed there under are not applicable.
- 6) The company is not required to maintain Cost Records under sub-section (1) of Section 148 of the

Companies Act, 2013. Accordingly clause (vi) of paragraph 3 of the order is not applicable to the company.

- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31st, 2020 for a period of more than six months from the date on when they become payable.
 - a) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues of loans and interest to bank. The company has not issued any debentures.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 12) In our opinion, the Company is not a *Nidhi* Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company and hence not commented upon.
- 13) According to the information and explanation given to us and based on our examination of the records of the company transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions

- of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- 15)** Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16)** In our opinion, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For and on behalf of

M/s PRYD & ASSOCIATES
Chartered Accountants
(Firm Registration No. :011626N)

SD/-
(C.A P.M Mittal) Partner
(Membership No.: 094667)
Place: New Delhi
Date: 30 / 07 /2020

“Annexure B” to the Independent Auditor’s Report of even date on the Standalone Financial Statements of M/S CRANEX LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”) as referred to in paragraph 2(f) of Report on Other Legal and Regulatory Requirements section.

We have audited the internal financial controls over financial reporting of **M/s CRANEX LIMITED** (“the Company”) as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our

audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31st, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For and on behalf of
M/s PRYD & ASSOCIATES
Chartered Accountants
(Firm Registration No. : 011626N)

SD
(C.A P.M Mittal) Partner
(Membership No.: 094667)
Place: New Delhi
Date: 30 / 07 /2020

Cranex Limited Standalone Balance sheet as at 31st March 2020

(Rs. in RUPEES)

| Particulars | Notes | As at 31st March, 2020 | As at 31st March, 2019 |
|--------------------------------------|-------|---------------------------|------------------------|
| ASSETS | | | |
| Non-current assets | | | |
| Property, Plant and Equipment | 1 | 4,49,35,289.00 | 4,10,38,408.00 |
| Financial Assets | | | |
| (i) Investments | 2 | 1,82,00,000.00 | 1,82,00,000.00 |
| (ii) Others | 3 | 4,17,83,958.00 | 6,24,33,052.00 |
| Other non-current assets | 4 | 1,01,64,323.00 | 89,34,623.00 |
| Total Non-Current Assets | | 11,50,83,570.00 | 13,06,06,083.00 |
| Current assets | | | |
| Inventories | 5 | 9,00,87,984.00 | 8,16,12,610.00 |
| Financial Assets | | | |
| (i) Trade receivables | 6 | 20,42,34,419.00 | 16,63,97,648.00 |
| (ii) Cash and cash equivalents | 7 | 4,58,104.00 | 5,87,870.00 |
| (iii) Others | 8 | 21,65,637.00 | 28,87,816.00 |
| Other current assets | 9 | 2,09,24,684.00 | 1,58,22,490.00 |
| Total Current Assets | | 31,78,70,828.00 | 26,73,08,434.00 |
| Total Assets | | 43,29,54,398.00 | 39,79,14,517.00 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| (i) Equity Share capital | 10 | 6,00,00,000.00 | 6,00,00,000.00 |
| Other Equity | 11 | 1,83,38,662.00 | 1,11,14,958.00 |
| Total Equity | | 7,83,38,662.00 | 7,11,14,958.00 |
| Liabilities | | | |
| Non-current liabilities | | | |
| Financial Liabilities | | | |
| (i) Borrowings | 12 | 21,23,61,122.00 | 19,48,40,806.00 |
| Other non-current liabilities | 13 | 74,84,518.00 | 55,65,273.00 |
| Total Non-Current Liabilities | | 21,98,45,640.00 | 20,04,06,079.00 |
| Current liabilities | | | |
| Financial Liabilities | | | |
| (i) Trade payables | 14 | 12,56,80,564.00 | 10,44,47,776.00 |
| (iii) Other financial liabilities | 15 | 13,69,404.00 | 13,69,404.00 |
| Other current liabilities | 16 | 61,07,930.00 | 1,88,56,417.00 |
| Provisions | 17 | 16,12,198.00 | 17,19,883.00 |
| Current tax liabilities (Net) | | | |
| Total Current Liabilities | | 13,47,70,096.00 | 12,63,93,480.00 |
| Total Liabilities | | 35,46,15,736.00 | 32,67,99,559.00 |
| Total Equity and Liabilities | | 43,29,54,398.00 | 39,79,14,517.00 |

As per our Report of even date:

For PRYD & Associates

F. No.: 011626N

Chartered Accountants

(CA P. M. Mittal)

Membership No.: 094667

Partner

Place: New Delhi

Date: JULY 30, 2020

For and on behalf of the Board of Directors

(Piyush Agrawal)

Managing Director

DIN - 01761004

Shubham Kapi

Company Secretary

Memb. No.: 55844

(Chaitanya Agrawal)

Director

DIN - 05108809

(S.C. Agrawal)

Chairman

Din: 01958471

STATEMENT OF PROFIT & LOSS FOR THE PERIOD ENDED 31st MARCH,2020

| | Particulars | Note s | Current Year | (in Rupees) Previous Year |
|--|--|-----------|------------------------|------------------------------|
| | | | 2019-20 | 2018-19 |
| INCOME | | | | |
| I. | Revenue from operations | 18 | 35,52,99,875.00 | 31,11,64,033.00 |
| II. | Other income | 19 | 55,47,223.00 | 43,88,493.00 |
| III | Total Revenue (I + II) | | 36,08,47,098.00 | 31,55,52,526.00 |
| Expenses | | | | |
| IV | Cost of material consumed | 20 | 23,40,00,019.00 | 15,54,43,902.00 |
| | Purchases of Stock-in-Trade | 21 | 1,25,38,145.00 | 6,44,25,375.00 |
| | Change in inventories of finished goods, work-in-progress and Stock-in-Trade | 22 | (51,28,455.00) | (2,61,819.00) |
| | Employee benefits expense | 23 | 2,83,87,814.00 | 2,13,77,285.00 |
| | Financial Costs | 24 | 1,02,38,536.00 | 87,56,458.00 |
| | Depreciation and amortization expense | 1 | 23,10,753.00 | 21,50,267.00 |
| | Other expenses | | | |
| | - Manufacturing expenses | 25.a | 3,21,01,073.00 | 2,57,07,550.00 |
| | - Administrative Expenses | 25.b | 2,85,69,797.00 | 1,99,67,568.00 |
| | - Selling & Distribution Expenses | 25.c | 89,93,514.00 | 96,51,442.00 |
| | Total expenses | | 35,20,11,196.00 | 30,72,18,028.00 |
| V. | Profit/ (Loss) before exceptional and tax (III-IV) | | 88,35,902.00 | 83,34,498.00 |
| VI | Tax expense: | | | |
| | - Current Tax | | 16,12,198.00 | 17,19,883.00 |
| | - Deferred Tax | | | |
| VI I | Profit / (Loss) for the Period (VII-VIII) | | 72,23,704.00 | 66,14,615.00 |
| Earning Per Equity Share of face value of ₹10 each: | | | | |
| | - Basic: | | 1.20 | 1.10 |
| | - Diluted: | | 1.20 | 1.10 |

Significant Accounting Policies See accompanying Notes to the Financial Statements 1 to 26

As per our Report of even date:

For and on behalf of the Board of Directors

For PRYD & Associates

 F. No.: 011626N
 Chartered Accountants

(Piyush Agrawal)

 Managing Director
 DIN - 01761004

(Chaitanya Agrawal)

 Director
 DIN - 05108809

(CA P. M. Mittal)

 Membership No.: 094667
 Partner

Shubham Kapi

 Company Secretary
 Memb. No.: 55844

(S.C. Agrawal)

 Chairman
 Din: 01958471

Place: New Delhi

Date: JULY 30, 2020

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31st MARCH, 2020

Rs. (in Rupees)

A. Paid Up Equity Share Capital

| Balance at the beginning of the reporting period i.e. 1st April, 2018 | Change in Equity Share Capital during the year 2018-19 | Balance at the end of the reporting period i.e. 31 st March, 2019 | Change in Equity Share Capital during the year 2019-20 | Balance at the end of the reporting period i.e. 31 st March, 2019 |
|---|--|--|--|--|
| 60000000 | Nil | 60000000 | Nil | 60000000 |

B. Other Equity

| | Balance at the beginning of the reporting period i.e. 1st April, 2019 | Total Comprehensive Income for the Year | Transfer to/ (from) Retained Earnings | On Employee Stock Options | Balance at the end of the reporting period i.e. 31 st March, 2020 |
|--|---|---|---------------------------------------|---------------------------|--|
| As at 31st March, 2019 | | | | | |
| Share Application Money Pending Allotment | - | - | - | - | - |
| Reserves and Surplus | - | - | - | - | - |
| Capital Reserve | - | - | - | - | - |
| Securities Premium Reserve | - | - | - | - | - |
| General Reserve | - | - | - | - | - |
| Retained Earnings | 11114958 | 7223704 | | | 18338662 |
| Revaluation Reserves | | | | | |
| Total | 11114958 | 7223704 | | | 18338662 |

As per our Report of even date:

For and on behalf of the Board of Directors

For PRYD & Associates

 F. No.: 011626N
 Chartered Accountants

(Piyush Agrawal)

 Managing Director
 DIN - 01761004

(Chaitanya Agrawal)

 Director
 DIN - 05108809

(CA P. M. Mittal)

 Membership No.: 094667
 Partner

Shubham Kapi

 Company Secretary
 Memb. No.: 55844

(S.C. Agrawal)

 Chairman
 Din: 01958471

Place: New Delhi

Date: JULY 30, 2020

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2020

| Particulars | | Current Year 2019-20 | Current Year 2018-19 |
|--|---|-------------------------|-------------------------|
| Cash Flow Statement: | | | |
| A | Cash flow from operating activities: | | |
| | Net Profit Before Tax as per Statement of Profit and Loss | 88,35,902.00 | 83,34,498.00 |
| Adjusted for: | | | |
| (Profit) / Loss on Sale / Discard of Property, Plant and Equipment (Net) | | | |
| Depreciation | 23,10,753.00 | 21,50,267.00 | |
| Interest income | (41,43,594.00) | (35,46,148.00) | |
| Finance Costs | 56,15,421.00 | 50,44,169.00 | |
| | Operating profit before working capital changes | 1,26,18,482.00 | 1,19,82,786.00 |
| Adjusted for: | | | |
| (Increase) / decrease in Trade Receivables | (3,78,36,771.00) | (1,85,42,001.00) | |
| (Increase) / decrease in Other Receivables | (43,80,015.00) | (51,22,942.00) | |
| (Increase) / decrease in inventories | (84,75,374.00) | (40,12,245.00) | |
| (Increase) / decrease in Other Non Current Assets | 1,94,19,394.00 | (24,83,759.00) | |
| Increase / (decrease) in Other Non Current Liabilities & Provisions | 19,19,245.00 | (3,17,45,809.00) | |
| Increase / (decrease) in Trade and other Payables | 83,76,616.00 | 3,52,18,717.00 | |
| | Cash generated from operations | (83,58,423.00) | (1,47,05,253.00) |
| Income tax paid | 16,12,198.00 | 16,93,428.00 | |
| | Net cash flow from / (used in) operating activities (A): | (99,70,621.00) | (1,63,98,681.00) |
| B | Cash flow from investing activities: | | |
| (Purchase)/Sale of fixed assets | (6207634) | (1,40,04,605.00) | |
| (Profit) / Loss on Sale / Discard of Property, Plant and Equipment (Net) | - | - | |
| Purchase of investments | - | 5,000.00 | |
| Interest income | 41,43,594.00 | 35,46,148.00 | |
| | Net cash from / (used in) investing activities (B): | (20,64,040.00) | (1,04,53,457.00) |
| C | Cash flow from financing activities: | | |
| Proceeds/(Repayment) from Borrowing-Non Current | 1,75,20,316.00 | 3,16,41,428.00 | |
| Borrowing-Current (Net) | - | - | |
| Interest paid | (56,15,421.00) | (50,44,169.00) | |
| | Net cash from / (used in) financing activities (C): | 1,19,04,895.00 | 2,65,97,259.00 |
| Net increase / (decrease) in cash and cash equivalents (A+B+C) | (1,29,766.00) | (2,54,879.00) | |
| Cash and cash equivalents at the beginning of the year | 5,87,870.00 | 8,42,749.00 | |
| Cash and cash equivalents at the end of the year* | 4,58,104.00 | 5,87,870.00 | |
| * Comprises: | | | |
| Cash on hand | 3,25,561.00 | 5,35,524.00 | |
| Balances with banks | | | |
| (i) In current accounts | 1,32,543.00 | 52,346.00 | |
| | 4,58,104.00 | 5,87,870.00 | |

