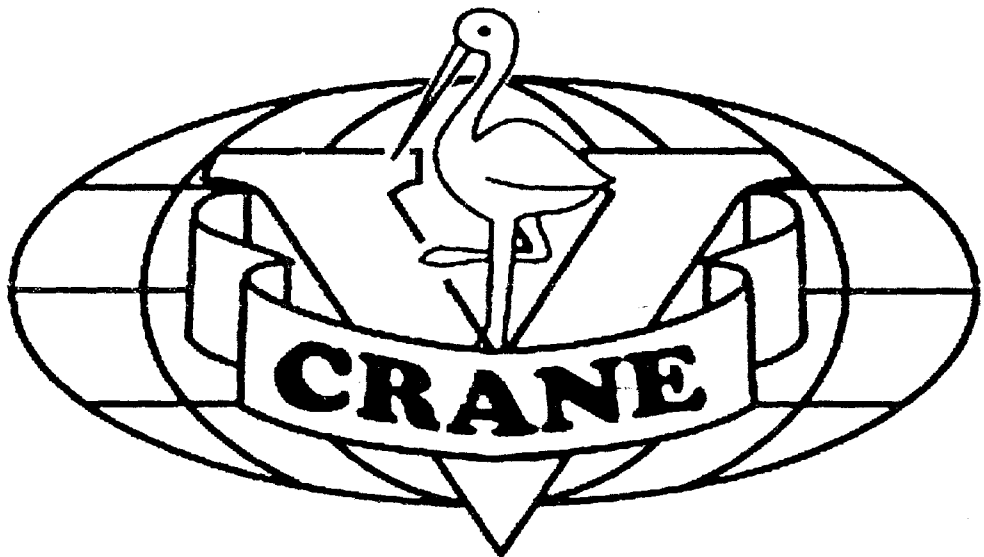


20th ANNUAL REPORT
2012 - 2013



VIRAT CRANE INDUSTRIES LIMITED
GUNTUR



BOARD OF DIRECTORS : Sri G. Subba Rao chairman
: Sri G.VS.L Kantha Rao Managing Director
: Sri R. Jagadish Kumar
: Sri P. Bhaskara Rao
: Sri P.V Srihari

AUDITORS : Jawahar and