As per our Report of even date:

For PRYD & Associates

F. No.: 011626N

Chartered Accountants

(CA P. M. Mittal)

Membership No.: 094667

Partner

Place: New Delhi

Date: JULY 30, 2020

For and on behalf of the Board of Directors

(Piyush Agrawal)

Managing Director

DIN - 01761004

Shubham Kapi

Company Secretary

Memb. No.: 55844

(Chaitanya Agrawal)

Director

DIN - 05108809

(S.C. Agrawal)

Chairman

Dir. 01958471

CRANEX LIMITED

Notes to the financial statements for the year ended 31st March, 2020:

Corporate information

Cranex limited is a public limited company domiciled in India & incorporated under provision of companies act, 1956. Its shares are listed on Bombay Stock Exchange. The company is engaged in the business of manufacturing & selling cranes & its parts. The company is also providing after sales maintenance services. The company caters the domestic market in the public sector as well as in the private sector. The company is managed by the board of directors headed by the Chairman Shri Suresh Chandra Agrawal.

Name: Cranex Limited

Date of Incorporation : February 27, 1973

Corporate Identity Number (CIN) issued by MCA: L74899DL1973PLC006503

Constitution: Limited Company

Industry: Engineering

Registered & Corporate Office:-

Registered Office – 9,DDA Market ,Katwaria Sarai,
New Delhi-110016

Corporate office-57/1 Industrial Area ,Site-IV, Sahibabad (U.P.)-201010

Significant accounting policies:

Basis of accounting and preparation of financial statements

The financial statements are prepared on accrual basis under the historical cost convention, except for certain Fixed Assets which are carried at revalue amounts. The financial statements are presented in Indian rupees ⁽¹⁾, rounded off to the nearest rupees in rupees

The financial statements of the Company have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013.Upto the year ended March 31, 2016, the Company has prepared its financial statements in accordance with the requirement of Indian Generally Accepted Accounting Principles (GAAP), which includes Standards notified under the Companies (Accounting Standards) Rules, 2006 and considered as "Previous GAAP".These financial statements are the Company's first Ind AS standalone financial statements.

Summary of Significant Accounting Policies

Property, Plant and Equipment Property, Plant and Equipment are stated at cost net of recoverable taxes, trade discounts and rebates and include amounts added on revaluation, less accumulated depreciation and impairment loss, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.Subsequent expenditures related to an item of Property, Plant and Equipment are added to its book value only if they increase the

future economic benefits from the existing asset beyond its previously assessed standard of performance.

Depreciation on Property, Plant and Equipment is provided on Straight Line Method (SLM). Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 except in respect of the following assets, where useful life is different than those prescribed in Schedule II;

| Particular | Depreciation |
|-------------------------------|---|
| Property, Plant and Equipment | Over its useful life considered as 30 years as technically assessed |
| Computer software | Over a period of 5 years |
| <u>Other</u> | <u>Over the period of agreement of right to use</u> |

The residual values, useful lives and methods of depreciation of Property, Plant and Equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(b) Finance Cost:

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Profit and Loss Statement in the period in which they are incurred.

(c) Inventories:

Finished and semi-finished products produced and purchased by the Company are carried at lower of cost or net realizable value. Work-in-progress is carried at cost.

Raw materials & Components are carried at lower of cost and net realizable value.

Stores and spare parts are carried at cost. Necessary provision is made and charged to revenue in case of identified obsolete and non-moving items.

Cost of raw materials, Components, stores and spares, trading and other products are determined on FIFO basis.

(e) Employee Benefits:

Short-term employee benefits are recognised as an expense at the undiscounted amount in the Profit and Loss Statement of the year in which the related service is rendered.

(f) Tax Expenses:

The tax expense for the period comprises of current tax and deferred income tax. Tax is recognised in

Statement of Profit & Loss.

i) Current Tax: Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the Income Tax authorities, based on tax rates and laws that are enacted at the Balance sheet date.

(g) Foreign Currency Transactions:

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the settlement of the transaction. Monetary assets & liabilities denominated in foreign currencies at the year end are restated at year end rates. In case of items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognised as exchange difference and the premium paid on forward contracts is recognised over the life of the contract. Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Profit and Loss Statement, except in case of long term liabilities, where they relate to acquisition of Fixed Assets, in which case they are adjusted to the carrying cost of such assets.

(h) Revenue Recognition:

Revenue from sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated cost can be estimated reliably, there is no continuing effective control or managerial involvement with the goods, and the amount of revenue can be measured reliably.

Revenue from rendering of services is recognised when the performance of agreed contractual task has been completed.

Revenue from operations is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Interest Income from a Financial Assets is recognised using effective interest rate method.

(i) Financial Instruments:

Financial Assets: All Financial Assets are recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of Financial Assets, which are not at Fair Value Through Profit or Loss, are adjusted to the fair value on initial recognition. Purchase and sale of Financial Assets are recognised using trade date accounting.

Financial Liabilities: All Financial Liabilities are recognized at fair value and in case of borrowings, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(j) Investments:

Non Current investments are stated at cost.

(k)

The earnings considered in ascertaining the Company's Earnings per Share (EPS) comprise the net profit after tax. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.

(l) Provisions:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Critical Accounting Judgments And Key Sources Of Estimation Uncertainty

The preparation of the Company's Financial Statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in next financial years.

(a) Depreciation / Amortisation and useful lives of Property Plant and Equipment

Property, Plant and Equipment are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

(b) Recoverability of Trade Receivables:

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

(c) Provisions:

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions

and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

First Time Adoption of IND AS

The Company has adopted Ind AS with effect from 1st April 2017 with comparatives being restated. On assessment of estimates and measurement of financial assets made under the Previous GAAP financial statements, the Company has concluded that there is no necessity to revise such estimates and measurement of financial assets under Ind AS, as there is no objective evidence of an error in those estimates and measurement of financial assets. The figures for the previous period have been restated, regrouped and reclassified wherever required to comply with the requirement of Ind AS and Schedule III.

| Particulars | As at 31st March, 2020 | As at 31st March, 2019 |
|---|---------------------------|------------------------------|
| <u>Note - 2: Investments - Non-current</u> | | |
| <u>INVESTMENTS, AT COST (UNLESS OTHERWISE STATED)</u> | | |
| Long Term Investments: | | |
| <i>Unquoted:</i> | | |
| (I) holding 26% shares (182000 Shares @ Rs. 100/- each) in IFE Cranex Elevators & Escalators India pvt Ltd- | 1,82,00,000.00 | 1,82,00,000.00 |
| | 1,82,00,000.00 | 1,82,00,000.00 |
| <u>Note - 3: Other Financial Assets (Unsecured, considered good)</u> | | |
| Bank Deposit with more than 12 months maturity | 3,78,70,436.00 | 5,95,63,938.00 |
| TDS Receivable | 39,13,522.00 | 28,69,114.00 |
| | 4,17,83,958.00 | 6,24,33,052.00 |
| <u>Note - 4: Other non-current assets (Unsecured, considered good)</u> | | |
| <u>Advance income tax (net of provisions)</u> | - | - |
| Security deposits | 1,01,64,323.00 | 89,34,623.00 |
| Total | 1,01,64,323.00 | 89,34,623.00 |

| Particulars | As at 31st March, 2020 | As at 31st March, 2019 |
|--|---------------------------|---------------------------|
| <u>Note - 5: Inventories</u> | | |
| Raw materials | 4,02,92,346.00 | 3,69,45,427.00 |
| Work-in-progress | 4,97,95,638.00 | 4,46,67,183.00 |
| Total | 9,00,87,984.00 | 8,16,12,610.00 |
| <u>Note - 6: Trade receivables (Unsecured and Considered Good)</u> | | |
| Outstanding for a period exceeding six months | 8,20,19,670.00 | 5,91,71,789.00 |
| Others | 12,22,14,749.00 | 10,72,25,859.00 |
| Total | 20,42,34,419.00 | 16,63,97,648.00 |
| Note: Trade receivables include debts due from: | | |
| Directors | - | - |
| Other officers of the Company | - | - |
| Firms in which any director is a partner | - | - |
| Private companies in which any director is a director or member | - | - |
| <u>Note - 7: Cash and cash equivalents</u> | | |
| Cash on hand | 3,25,561.00 | 5,35,524.00 |
| Balances with banks | | |
| (i) In current accounts | 1,32,543.00 | 52,346.00 |
| Total | 4,58,104.00 | 5,87,870.00 |
| <u>Note - 8: Other Financial Assets - Current</u> | | |
| Accruals | | |
| Deferred revenue expenses | | |
| Opening- | 2887816 | 3609995 |
| Written off during the year | 722179 | 722179 |
| Balance | 2165637 | 2887816 |
| <u>Note - 9: Other current assets (Unsecured and Considered Good)</u> | | |
| Prepaid expenses | 1955940 | 2477523 |
| Imprest | 572187 | 344095 |
| Balances with government authorities | | |
| (i) Goods & Service Tax receivable | 0 | 1878730 |
| (ii) TDS receivable/TCS receivable | 2843218 | 2764292 |
| (iii)-Advance tax | 100000 | 0 |
| Advances to Suppliers | | |
| To other than related parties | 15453339 | 8357850 |
| | 20924684 | 15822490 |

| Particulars | As at 31st March, 2020 | As at 31st March, 2019 | | |
|---|---------------------------|---------------------------|-------------------------|-----------------------|
| <u>Note - 10: Share Capital</u> | | | | |
| <u>AUTHORISED:</u> | | | | |
| 10000000 Equity Shares of Re. 10/- each | 10,00,00,000 | 10,00,00,000 | | |
| | 10,00,00,000 | 10,00,00,000 | | |
| <u>ISSUED, SUBSCRIBED & PAID UP:</u> | | | | |
| 6000000 Equity Shares of Re. 10/- each fully paid up | 6,00,00,000.00 | 6,00,00,000.00 | | |
| | 6,00,00,000.00 | 6,00,00,000.00 | | |
| (i) Details of shares held by each shareholder holding more than 5% shares: | | | | |
| Class of shares / Name of shareholder | As at 31 March, 2020 | | As at 31 March, 2019 | |
| | Number of shares held | % held | Number of shares held | % held |
| Equity shares with voting rights | | | | |
| Piyush Agrawal | 15,96,617 | 26.61 | 18,30,967 | 30.52 |
| Suresh Chandra Agrawal | 5,46,383 | 9.10 | 16,559 | 0.28 |
| Total | 21,43,000 | 35.71 | 18,47,526 | 30.80 |
| (ii) The reconciliation of the number of shares outstanding is set out below : | | | | |
| Particulars | As at 31 March, 2020 | | As at 31 March, 2019 | |
| | No. of Shares | | No. of Shares | |
| Equity Shares at the beginning of the year | | 60,00,000.00 | | 60,00,000.00 |
| Addition / Reduction during the year | | - | | - |
| Equity Shares at the end of the year | | 60,00,000.00 | | 60,00,000.00 |
| <u>Note - 11: Other Equity</u> | | | | |
| | As at 31 March, 2020 | | As at 31 March, 2019 | |
| <u>Retained Earnings:</u> | | | | |
| As per last Balance Sheet | 1,11,14,958.00 | 44,73,890.00 | | |
| Add: Profit for the year | 72,23,704.00 | 66,14,615.00 | | |
| Add: Excess provision for P.Y. | - | 26,453.00 | | |
| Closing balance | - | | | 1,11,14,958.00 |
| Total | 1,83,38,662.00 | | | 1,11,14,958.00 |

| <u>Note - 12: Borrowings</u> | | |
|---|------------------------|------------------------|
| Term Loans: From Banks (Secured) | | |
| - kotak bank | | |
| Secured | 4,54,20,740.00 | 3,20,34,936.00 |
| | 4,54,20,740.00 | 3,20,34,936.00 |
| From related parties (Unsecured): | | |
| Corporate Loans: | | |
| - M/s IFE Cranex Elevators & Escalators india pvt ltd | 5,33,20,423.00 | 4,33,06,237.00 |
| Other than Corporate Loans: | | |
| - Amitabh Agrawal (HUF) | 3,14,21,741.00 | 3,14,21,741.00 |
| - Chaitanya Agrawal | 1,81,25,276.00 | 1,88,26,602.00 |
| - Piyush Agrawal | 5,47,04,930.00 | 5,89,28,364.00 |
| - S.C.Agrawal | 70,81,142.00 | 70,35,773.00 |
| | 16,46,53,512.00 | 15,95,18,717.00 |
| Vehicle Loans (Secured): | | |
| - <i>Kotak Mahindra Bank - Car Loans</i> | 12,80,979.00 | 18,67,025.00 |
| - <i>Yes Bank - Car Loans</i> | 10,05,891.00 | 14,20,128.00 |
| | 22,86,870.00 | 32,87,153.00 |
| | 21,23,61,122.00 | 19,48,40,806.00 |
| Note - 13: Other non-current Liabilities | | |
| (a) Advances from customers | 74,84,518.00 | 55,65,273.00 |
| | 74,84,518.00 | 55,65,273.00 |
| Particulars | As at 31st March, 2020 | As at 31st March, 2019 |
| Note - 14: Trade payables | | |
| Trade Creditors | 12,56,80,564.00 | 10,44,47,776.00 |
| | 12,56,80,564.00 | 10,44,47,776.00 |
| Note - 15: Other Financial liabilities - Current | | |
| - <i>Kotak Mahindra Bank - Car Loans</i> | 7,91,436.00 | 7,91,436.00 |
| - <i>Yes Bank - Car Loans</i> | 5,77,968.00 | 5,77,968.00 |
| | 13,69,404.00 | 13,69,404.00 |
| Note - 16: Other current liabilities | | |
| Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, GST, VAT, Service Tax, etc.) | 16,83,518.00 | 16,86,283.00 |
| Expenses payable | 36,20,194.00 | 18,20,134.00 |
| Advances from customers | 8,04,218.00 | 1,53,50,000.00 |
| | 61,07,930.00 | 1,88,56,417.00 |
| Note - 17: Provisions - Current | | |
| (i) Provision for income tax F.Y | 16,12,198.00 | 17,19,883.00 |
| | 16,12,198.00 | 17,19,883.00 |

| Particulars | Current Year 2019-20 | Previous Year 2018-19 |
|--|-------------------------|--------------------------|
| <u>Note - 18: Revenue from operations</u> | | |
| Sale of products | 29,99,21,230.00 | 20,21,76,420.00 |
| Trading sale | 27,87,874.00 | 2,74,42,381.00 |
| sale of services | 4,94,91,117.00 | 7,82,21,595.00 |
| Export Sales | 30,99,654.00 | 33,23,637.00 |
| Total A | 35,52,99,875.00 | 31,11,64,033.00 |
| <u>Note - 19: Other income</u> | | |
| Interest Received | 41,43,594.00 | 35,46,148.00 |
| Other Income | 14,03,629.00 | 8,42,345.00 |
| Total B | 55,47,223.00 | 43,88,493.00 |
| <u>Note - 20: Cost of materials consumed</u> | | |
| Opening stock | 3,69,45,427.00 | 3,31,95,000.00 |
| Add: Purchases | 23,28,80,071.00 | 15,55,44,003.00 |
| Add: Freight | 44,66,867.00 | 36,50,326.00 |
| Less: Closing stock | 4,02,92,346.00 | 3,69,45,427.00 |
| Cost of material consumed | 23,40,00,019.00 | 15,54,43,902.00 |
| <u>Note - 21: Purchase of traded goods</u> | | |
| Traded Goods | 42,95,019.00 | 1,54,42,594.00 |
| Purchase-Import | 75,58,336.00 | 2,28,27,110.00 |
| Custom duty-Import | 4,19,925.00 | 1,75,45,579.00 |
| Transport-Import | 2,64,865.00 | 86,10,092.00 |
| Total | 1,25,38,145.00 | 6,44,25,375.00 |
| <u>Note - 22: Changes in inventories of finished goods, work-in-progress and stock-in-trade</u> | | |
| <u>Inventories at the end of the year:</u> | | |
| Finished goods | | |
| Work-in-progress | 4,97,95,638.00 | 4,46,67,183.00 |
| Stock-in-trade | - | - |
| <u>Inventories at the beginning of the year:</u> | | |
| Finished goods | - | - |
| Work-in-progress | 4,46,67,183.00 | 4,44,05,364.00 |
| Stock-in-trade | - | - |
| Net (increase) / decrease | (51,28,455.00) | (2,61,819.00) |

| Particulars | Current Year 2019-20 | Previous Year 2018-19 |
|---|-------------------------|--------------------------|
| <u>Note - 23: Employee benefits expense</u> | | |
| - Salaries and wages | | |
| Bonus | 9,46,634.00 | 7,25,580.00 |
| Conveyance Allowance | 9,71,199.00 | 8,42,463.00 |
| House Rent Allowance | 28,40,717.00 | 15,68,879.00 |
| Allowance | 30,34,735.00 | 13,48,308.00 |
| Salaries | 1,22,87,390.00 | 78,58,724.00 |
| Security Charges | 3,18,936.00 | 17,68,312.00 |
| Wages | 40,87,479.00 | 36,96,155.00 |
| - Contributions to provident and other funds | | |
| ESI Contribution | 3,74,447.00 | 3,56,722.00 |
| PF Contribution | 15,70,685.00 | 11,00,529.00 |
| - Staff welfare expenses | | |
| Medical Expenses | 1,96,000.00 | 2,64,042.00 |
| Gratuity | 1,45,000.00 | 2,61,616.00 |
| Factory food expenses | 12,43,125.00 | 12,00,464.00 |
| Staff Welfare | 3,71,467.00 | 3,85,491.00 |
| Total | 2,83,87,814.00 | 2,13,77,285.00 |
| <u>Note - 24: Finance costs</u> | | |
| (a) Interest expense on: | | |
| - Borrowings | 48,57,461.00 | 50,39,703.00 |
| - Delayed / deferred payment of Govt. dues | 7,57,960.00 | 4,466.00 |
| (b) Other borrowing costs | | |
| | 46,23,115.00 | 37,12,289.00 |
| Total | 1,02,38,536.00 | 87,56,458.00 |
| <u>Note - 25: Other expenses</u> | | |
| 25. a - Manufacturing Expenses | | |
| Contract Charges-job/erection | 2,38,16,589.00 | 1,79,10,179.00 |
| Project site expenses | 46,63,437.00 | 46,24,145.00 |
| Pattern & Drawing Charges | 3,40,000.00 | 90,000.00 |
| Power and fuel | 26,01,307.00 | 27,17,941.00 |
| Testing Charges | 6,79,740.00 | 3,65,285.00 |
| Total | 3,21,01,073.00 | 2,57,07,550.00 |
| 25.b - Administrative Expenses | | |
| Books & Periodicals | 6,68,967.00 | 2,45,959.00 |
| Directors Remuneration** | 28,65,000.00 | 22,80,000.00 |
| Electricity & Water Charges | 37,068.00 | 32,976.00 |
| exchange fluctuation expenses | 5,40,229.00 | 39,27,490.00 |
| Travelling Expenditure-(Directors) | 81,435.00 | 76,834.00 |
| Foreign Tours & Travelling Expenditure (Directors) | 1,04,761.00 | 5,06,432.00 |
| General & Miscellaneous Expenditure | 87,455.00 | 1,85,060.00 |
| Hire Charges | 1,83,500.00 | 3,12,408.00 |
| Insurance Charges | 21,15,475.00 | 19,59,268.00 |
| Professional & Consultancy Charges | 19,22,024.00 | 19,16,805.00 |
| Rent | 60,000.00 | 60,000.00 |
| Rates & Taxes | 1,27,369.00 | 69,344.00 |

| | | |
|-------------------------------------|-----------------------|-----------------------|
| Rebate/ld/balance written off | 1,42,93,181.00 | 30,33,016.00 |
| Repair & Maintenance - General | 8,29,022.00 | 11,14,595.00 |
| Repairs and maintenance - Machinery | 66,216.00 | 34,350.00 |
| Festival celebration expenses | 3,99,233.00 | 3,31,331.00 |
| Stock exchange listing & ROC FEES | 3,60,158.00 | 2,98,301.00 |
| Subscription & Membership Fees | 60,318.00 | 56,950.00 |
| Telephone Expenditure | 1,94,895.00 | 1,92,720.00 |
| Travelling & Conveyance | 35,73,491.00 | 33,33,729.00 |
| Total | 2,85,69,797.00 | 1,99,67,568.00 |

**** Remuneration paid / payable to Directors:**

Managerial remuneration paid or payable during the period which is much less than the prescribed under Companies Act, is as under:-

| | | |
|-------------------------|---------------------|---------------------|
| Salary | 28,20,000.00 | 22,80,000.00 |
| Directors' Sitting Fees | 45,000.00 | 10,000.00 |
| | 28,65,000.00 | 22,90,000.00 |

@ Payments to the auditors comprises (net of service tax input credit, where applicable):

(a) Auditors - Statutory Audit

| | | |
|----------------------|---|------------------|
| Statutory Audit Fees | - | 30,000.00 |
| | - | 30,000.00 |

(b) Others

| | | |
|-----------------|-----------------------|-----------------------|
| Tax Audit Fees* | - | 30,000.00 |
| | 2,85,69,797.00 | 1,99,67,568.00 |

25.c - Selling & Distribution Expenses

| | | |
|---|-----------------------|-----------------------|
| Advertisement & Publicity Expenditure | 49,860.00 | 51,000.00 |
| Entertainment & Sales Promotion Expenditure | 10,91,667.00 | 7,55,939.00 |
| Freight and forwarding | 76,33,862.00 | 84,09,585.00 |
| Tender Fees | 2,18,125.00 | 4,34,918.00 |
| | 89,93,514.00 | 96,51,442.00 |
| | 6,96,64,384.00 | 5,53,26,560.00 |

| Particulars | As at 31st March, 2020 | As at 31st March, 2019 |
|---|------------------------|------------------------|
| <u>Note - 26: Additional information to the financial statements</u> | | |
| 1 Contingent liabilities and commitments (to the extent not provided for) | | |
| (i) Contingent liabilities | | |
| (a) Guarantees | | |
| - Inland | 157178741 | 167587061 |
| - Foreign | 0 | 0 |
| 2 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 | | |
| (i) Principal amount due and remaining unpaid to any supplier as at the end of the accounting year | Nil | Nil |
| (ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year | Nil | Nil |
| (iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day | Nil | Nil |
| (iv) The amount of interest due and payable for the year | Nil | Nil |
| (v) The amount of interest accrued and remaining unpaid at the end of the accounting year | Nil | Nil |
| (vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid | Nil | Nil |
| Micro, Small & Medium Enterprises have been ascertained on the basis claims furnished by the suppliers in this regard. This has been relied upon by the auditors. | | |
| 3 Operating Segment reporting (Ind AS 108) | | |
| The Company is engaged in manufacture and sale (both domestic and export) of EOT Cranes, which constitutes single business segment. As per management's perspective, the risks and returns from its sales do not materially vary geographically. Accordingly there are no other business / geographical segments to be reported under Ind AS 108 issued by the Institute of Chartered Accountants of India. | | |
| 4 Earning Per Equity Share (of Re. 1/- each) (Ind AS 33) | | |
| Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders | 7223704 | 6614615 |
| Weighted Average number of equity shares used as denominator for calculating EPS | 6000000 | 6000000 |
| Basic Earnings per share | 1.20 | 1.10 |
| Diluted Earnings per share | 1.20 | 1.10 |
| Face Value per equity share | 10 | 10 |

| 5 | Confirmation | | | |
|----------|--|---|--|--|
| * | The company has requested for confirmations of balances from its creditors and debtors, which has been confirmed by majority of creditors and debtors. Provisions, wherever considered necessary, have been made. | | | |
| * | In the opinion of the management the investment, current / non current assets are realizable at a value, at par as stated, in the ordinary course of business and provisions for all known and determined liabilities are adequate and not in excess of the amount stated. | | | |
| 6 | Related party disclosures (Ind AS 24) | | | |
| | As per Ind AS 24, the disclosures of transactions with the related parties are given below: | | | |
| | (i) List of related parties where control exists and related parties with whom transactions have taken place: | | | |
| Sr. No. | Name of the Related Party | Relationship | | |
| 1 | Suresh Chandra Agrawal-Chairman | Key Management Personnel | | |
| 2 | Piyush Agrawal-Managing Director | | | |
| 3 | Chaitanya Agrawal-Whole-Time Director & CFO | | | |
| 4 | Ashwani Kumar Jindal-Independent Director | | | |
| 5 | Maman Chand Jain-Independent Director | | | |
| 6 | Asha Agrawal-Independent Director-(Ceases W.e.f.11.01.19) | | | |
| 7 | Shilpy Chopra-Independent Director-(Appointed W.e.f.16.01.19) | | | |
| 1 | Amitabh Agrawal | Relative of key Management Personnel | | |
| 1 | Cranex Infratech pvt ltd | Enterprises / associates over which Management Personnel and their relatives are able to exercise significant influence | | |
| 2 | Metro Escalators Pvt.Ltd | | | |
| 3 | IFE Cranex Elevators and Escalators India Pvt Ltd | | | |
| 4 | Skylark Associates Pvt Ltd | | | |
| 5 | Ritu Investment Pvt Ltd | | | |
| | (ii) Transactions during the year with related parties | | | |

| | S.No | Nature of Transactions (excluding reimbursements) | Key Management Personal | Relative of key Management Personnel | Enterprises / associates over which Management Personnel and their relatives are able to exercise significant influence |
|----------|--|--|--|---|--|
| | 1 | Sale of Goods/services | 0 | | 0 |
| | 2 | Managerial Remuneration-Note 25b | 2865000 | 0 | 0 |
| | 3 | Loan and advance given | 0 | 0 | |
| | 4 | Loan and advance Paid | 3448451 | 0 | |
| | 5 | Loan and advance Received | 4341005 | 0 | |
| | 6 | Investment | 0 | 0 | |
| | 7 | Received from trade debtors | | | |
| | 8 | Reimbursement of expenses | | 0 | |
| | | Balance as 31st March,2020 | | | |
| | 9 | Unsecured loans | 79911348 | 31421741 | 54124641 |
| | 10 | Investments-Note-2 | 0 | 0 | 18200000 |
| 7 | Impairment of the Assets (Ind AS 36) | | | | |
| | In line with the requirements of Indian Accounting Standard – 36 on “Impairment of Assets” issued by the Institute of Chartered Accountants of India, the company reviews the carrying amount of its fixed assets on each balance sheet date for the purpose of ascertaining impairment, if any, by considering assets of entire one plant as Cash Generating Unit (CGU). On such review as at 31 st March 2019, wherever there was indication of impairment, the net realizable value thereof was assessed by the Management and the same was more than the carrying amount. On further review as at 31 st March 2020, these valuations of the assets continue to be higher than the book value and accordingly, no provision is required to be made in the accounts. | | | | |
| 8 | Value of imports calculated on CIF basis: | | | As at 31st March, 2020 | As at 31st March, 2019 |
| | Trading goods | | | 7558336 | 22827110 |
| | Raw Material and Stores & Spares | | | 266214 | 3888812 |
| | Total | | | 7824550 | 26715922 |

| | | | |
|---|--|------------------|------------------|
| 9 | Expenditure in foreign Travelling | | |
| | Travelling | 104761 | 506826 |
| | Total | 104761 | 506826 |
| 10 | Details of consumption of imported and indigenous items: | | |
| | <u>Imported</u> | | |
| | Raw Material and Stores & Spares | 266214 | 3888812 |
| | Total | 266214 | 3888812 |
| | <u>Indigenous</u> | | |
| | Raw Material and Stores & Spares | 232880071 | 155544003 |
| | Total | 232880071 | 155544003 |
| 11 | Earnings in foreign exchange: | | |
| | Export of goods calculated on FOB basis | 4271812 | 3892850 |
| | Total | 4271812 | 3892850 |
| 12 | Annexure on Quantitative Information for the year ended 31st March 2020 attached | | |
| The figures for the corresponding previous year have been regrouped / reclassified wherever necessary, to make them comparable. | | | |

As per our Report of even date:

For PRYD & Associates

F. No.: 011626N
Chartered Accountants

(CA P. M. Mittal)

Membership No.: 094667
Partner

Place: New Delhi

Date: JULY 30, 2020

For and on behalf of the Board of Directors

(Piyush Agrawal)

Managing Director
DIN - 01761004

(Chaitanya Agrawal)

Director
DIN - 05108809

Shubham Kapi

Company Secretary
Memb. No.: 55844

(S.C. Agrawal)

Chairman
Din: 01958471

| Assets | Gross Block | | | DEPRECIATION / AMORTISATION AND DEPLETION | | | NET BLOCK | | | | | |
|----------------------|-----------------------|-----------------------------|---------------------|---|------------------|---------------------|-----------------------|------------------------------|--------------------|-----------------------|-----------------------|-----------------------|
| | As at 01.04.2019 | Impact of IMD AS Transition | Sales / Deductions | Adjustments | As at 31.03.2020 | As at 01.04.2019 | For the year 2020 | Adjustment s / (deductions) | As at 31.03.2020 | As at 31.03.2019 | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 |
| Plant & Machinery | 4,03,92,960.00 | - | 60,91,083.00 | 6,77,230.00 | - | 4,58,06,823.00 | 2,31,60,177.00 | 8,88,602.00 | 3,33,363.00 | 2,37,15,426.00 | 2,20,91,397.00 | 1,72,32,783.00 |
| Land | 18,35,000.00 | - | - | - | - | 18,35,000.00 | - | - | - | - | 18,35,000.00 | 18,35,000.00 |
| Factory Building | 1,56,09,329.00 | - | 1,54,480.00 | - | - | 1,57,63,809.00 | 10,76,221.00 | 2,48,376.00 | - | 13,24,797.00 | 1,44,39,012.00 | 1,45,33,108.00 |
| Furniture & Fixtures | 11,29,249.00 | - | - | - | - | 11,29,249.00 | 8,63,275.00 | 37,057.00 | - | 9,00,332.00 | 2,28,917.00 | 2,65,974.00 |
| Air Conditioners | 6,44,205.00 | - | 50,781.00 | - | - | 6,94,989.00 | 3,23,742.00 | 31,711.00 | - | 3,55,453.00 | 3,35,536.00 | 3,20,466.00 |
| Office Equipment | 29,02,689.00 | - | 2,55,157.00 | - | - | 31,57,846.00 | 16,71,001.00 | 1,17,046.00 | - | 17,88,047.00 | 13,69,799.00 | 12,31,688.00 |
| Vehicle | 74,34,232.00 | - | - | - | - | 74,34,232.00 | 18,14,843.00 | 9,87,761.00 | - | 28,92,604.00 | 46,31,628.00 | 56,19,389.00 |
| Total | 6,99,47,667.00 | - | 65,51,511.00 | 6,77,230.00 | - | 75,21,948.00 | 2,89,09,259.00 | 23,10,753.00 | 3,33,363.00 | 3,98,86,659.00 | 4,49,35,289.00 | 4,10,38,408.00 |

For PRYD & Associates

F. No.: 011626N
Chartered Accountants
(CA P. M. Mittal)
Membership No.: 094667
Partner

Place: New Delhi
Date: JULY 30, 2020

(Piyush Agrawal)

Managing Director
DIN - 01761004

Shubham Kapi
Company Secretary
Memb. No.: 55844

(Chaitanya Agrawal)

Director
DIN - 05108809

(S.C. Agrawal)
Chairman
Din: 01958471

CRANEX LIMITED Notes to the Financial Statements for the year ended 31st March, 2020

1. PROPERTY, PLANT AND EQUIPMENT, CAPITAL WORK-IN-PROGRESS, INTANGIBLE ASSETS AND INTANGIBLE ASSETS UNDER DEVELOPMENT

| Assets | Gross Block | | | DEPRECIATION / AMORTISATION AND DEPLETION | | | NET BLOCK | | | | | |
|----------------------|-----------------------|-----------------------------|---------------------|---|------------------|---------------------|-----------------------|------------------------------|--------------------|-----------------------|-----------------------|-----------------------|
| | As at 01.04.2019 | Impact of IMD AS Transition | Sales / Deductions | Adjustments | As at 31.03.2020 | As at 01.04.2019 | For the year 2020 | Adjustment s / (deductions) | As at 31.03.2020 | | | |
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | | | |
| Plant & Machinery | 4,03,92,960.00 | - | 60,91,083.00 | 6,77,230.00 | - | 4,58,06,823.00 | 2,31,60,177.00 | 8,88,602.00 | 3,33,363.00 | 2,37,15,426.00 | 2,20,91,397.00 | 1,72,32,783.00 |
| Land | 18,35,000.00 | - | - | - | - | 18,35,000.00 | - | - | - | - | 18,35,000.00 | 18,35,000.00 |
| Factory Building | 1,56,09,329.00 | - | 1,54,480.00 | - | - | 1,57,63,809.00 | 10,76,221.00 | 2,48,376.00 | - | 13,24,797.00 | 1,44,39,012.00 | 1,45,33,108.00 |
| Furniture & Fixtures | 11,29,249.00 | - | - | - | - | 11,29,249.00 | 8,63,275.00 | 37,057.00 | - | 9,00,332.00 | 2,28,917.00 | 2,65,974.00 |
| Air Conditioners | 6,44,205.00 | - | 50,781.00 | - | - | 6,94,989.00 | 3,23,742.00 | 31,711.00 | - | 3,55,453.00 | 3,35,536.00 | 3,20,466.00 |
| Office Equipment | 29,02,689.00 | - | 2,55,157.00 | - | - | 31,57,846.00 | 16,71,001.00 | 1,17,046.00 | - | 17,88,047.00 | 13,69,799.00 | 12,31,688.00 |
| Vehicle | 74,34,232.00 | - | - | - | - | 74,34,232.00 | 18,14,843.00 | 9,87,761.00 | - | 28,92,604.00 | 46,31,628.00 | 56,19,389.00 |
| Total | 6,99,47,667.00 | - | 65,51,511.00 | 6,77,230.00 | - | 75,21,948.00 | 2,89,09,259.00 | 23,10,753.00 | 3,33,363.00 | 3,98,86,659.00 | 4,49,35,289.00 | 4,10,38,408.00 |

**M/s PRYD & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGISTRATION No. 011626N
4831/24 F.F GOVIND LANE, ANSARI ROAD,
DARYA GANJ, NEW DELHI-110002**

**INDEPENDENT AUDITOR'S REPORT
TO THE BOARD OF DIRECTORS OF CRANEX LIMITED**

Report on Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of **CRANEX LIMITED** ("the Company") and its associates which includes the Group's share of profit/loss in its associate company **IFE Cranex Elevators And Escalators India Private Limited**, comprising the Consolidated Balance Sheet as at March 31st, 2020, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement (the Statement for the year then ended being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the Listing Regulations), and a summary of significant accounting policies and other explanatory information. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated annual financial results give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India, of the net profit and other comprehensive income/(loss) and other financial information of the Company for the year ended March 31, 2020.

Basis for Opinion

We conducted our audit of the financial statement in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key Audit Matters are those matters that, in our Professional judgement, were of most significant in our audit of the consolidated financial statement of the current period. These matters were addressed in the context of our audit of the consolidated financial Statement as a whole, and in forming our opinion thereon,

and we do not provide a separate opinion on these matters.

Emphasis on Matter

We draw your attention to Note 3 of the financial result with regard to management's assessment about impact on Company/Group operations due to Covid-19 Pandemic outbreak and lockdown. The management apart from considering the internal and external information up to the date of approval of these financial statement, the company has also performed sensitivity analysis on the assumptions used. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements. Considering the continuing uncertainties, the Management will continue to monitor any material changes to future economic conditions.

Our report is not modified in respect of this matter.

Board of Directors' Responsibilities for the consolidated financial results

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Indian Accounting Standards) Rules, 2015 as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the audit of the Annual consolidated Financial Results

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

We did not audit the financial statements of 1 associate Company. These financial statements have been audited by other auditors whose reports have been furnished by the Management and our opinion on the consolidated Financial Statements, in so far as it related to amounts and disclosures included in respect of these associates and our report in terms of sub-section (3) of Section 143 of the Act, in so far it relates to the aforesaid associates is based solely on the reports of the other auditors.

Information other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard. The Board of Directors of the Company are responsible for overseeing the financial reporting process of the Company.

Other Matters

The Financial Results reflect total revenues of Rs. 3608.66 lac and Rs. 71.11 lacs, net profit for the quarter and financial year ended 31st March, 2020 and total assets of Rs. 4180.00 lacs as considered in the consolidated financial results which have been audited by other auditor. The Independent auditors' reports

on financial results of this entity has been furnished to us, and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of this entity, is based solely on the report of such auditor and the procedures performed by us are as stated in paragraph above.

For and on behalf of
M/s PRYD & ASSOCIATES
Chartered Accountants
(Firm Registration No. 011626N)

(C.A P.M Mittal) Partner
(Membership No.: 094667)
Place: New Delhi
Date: 30 / 07 /2020

“Annexure A” to the Independent Auditors’ Report

**To the members of
M/S CRANEX LIMITED**

Report on the matters specified in paragraph 3 of the Companies (Auditor’s Report) Order, 2016 (“the Order”) issued by the Central Government of India in terms of section 143 (11) of the Companies Act, 2013 (“the Act”) as referred to in paragraph 1 of ‘Report on Other Legal and Regulatory Requirements’ section

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
(b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
(c) The title deeds of immovable properties are held in the name of the company.
- 2) The management has conducted the physical verification of inventory at reasonable intervals. The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the of the Companies Act, 2013. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and I86 of the Companies Act, 2013,in respect of loans, investments, guarantees, and security, as there is no such transaction as mentioned in the said section.
- 5) As per information and explanation provided to us, the Company has not accepted any public deposits during the year. Further we have not come across any such deposit(s) nor has the management reported any such deposit therefore the directive issued by Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and the Rules, framed there under are not applicable.
- 6) The company is not required to maintain Cost Records under sub-section (1) of Section 148 of the Companies Act, 2013. Accordingly clause (vi) of paragraph 3 of the order is not applicable to the

company.

- (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31st, 2019 for a period of more than six months from the date on when they become payable.
- (b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- 7) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues of loans and interest to bank. The company has not issued any debentures.
- 8) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 11) In our opinion, the Company is not a *Nidhi* Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company and hence not commented upon.
- 12) According to the information and explanation given to us and based on our examination of the records of the company transactions with their related parties are in compliance with sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 13) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons

connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

- 15)** In our opinion, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For and on behalf of

M/s PRYD & ASSOCIATES

Chartered Accountants

(Firm Registration No. :011626N)

SD/-

(C.A P.M Mittal) Partner

(Membership No.: 094667)

Place: New Delhi

Date: 30 / 07 /2020

Consolidated Balance sheet as at 31st March 2020

| Particulars | Notes | As at 31st March, 2020 | As at 31st March, 2019 |
|--------------------------------------|-------|------------------------|------------------------|
| ASSETS | | | |
| Non-current assets | | | |
| Property, Plant and Equipment | 1 | 4,49,35,289.00 | 4,10,38,408.00 |
| Financial Assets | | | |
| (i) Investments | 2 | - | - |
| (iii) Others | 3 | 4,17,83,958.00 | 6,24,33,052.00 |
| Other non-current assets | 4 | 1,01,64,323.00 | 89,34,623.00 |
| Total Non-Current Assets | | 9,68,83,570.00 | 11,24,06,083.00 |
| Current assets | | | |
| Inventories | 5 | 9,00,87,984.00 | 8,16,12,610.00 |
| Financial Assets | | | |
| (i) Trade receivables | 6 | 20,42,34,419.00 | 16,63,97,648.00 |
| (ii) Cash and cash equivalents | 7 | 36,23,346.00 | 26,65,931.00 |
| (iii) Others | 8 | 21,65,637.00 | 28,87,816.00 |
| Other current assets | 9 | 2,10,05,806.00 | 1,59,44,173.00 |
| Total Current Assets | | 32,11,17,192.00 | 26,95,08,178.00 |
| Total Assets | | 41,80,00,762.00 | 38,19,14,261.00 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| (i) Equity Share capital | 10 | 6,00,00,000.00 | 6,00,00,000.00 |
| Other Equity | 11 | 1,74,62,244.00 | 1,03,50,893.00 |
| Total Equity | | 7,74,62,244.00 | 7,03,50,893.00 |
| Liabilities | | | |
| Non-current liabilities | | | |
| Financial Liabilities | | | |
| (i) Borrowings | 12 | 19,84,97,812.00 | 18,35,81,185.00 |
| Other non-current liabilities | 13 | 74,84,518.00 | 55,65,273.00 |
| Total Non-Current Liabilities | | 20,59,82,330.00 | 18,91,46,458.00 |
| Current liabilities | | | |
| Financial Liabilities | | | |
| (i) Trade payables | 14 | 12,56,80,564.00 | 10,44,47,776.00 |
| (iii) Other financial liabilities | 15 | 13,69,404.00 | 13,69,404.00 |
| Other current liabilities | 16 | 58,94,022.00 | 1,48,79,847.00 |
| Provisions | 17 | 16,12,198.00 | 17,19,883.00 |
| Current tax liabilities (Net) | | | |
| Total Current Liabilities | | 13,45,56,188.00 | 12,24,16,910.00 |
| Total Liabilities | | 34,05,38,518.00 | 31,15,63,368.00 |
| Total Equity and Liabilities | | 41,80,00,762.00 | 38,19,14,261.00 |

Significant Accounting Policies See accompanying Notes to the Financial Statements 1 to 26

As per our Report of even date:

For and on behalf of the Board of Directors

For PRYD & Associates

F. No.: 011626N
Chartered Accountants

(Piyush Agrawal)

Managing Director
DIN - 01761004

(Chaitanya Agrawal)

Director
DIN - 05108809

(CA P. M. Mittal)

Membership No.: 094667
Partner

Shubham Kapi

Company Secretary
Memb. No.: 55844

(S.C. Agrawal)

Chairman
Din: 01958471

Place: New Delhi

Date: JULY 30, 2020

STATEMENT OF PROFIT & LOSS FOR THE PERIOD ENDED 31st MARCH, 2020

| | Particulars | Notes | Current Year 2019-20 | Previous Year 2018-19 |
|-----------------|--|-------|-------------------------|--------------------------|
| INCOME | | | | |
| I. | Revenue from operations | 18 | 35,52,99,875.00 | 31,11,64,033.00 |
| II. | Other income | 19 | 55,66,721.00 | 43,88,493.00 |
| III. | Total Revenue (I + II) | | 36,08,66,596.00 | 31,55,52,526.00 |
| Expenses | | | | |
| IV. | Cost of material consumed | 20 | 23,40,00,019.00 | 15,54,43,902.00 |
| | Purchases of Stock-in-Trade | 21 | 1,25,38,145.00 | 6,44,25,375.00 |
| | Change in inventories of finished goods, work-in-progress and Stock-in-Trade | 22 | (51,28,455.00) | (2,61,819.00) |
| | Employee benefits expense | 23 | 2,84,26,814.00 | 2,13,77,285.00 |
| | Financial Costs | 24 | 1,02,39,078.00 | 87,82,010.00 |
| | Depreciation and amortization expense | 1 | 23,10,753.00 | 21,50,267.00 |
| | Other expenses | | | |
| | - Manufacturing expenses | 25.a | 3,21,01,073.00 | 2,57,07,550.00 |
| | - Administrative Expenses | 25.b | 2,86,62,106.00 | 2,02,25,910.00 |
| | - Selling & Distribution Expenses | 25.c | 89,93,514.00 | 96,51,442.00 |
| | Total expenses | | 35,21,43,047.00 | 30,75,01,922.00 |
| V. | Profit/ (Loss) before exceptional and tax (III-IV) | | 87,23,549.00 | 80,50,604.00 |
| VI | Tax expense: | | | |
| | - Current Tax | | 16,12,198.00 | 17,19,883.00 |
| | - Deferred Tax | | | |
| VII | Profit / (Loss) for the Period (VII-VIII) | | 71,11,351.00 | 63,30,721.00 |
| | Earning Per Equity Share of face value of ₹10 each: | | | |
| | - Basic: | | 1.19 | 1.06 |
| | - Diluted: | | 1.19 | 1.06 |

As per our Report of even date:

For and on behalf of the Board of Directors

For PRYD & Associates

 F. No.: 011626N
 Chartered Accountants

(Piyush Agrawal)

 Managing Director
 DIN - 01761004

(Chaitanya Agrawal)

 Director
 DIN - 05108809

(CA P. M. Mittal)

 Membership No.: 094667
 Partner

Shubham Kapi

 Company Secretary
 Memb. No.: 55844

(S.C. Agrawal)

 Chairman
 Din: 01958471

Place: New Delhi

Date: JULY 30, 2020

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31st MARCH, 2020

(in Rs.)

A. Paid Up Equity Share Capital

| Balance at the beginning of the reporting period i.e. 1st April, 2018 | Change in Equity Share Capital during the year 2018-19 | Balance at the end of the reporting period i.e. 31st March, 2019 | Change in Equity Share Capital during the year 2019-20 | Balance at the end of the reporting period i.e. 31 st March, 2019 |
|---|--|--|--|--|
| 60000000 | Nil | 60000000 | Nil | 60000000 |

B. Other Equity

| | Balance at the beginning of the reporting period i.e. 1st April, 2019 | Total Comprehensive Income for the Year | Transfer to/ (from) Retained Earnings | On Employee Stock Options | Balance at the end of the reporting period i.e. 31 st March, 2020 |
|---|---|---|---------------------------------------|---------------------------|--|
| As at 31 st March, 2019 | | | | | |
| Share Application Money Pending Allotment | - | - | - | - | - |
| Reserves and Surplus | - | - | - | - | - |
| Capital Reserve | - | - | - | - | - |
| Securities Premium Reserve | - | - | - | - | - |
| General Reserve | - | - | - | - | - |
| Retained Earnings | 10350893 | 7111351 | | | 17462244 |
| Revaluation Reserves | | | | | |
| Total | 10350893 | 7111351 | | | 17462244 |

As per our Report of even date:

For and on behalf of the Board of Directors

For PRYD & Associates

 F. No.: 011626N
 Chartered Accountants

(Piyush Agrawal)

 Managing Director
 DIN - 01761004

(Chaitanya Agrawal)

 Director
 DIN - 05108809

(CA P. M. Mittal)

 Membership No.: 094667
 Partner

Shubham Kapi

 Company Secretary
 Memb. No.: 55844

(S.C. Agrawal)

 Chairman
 Din: 01958471

Place: New Delhi

Date: JULY 30, 2020

| Particulars | Current Year 2019-20 | Current Year 2018-19 |
|--|-----------------------|-------------------------|
| Cash Flow Statement: | | |
| A Cash flow from operating activities: | | |
| Net Profit Before Tax as per Statement of Profit and Loss | 87,23,549.00 | 80,50,604.00 |
| Adjusted for: | | |
| (Profit) / Loss on Sale / Discard of Property, Plant and Equipment (Net) | - | - |
| Depreciation | 23,10,753.00 | 21,50,267.00 |
| Interest income | (55,66,721.00) | (43,88,493.00) |
| Finance Costs | 56,15,421.00 | 50,44,169.00 |
| Operating profit before working capital changes | 1,10,83,002.00 | 1,08,56,547.00 |
| Adjusted for: | | |
| (Increase) / decrease in Trade Receivables | (3,78,36,771.00) | (1,85,42,001.00) |
| (Increase) / decrease in Other Receivables | (43,39,454.00) | (50,82,381.00) |
| (Increase) / decrease in inventories | (84,75,374.00) | (40,12,245.00) |
| (Increase) / decrease in Other Non Current Assets | 1,94,19,389.00 | (24,83,759.00) |
| Increase / (decrease) in Other Non Current Liabilities & Provisions | 19,19,245.00 | (3,17,45,809.00) |
| Increase / (decrease) in Trade and other Payables | 1,21,39,283.00 | 3,49,99,285.00 |
| Cash generated from operations | (60,90,680.00) | (1,60,10,363.00) |
| Income tax paid | 16,12,198.00 | 16,93,428.00 |
| Net cash flow from / (used in) operating activities (A): | (77,02,878.00) | (1,77,03,791.00) |
| B Cash flow from investing activities: | | |
| (Purchase)/Sale of fixed assets | -6207634 | (1,40,04,605.00) |
| (Profit) / Loss on Sale / Discard of Property, Plant and Equipment (Net) | - | - |
| Purchase of investments | - | 5,000.00 |
| Interest income | 55,66,721.00 | 43,88,493.00 |
| Net cash from / (used in) investing activities (B): | (6,40,913.00) | (96,11,112.00) |
| C Cash flow from financing activities: | | |
| Proceeds/(Repayment) from Borrowing-Non Current | 1,49,16,627.00 | 3,16,41,428.00 |
| Borrowing-Current (Net) | - | - |
| Interest paid | (56,15,421.00) | (50,44,169.00) |
| Net cash from / (used in) financing activities (C): | 93,01,206.00 | 2,65,97,259.00 |
| Net increase / (decrease) in cash and cash equivalents (A+B+C) | 9,57,415.00 | (7,17,644.00) |
| Cash and cash equivalents at the beginning of the year | 26,65,931.00 | 33,83,575.00 |
| Cash and cash equivalents at the end of the year* | 36,23,346.00 | 26,65,931.00 |
| * Comprises: | | |
| Cash on hand | 3,25,561.00 | 5,35,524.00 |
| Balances with banks | | |
| (i) In current accounts | 32,97,785.00 | 21,30,407.00 |
| | 36,23,346.00 | 26,65,931.00 |
| Notes: | - | - |
| These earmarked account balances with banks can be utilized only for the specific identified purposes. | | |

As per our Report of even date:

For PRYD & Associates

F. No.: 011626N

Chartered Accountants

(CA P. M. Mittal)

Membership No.: 094667

Partner

Place: New Delhi

Date: JULY 30, 2020

For and on behalf of the Board of Directors

(Piyush Agrawal)

Managing Director

DIN - 01761004

Shubham Kapi

Company Secretary

Memb. No.: 55844

(Chaitanya Agrawal)

Director

DIN - 05108809

(S.C. Agrawal)

Chairman

Din: 01958471

CRANEX LIMITED

Notes to the financial statements for the year ended 31st March, 2020:

Corporate information

Cranex limited is a public limited company domiciled in India & incorporated under provision of companies act, 1956. Its shares are listed on Bombay Stock Exchange. The company is engaged in the business of manufacturing & selling cranes & its parts. The company is also providing after sales maintenance services. The company caters the domestic market in the public sector as well as in the private sector. The company is managed by the board of directors headed by the Chairman Shri Suresh Chandra Agrawal.

Name: Cranex Limited

Date of Incorporation : February 27, 1973

Corporate Identity Number (CIN) issued by MCA: L74899DL1973PLC006503

Constitution: Limited Company

Industry: Engineering

Registered & Corporate Office:-

Registered Office – 9,DDA Market, Katwaria Sarai, New Delhi-110016

Corporate office-57/1 Industrial Area ,Site-IV, Sahibabad (U.P.)-201010

Significant accounting policies:

Basis of accounting and preparation of financial statements

The financial statements are prepared on accrual basis under the historical cost convention, except for certain Fixed Assets which are carried at revalued amounts. The financial statements are presented in Indian rupees ⁽¹⁾, rounded off to the nearest rupees in rupees

The financial statements of the Company have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013. up-to the year ended March 31, 2016, the Company has prepared its financial statements in accordance with the requirement of Indian Generally Accepted Accounting Principles (GAAP), which includes Standards notified under the Companies (Accounting Standards) Rules, 2006 and considered as "Previous GAAP". These financial statements are the Company's first Ind AS standalone financial statements.

Summary of Significant Accounting Policies

Property, Plant and Equipment Property, Plant and Equipment are stated at cost net of recoverable taxes, trade discounts and rebates and include amounts added on revaluation, less accumulated depreciation and impairment loss, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use, net charges on foreign exchange contracts

and adjustments arising from exchange rate variations attributable to the assets. Subsequent expenditures related to an item of Property, Plant and Equipment are added to its book value only if they increase the future economic benefits from the existing asset beyond its previously assessed standard of performance.

Depreciation on Property, Plant and Equipment is provided on Straight Line Method (SLM). Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 except in respect of the following assets, where useful life is different than those prescribed in Schedule II;

| Particular | Depreciation |
|-------------------------------|---|
| Property, Plant and Equipment | Over its useful life considered as 30 years as technically assessed |
| Computer software | Over a period of 5 years |
| <u>Other</u> | <u>Over the period of agreement of right to use</u> |

The residual values, useful lives and methods of depreciation of Property, Plant and Equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(b) Finance Cost:

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Profit and Loss Statement in the period in which they are incurred.

(c) Inventories:

Finished and semi-finished products produced and purchased by the Company are carried at lower of cost or net realizable value. Work-in-progress is carried at cost.

Raw materials & Components are carried at lower of cost and net realizable value.

Stores and spare parts are carried at cost. Necessary provision is made and charged to revenue in case of identified obsolete and non-moving items.

Cost of raw materials, Components, stores and spares, trading and other products are determined on FIFO basis.

(e) Employee Benefits:

Short-term employee benefits are recognised as an expense at the undiscounted amount in the Profit and Loss Statement of the year in which the related service is rendered.

(f) Tax Expenses:

The tax expense for the period comprises of current tax and deferred income tax. Tax is recognised in Statement of Profit & Loss.

- i) **Current Tax:** Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the Income Tax authorities, based on tax rates and laws that are enacted at the Balance sheet date.

(g) Foreign Currency Transactions:

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the settlement of the transaction. Monetary assets & liabilities denominated in foreign currencies at the year-end are restated at year end rates. In case of items which are covered by forward exchange contracts, the difference between the year-end rate and rate on the date of the contract is recognised as exchange difference and the premium paid on forward contracts is recognised over the life of the contract. Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Profit and Loss Statement, except in case of long term liabilities, where they relate to acquisition of Fixed Assets, in which case they are adjusted to the carrying cost of such assets.

(h) Revenue Recognition:

Revenue from sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated cost can be estimated reliably, there is no continuing effective control or managerial involvement with the goods, and the amount of revenue can be measured reliably.

Revenue from rendering of services is recognised when the performance of agreed contractual task has been completed.

Revenue from operations is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Interest Income from a Financial Assets is recognised using effective interest rate method.

(i) Financial Instruments:

Financial Assets: All Financial Assets are recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of Financial Assets, which are not at Fair Value Through Profit or Loss, are adjusted to the fair value on initial recognition. Purchase and sale of Financial Assets are recognised using trade date accounting.

Financial Liabilities: All Financial Liabilities are recognized at fair value and in case of borrowings, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and

Loss as finance cost. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(j) Investments:

Non Current investments are stated at cost.

(k) The earnings considered in ascertaining the Company's Earnings per Share (EPS) comprise the net profit after tax. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.

(l) Provisions:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Critical Accounting Judgments And Key Sources Of Estimation Uncertainty

The preparation of the Company's Financial Statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in next financial years.

(a) Depreciation / Amortisation and useful lives of Property Plant and Equipment

Property, Plant and Equipment are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

(b) Recoverability of Trade Receivables:

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

(c) Provisions:

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement

to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

First Time Adoption of IND AS

The Company has adopted Ind AS with effect from 1st April 2017 with comparatives being restated. On assessment of estimates and measurement of financial assets made under the Previous GAAP financial statements, the Company has concluded that there is no necessity to revise such estimates and measurement of financial assets under Ind AS, as there is no objective evidence of an error in those estimates and measurement of financial assets. The figures for the previous period have been restated, regrouped and reclassified wherever required to comply with the requirement of Ind AS and Schedule III.

| Particulars | As at 31st March, 2020 | As at 31st March, 2019 |
|--|------------------------|------------------------|
| <u>Note - 2: Investments - Non-current</u> | | |
| <u>INVESTMENTS, AT COST (UNLESS OTHERWISE STATED)</u> | | |
| Long Term Investments: | | |
| <u>Unquoted:</u> | | |
| (I) 182000 Shares of Re 100/- each in IFE Cranex Elevators & Escalators India pvt Ltd | - | - |
| (II) Consortium of Cranex and IFE | - | - |
| <u>Note - 3: Other Financial Assets (Unsecured, considered good)</u> | | |
| Bank Deposit with more than 12 months maturity | 3,78,70,436.00 | 5,95,63,938.00 |
| TDS Receivable | 39,13,522.00 | 28,69,114.00 |
| | 4,17,83,958.00 | 6,24,33,052.00 |
| <u>Note - 4: Other non-current assets (Unsecured, considered good) Advance income tax (net of provisions)</u> | | |
| Security deposits | 1,01,64,323.00 | 89,34,623.00 |
| | 1,01,64,323.00 | 89,34,623.00 |
| Particulars | As at 31st March, 2020 | As at 31st March, 2019 |
| <u>Note - 5: Inventories</u> | | |
| Raw materials | 4,02,92,346.00 | 3,69,45,427.00 |
| Work-in-progress | 4,97,95,638.00 | 4,46,67,183.00 |
| | 9,00,87,984.00 | 8,16,12,610.00 |
| <u>Note - 6: Trade receivables (Unsecured and Considered Good)</u> | | |
| Outstanding for a period exceeding six months | 8,20,19,670.00 | 5,91,71,789.00 |
| Others | 12,22,14,749.00 | 10,72,25,859.00 |
| | 20,42,34,419.00 | 16,63,97,648.00 |
| Note: Trade receivables include debts due from: | | |
| Directors | - | - |
| Other officers of the Company | - | - |
| Firms in which any director is a partner | - | - |
| Private companies in which any director is a director or member | - | - |
| <u>Note - 7: Cash and cash equivalents</u> | | |
| Cash on hand | 3,25,561.00 | 5,35,524.00 |
| Balances with banks | | |
| (i) In current accounts | 32,97,785.00 | 21,30,407.00 |
| | 36,23,346.00 | 26,65,931.00 |

| Note - 8: Other Financial Assets - Current | | | |
|---|--|-----------------|-----------------|
| Accruals | | | |
| Defered revenue exps | | 2165637 | 2887816 |
| | | 2165637 | 2887816 |
| Note - 9: Other current assets (Unsecured and Considered Good) | | | |
| Prepaid expenses | | 2037062 | 2599206 |
| Imprest | | 572187 | 344095 |
| Balances with government authorities | | | |
| (i) Goods & Service Tax receivable | | 0 | 1878730 |
| (ii) TDS receivable/TCS receivable | | 2843218 | 2764292 |
| (iii)-Advance tax | | 100000 | 0 |
| Advances to Suppliers | | | |
| To other than related parties | | 15453339 | 8357850 |
| | | 21005806 | 15944173 |

| Particulars | As at 31st March, 2020 | As at 31st March, 2019 |
|-------------|------------------------|------------------------|
|-------------|------------------------|------------------------|

Note - 10: Share Capital
AUTHORISED:

| | | |
|---|------------------------|------------------------|
| 10000000 Equity Shares of Re. 10/- each | 10,00,00,000.00 | 10,00,00,000.00 |
| | 10,00,00,000.00 | 10,00,00,000.00 |

ISSUED, SUBSCRIBED & PAID UP:

| | | |
|--|-----------------------|-----------------------|
| 6000000 Equity Shares of Re. 10/- each fully paid up | 6,00,00,000.00 | 6,00,00,000.00 |
| | 6,00,00,000.00 | 6,00,00,000.00 |

| (i) Details of shares held by each shareholder holding more than 5% shares: Class of shares / Name of shareholder | As at 31 March, 2020 | | As at 31 March, 2019 | |
|--|-----------------------|--------|-----------------------|--------|
| | Number of shares held | % held | Number of shares held | % held |

Equity shares with voting rights

| | | | | |
|------------------------|------------------|--------------|------------------|--------------|
| Piyush Agrawal | 15,96,617 | 26.61 | 18,30,967 | 30.52 |
| Suresh Chandra Agrawal | 5,46,383 | 9.10 | 16,559 | 0.28 |
| Total | 21,43,000 | 35.71 | 18,47,526 | 30.80 |

(ii) The reconciliation of the number of shares outstanding is set out below :

| Particulars | As at 31 March, 2020 | As at 31 March, 2019 |
|---|----------------------|----------------------|
| | No. of Shares | No. of Shares |
| Equity Shares at the beginning of the year | 60,00,000.00 | 60,00,000.00 |
| Addition / Reduction during the year | - | - |
| Equity Shares at the end of the year | 60,00,000.00 | 60,00,000.00 |

| <u>Note - 11: Other Equity</u> | | |
|---|------------------------|------------------------|
| Retained Earnings: | | |
| As per last Balance Sheet | 1,03,50,893.00 | 39,93,719.00 |
| Add: Profit for the year | 71,11,351.00 | 63,30,721.00 |
| Add: Excess provision for p.y | - | 26,453.00 |
| Closing balance | - | 1,03,50,893.00 |
| Total | 1,74,62,244.00 | 1,03,50,893.00 |
| <u>Note - 12: Borrowings</u> | | |
| Term Loans: | | |
| From Banks (Secured) | | |
| - <i>kotak bank</i> | | |
| Secured | 4,54,20,740.00 | 3,20,34,936.00 |
| | 4,54,20,740.00 | 3,20,34,936.00 |
| From related parties (Unsecured): | | |
| Corporate Loans: | | |
| - M/s IFE Cranex Elevators & Escalators india pvt ltd | 3,94,57,113.00 | 3,20,46,616.00 |
| Other than Corporate Loans: | | |
| - Amitabh Agrawal (HUF) | 3,14,21,741.00 | 3,14,21,741.00 |
| - Chaitanya Agrawal | 1,81,25,276.00 | 1,88,26,602.00 |
| - Piyush Agrawal | 5,47,04,930.00 | 5,89,28,364.00 |
| - S.C.Agrawal | 70,81,142.00 | 70,35,773.00 |
| | 15,07,90,202.00 | 14,82,59,096.00 |
| Vehicle Loans (Secured): | | |
| - <i>Kotak Mahindra Bank - Car Loans</i> | 12,80,979.00 | 18,67,025.00 |
| - <i>Yes Bank - Car Loans</i> | 10,05,891.00 | 14,20,128.00 |
| | 22,86,870.00 | 32,87,153.00 |
| | 19,84,97,812.00 | 18,35,81,185.00 |
| <u>Note - 13: Other non-current Liabilities</u> | | |
| (a) Advances from customers | 74,84,518.00 | 55,65,273.00 |
| | 74,84,518.00 | 55,65,273.00 |

| Particulars | As at 31st March, 2020 | As at 31st March, 2019 |
|---|------------------------|------------------------|
| <u>Note - 14: Trade payables</u> | | |
| Trade Creditors | 12,56,80,564.00 | 10,44,47,776.00 |
| | 12,56,80,564.00 | 10,44,47,776.00 |
| <u>Note - 15: Other Financial liabilities - Current</u> | | |
| - <i>Kotak Mahindra Bank - Car Loans</i> | 7,91,436.00 | 7,91,436.00 |
| - <i>Yes Bank - Car Loans</i> | 5,77,968.00 | 5,77,968.00 |
| | 13,69,404.00 | 13,69,404.00 |
| <u>Note - 16: Other current liabilities</u> | | |
| Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, GST, VAT, Service Tax, etc.) | 16,45,886.00 | 16,86,283.00 |
| Expenses payable | 36,53,015.00 | 18,34,564.00 |
| Advances from customers | 5,95,121.00 | 1,13,59,000.00 |
| | 58,94,022.00 | 1,48,79,847.00 |
| <u>Note - 17: Provisions - Current</u> | | |
| (i) Provision for income tax F.Y | 16,12,198.00 | 17,19,883.00 |
| | 16,12,198.00 | 17,19,883.00 |
| Particulars | Current Year 2019-20 | Previous Year 2018-19 |
| <u>Note - 18: Revenue from operations</u> | | |
| Sale of products | 29,99,21,230.00 | 20,21,76,420.00 |
| Trading sale | 27,87,874.00 | 2,74,42,381.00 |
| sale of services | 4,94,91,117.00 | 7,82,21,595.00 |
| Export Sales | 30,99,654.00 | 33,23,637.00 |
| | 35,52,99,875.00 | 31,11,64,033.00 |
| Total A | 35,52,99,875.00 | 31,11,64,033.00 |
| <u>Note - 19: Other income</u> | | |
| Interest Received | 41,43,594.00 | 35,46,148.00 |
| Other Income | 14,23,127.00 | 8,42,345.00 |
| Total B | 55,66,721.00 | 43,88,493.00 |
| <u>Note - 20: Cost of materials consumed</u> | | |
| Opening stock | 3,69,45,427.00 | 3,31,95,000.00 |
| Add: Purchases | 23,28,80,071.00 | 15,55,44,003.00 |
| Add: Freight | 44,66,867.00 | 36,50,326.00 |
| Less: Closing stock | 4,02,92,346.00 | 3,69,45,427.00 |
| Cost of material consumed | 23,40,00,019.00 | 15,54,43,902.00 |
| <u>Note - 21: Purchase of traded goods</u> | | |
| Traded Goods | 42,95,019.00 | 1,54,42,594.00 |
| Purchase-Import | 75,58,336.00 | 2,28,27,110.00 |
| Custom duty-Import | 4,19,925.00 | 1,75,45,579.00 |
| Transport-Import | 2,64,865.00 | 86,10,092.00 |
| | 1,25,38,145.00 | 6,44,25,375.00 |

Note - 22: Changes in inventories of finished goods, work-in-progress and stock-in-trade

| <u>Inventories at the end of the year:</u> | | |
|--|-----------------------|----------------------|
| Finished goods | | - |
| Work-in-progress | 4,97,95,638.00 | 4,46,67,183.00 |
| Stock-in-trade | | - |
| <u>Inventories at the beginning of the year:</u> | | |
| Finished goods | | - |
| Work-in-progress | 4,46,67,183.00 | 4,44,05,364.00 |
| Stock-in-trade | | - |
| Net (increase) / decrease | (51,28,455.00) | (2,61,819.00) |

| Particulars | Current Year 2019-20 | Previous Year 2018-19 |
|-------------|----------------------|-----------------------|
|-------------|----------------------|-----------------------|

Note - 23: Employee benefits expense
- Salaries and wages

| | | |
|----------------------|----------------|--------------|
| Bonus | 9,46,634.00 | 7,25,580.00 |
| Conveyance Allowance | 9,71,199.00 | 8,42,463.00 |
| House Rent Allowance | 28,40,717.00 | 15,68,879.00 |
| Allowance | 30,34,735.00 | 13,48,308.00 |
| Salaries | 1,23,26,390.00 | 78,58,724.00 |
| Security Charges | 3,18,936.00 | 17,68,312.00 |
| Wages | 40,87,479.00 | 36,96,155.00 |

- Contributions to provident and other funds

| | | |
|------------------|--------------|--------------|
| ESI Contribution | 3,74,447.00 | 3,56,722.00 |
| PF Contribution | 15,70,685.00 | 11,00,529.00 |

- Staff welfare expenses

| | | |
|-----------------------|-----------------------|-----------------------|
| Medical Expenses | 1,96,000.00 | 2,64,042.00 |
| Gratuity | 1,45,000.00 | 2,61,616.00 |
| Factory food expenses | 12,43,125.00 | 12,00,464.00 |
| Staff Welfare | 3,71,467.00 | 3,85,491.00 |
| | 2,84,26,814.00 | 2,13,77,285.00 |

Note - 24: Finance costs

(a) Interest expense on:

| | | |
|--|-----------------------|---------------------|
| - Borrowings | 48,57,461.00 | 50,39,703.00 |
| - Delayed / deferred payment of Govt. dues | 7,57,960.00 | 4,466.00 |
| (b) Other borrowing costs | 46,23,657.00 | 37,37,841.00 |
| | 1,02,39,078.00 | 87,82,010.00 |

Note - 25: Other expenses
25. a - Manufacturing Expenses

| | | |
|-------------------------------|-----------------------|-----------------------|
| Contract Charges-job/erection | 2,38,16,589.00 | 1,79,10,179.00 |
| Project site exps | 46,63,437.00 | 46,24,145.00 |
| Pattern & Drawing Charges | 3,40,000.00 | 90,000.00 |
| Power and fuel | 26,01,307.00 | 27,17,941.00 |
| Testing Charges | 6,79,740.00 | 3,65,285.00 |
| | 3,21,01,073.00 | 2,57,07,550.00 |

| <u>25.b - Administrative Expenses</u> | | |
|--|-----------------------|-----------------------|
| Books & Periodicals | 6,68,967.00 | 2,45,959.00 |
| Directors Remuneration** | 28,65,000.00 | 22,80,000.00 |
| Electricity & Water Charges | 37,068.00 | 32,976.00 |
| exchange fluctuation expenses | 5,40,229.00 | 39,27,490.00 |
| Travelling Expenditure-(Directors) | 81,435.00 | 76,834.00 |
| Foreign Tours & Travelling Expenditure (Directors) | 1,04,761.00 | 5,06,432.00 |
| General & Miscellaneous Expenditure | 87,455.00 | 1,85,060.00 |
| GST EXP | 624.00 | 11,284.00 |
| Preliminary expenses | 40,561.00 | 40,561.00 |
| Hire Charges | 1,83,500.00 | 3,12,408.00 |
| Insurance Charges | 21,34,973.00 | 19,59,268.00 |
| Professional & Consultancy Charges | 19,53,650.00 | 21,23,302.00 |
| Rent | 60,000.00 | 60,000.00 |
| Rates & Taxes | 1,27,369.00 | 69,344.00 |
| Rebate/ld/balance written off | 1,42,93,181.00 | 30,33,016.00 |
| Repair & Maintenance - General | 8,29,022.00 | 11,14,595.00 |
| Repairs and maintenance - Machinery | 66,216.00 | 34,350.00 |
| Festival celebration expenses | 3,99,233.00 | 3,31,331.00 |
| Stock exchange listing & ROC FEES | 3,60,158.00 | 2,98,301.00 |
| Subscription & Membership Fees | 60,318.00 | 56,950.00 |
| Telephone Expenditure | 1,94,895.00 | 1,92,720.00 |
| Travelling & Conveyance | 35,73,491.00 | 33,33,729.00 |
| | 2,86,62,106.00 | 2,02,25,910.00 |

**** Remuneration paid / payable to Directors:**

Managerial remuneration paid or payable during the period which is much less than the prescribed under Companies Act, is as under:-

| | | |
|-------------------------|---------------------|---------------------|
| Salary | 28,20,000.00 | 22,80,000.00 |
| Directors' Sitting Fees | 45,000.00 | 10,000.00 |
| | 28,65,000.00 | 22,90,000.00 |

@ Payments to the auditors comprises (net of service tax input credit, where applicable):

| (a) Auditors - Statutory Audit | | |
|---------------------------------------|-----------------------|-----------------------|
| Statutory Audit Fees | - | 30,000.00 |
| | - | 30,000.00 |
| (b) Others | | |
| Tax Audit Fees | | 30,000.00 |
| | 2,86,62,106.00 | 2,02,25,910.00 |

25.c - Selling & Distribution Expenses

| | | |
|---|-----------------------|-----------------------|
| Advertisement & Publicity Expenditure | 49,860.00 | 51,000.00 |
| Entertainment & Sales Promotion Expenditure | 10,91,667.00 | 7,55,939.00 |
| Freight and forwarding | 76,33,862.00 | 84,09,585.00 |
| Tender Fees | 2,18,125.00 | 4,34,918.00 |
| | 89,93,514.00 | 96,51,442.00 |
| | 6,97,56,693.00 | 5,55,84,902.00 |

| <u>CRANEX LIMITED</u> | | |
|---|------------------------|------------------------|
| Notes to the Financial Statements for the year ended 31st March, 2020 | | |
| Particulars | As at 31st March, 2020 | As at 31st March, 2019 |
| <u>Note - 28: Additional information to the financial statements</u> | | |
| 1 Contingent liabilities and commitments (to the extent not provided for) | | |
| (i) Contingent liabilities | | |
| (a) Guarantees | | |
| - Inland | 157178741 | 167587061 |
| - Foreign | | 0 |
| 2 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 | | |
| (i) Principal amount due and remaining unpaid to any supplier as at the end of the accounting year | Nil | Nil |
| (ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year | Nil | Nil |
| (iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day | Nil | Nil |
| (iv) The amount of interest due and payable for the year | Nil | Nil |
| (v) The amount of interest accrued and remaining unpaid at the end of the accounting year | Nil | Nil |
| (vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid | Nil | Nil |
| Micro, Small & Medium Enterprises have been ascertained on the basis claims furnished by the suppliers in this regard. This has been relied upon by the auditors. | | |
| 3 Operating Segment reporting (Ind AS 108) | | |
| The Company is engaged in manufacture and sale (both domestic and export) of EOT Cranes, which constitutes single business segment. As per management's perspective, the risks and returns from its sales do not materially vary geographically. Accordingly there are no other business / geographical segments to be reported under Ind AS 108 issued by the Institute of Chartered Accountants of India. | | |
| 4 Earning Per Equity Share (of Re. 1/- each) (Ind AS 33) | | |
| Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders | 7111351 | 6330721 |
| Weighted Average number of equity shares used as denominator for calculating EPS | 6000000 | 6000000 |
| Basic Earnings per share | 1.19 | 1.06 |
| Diluted Earnings per share | 1.19 | 1.06 |

| | | |
|-----------------------------|----|----|
| Face Value per equity share | 10 | 10 |
|-----------------------------|----|----|

5 Confirmation

- The company has requested for confirmations of balances from its creditors and debtors, which has been confirmed by majority of creditors and debtors. Provisions, wherever considered necessary, have been made.
- In the opinion of the management the investment, current / non current assets are realizable at a value, at par as stated, in the ordinary course of business and provisions for all known and determined liabilities are adequate and not in excess of the amount stated.

6 Related party disclosures (Ind AS 24)

As per Ind AS 24, the disclosures of transactions with the related parties are given below:

(i) List of related parties where control exists and related parties with whom transactions have taken place:

| Sr. No. | Name of the Related Party | Relationship |
|---------|---|---|
| 1 | Suresh Chandra Agrawal-Chairman | Key Management Personnel |
| 2 | Piyush Agrawal-Managing Director | |
| 3 | Chaitanya Agrawal-Whole-Time Director & CFO | |
| 4 | Ashwani Kumar Jindal-Independent Director | |
| 5 | Maman Chand Jain-Independent Director | |
| 6 | Shilpy Chopra-Independent Director | |
| 1 | Amitabh Agrawal | Relative of key Management Personnel |
| 1 | Cranex Infratech pvt. ltd | Enterprises / associates over which Management Personnel and their relatives are able to exercise significant influence |
| 2 | Metro Escalators Pvt..Ltd | |
| 3 | IFE Cranex Elevators and Escalators India Pvt Ltd | |
| 4 | Skylark Associates Pvt Ltd | |
| 5 | Ritu Investment Pvt Ltd | |
| | | |

(ii) Transactions during the year with related parties

| S. no | Nature of Transactions (excluding reimbursements) | Key Management Personal | Relative of key Management Personnel | and their relatives are able to exercise significant influence |
|----------|--|-------------------------|--------------------------------------|--|
| 1 | Sale of Goods/services | 0 | | 0 |
| 2 | Managerial Remuneration-Note 25b | 2865000 | 0 | 0 |
| 3 | Loan and advance given | 0 | 0 | |
| 4 | Loan and advance Paid | 3448451 | 0 | |
| 5 | Loan and advance Received | 4341005 | 0 | 0 |
| 6 | Investment | 0 | 0 | 0 |
| 7 | Received from trade debtors | | | |
| 8 | Reimbursement of expenses | | 0 | 0 |
| | Balance as 31st March,2020 | | | |
| 9 | Unsecured loans | 79911348 | 31421741 | 54124641 |
| 10 | Investments-Note-2 | 0 | 0 | 18200000 |
| 7 | Impairment of the Assets (Ind AS 36) | | | |
| | In line with the requirements of Indian Accounting Standard – 36 on “Impairment of Assets” issued by the Institute of Chartered Accountants of India, the company reviews the carrying amount of its fixed assets on each balance sheet date for the purpose of ascertaining impairment, if any, by considering assets of entire one plant as Cash Generating Unit (CGU). On such review as at 31 st March 2019, wherever there was indication of impairment, the net realizable value thereof was assessed by the Management and the same was more than the carrying amount. On further review as at 31 st March 2020, these valuations of the assets continue to be higher than the book value and accordingly, no provision is required to be made in the accounts. | | | |
| 8 | Value of imports calculated on CIF basis: | | | |
| | Trading goods | 7558336 | 22827110 | |
| | Raw Material and Stores & Spares | 266214 | 3888812 | |
| | Total | 7824550 | 26715922 | |
| 9 | Expenditure in foreign Travelling | | | |
| | Travelling | 104761 | 506826 | |
| | Total | 104761 | 506826 | |

| | | | |
|-----------|--|------------------|------------------|
| 10 | Details of consumption of imported and indigenous items: | | |
| | <u>Imported</u> | | |
| | Raw Material and Stores & Spares | 266214 | 3888812 |
| | Total | 266214 | 3888812 |
| | <u>Indigenous</u> | | |
| | Raw Material and Stores & Spares | 232880071 | 155544003 |
| | Total | 232880071 | 155544003 |
| 11 | Earnings in foreign exchange: | | |
| | Export of goods calculated on FOB basis | 4271812 | 3892850 |
| | Total | 4271812 | 3892850 |
| 12 | Annexure on Quantitative Information for the year ended 31st March 2020 attached | | |

The figures for the corresponding previous year have been regrouped / reclassified wherever necessary, to make them comparable.

1. Impairment of the Assets (Ind AS 36): In line with the requirements of Indian Accounting Standard – 36 on “Impairment of Assets” issued by the Institute of Chartered Accountants of India, the company reviews the carrying amount of its fixed assets on each balance sheet date for the purpose of ascertaining impairment, if any, by considering assets of entire one plant as Cash Generating Unit (CGU). On such review as at 31st March 2017, wherever there was indication of impairment, the net realizable value thereof was assessed by the Management and the same was more than the carrying amount. On further review as at 31st March 2019, these valuations of the assets continue to be higher than the book value and accordingly, no provision is required to be made in the accounts.

As per our Report of even date:

For PRYD & Associates

F. No.: 011626N
Chartered Accountants

(CA P. M. Mittal)

Membership No.: 094667
Partner

Place: New Delhi

Date: JULY 30, 2020

For and on behalf of the Board of Directors

(Piyush Agrawal)

Managing Director
DIN - 01761004

(Chaitanya Agrawal)

Director
DIN - 05108809

Shubham Kapi

Company Secretary
Memb. No.: 55844

(S.C. Agrawal)

Chairman
Din: 01958471

| Assets | Gross Block | | | | | | DEPRECIATION / AMORTISATION AND DEPLETION | NET BLOCK | | | | |
|-------------------------------|-----------------------|-----------------------------|---------------------|--------------------|----------------|-----------------------|---|---------------------|----------------------------|-----------------------|-----------------------|-----------------------|
| | As at 01.04.2019 | Impact of IND AS Transition | Additions | Sales / Deductions | Adj. movements | As at 31.03.2020 | As at 01.04.2019 | For the year 2020 | Adjustments / (deductions) | As at 31.03.2020 | As at 31.03.2020 | As at 31.03.2019 |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 |
| Property, Plant and Equipment | | | | | | | | | | | | |
| Plant & Machinery | 4,03,92,860.00 | - | 60,91,083.00 | 6,77,230.00 | - | 4,58,06,823.00 | 2,31,60,177.00 | 8,88,602.00 | 3,33,353.00 | 2,37,15,426.00 | 2,20,91,397.00 | 1,72,32,783.00 |
| Land | 18,35,000.00 | - | - | - | - | 18,35,000.00 | - | - | - | - | 18,35,000.00 | 18,35,000.00 |
| Factory Building | 1,56,09,329.00 | - | 1,54,480.00 | - | - | 1,57,63,869.00 | 10,76,221.00 | 2,48,576.00 | - | 13,24,797.00 | 1,44,39,012.00 | 1,45,33,108.00 |
| Furniture & Fixtures | 11,29,249.00 | - | - | - | 11,29,249.00 | 8,63,275.00 | 37,057.00 | - | 9,00,332.00 | 2,28,917.00 | 2,65,974.00 | |
| Air Conditioners | 6,44,208.00 | - | 50,781.00 | - | - | 6,94,989.00 | 3,23,742.00 | 31,711.00 | - | 3,55,453.00 | 3,39,536.00 | 3,20,466.00 |
| Office Equipment | 29,02,889.00 | - | 2,55,157.00 | - | - | 31,57,846.00 | 16,71,001.00 | 1,17,046.00 | - | 17,88,047.00 | 13,69,789.00 | 12,31,688.00 |
| Vehicle | 74,34,232.00 | - | - | - | 74,34,232.00 | 18,14,843.00 | 9,87,761.00 | - | 28,02,604.00 | 46,31,628.00 | 56,19,389.00 | |
| Total | 6,99,47,667.00 | - | 65,51,511.00 | 6,77,230.00 | - | 7,58,21,948.00 | 2,89,09,259.00 | 23,10,753.00 | 3,33,353.00 | 3,08,86,659.00 | 4,49,35,289.00 | 4,10,38,408.00 |
| | | | | | | | | | | | | |



A Small Contribution in India's Achievement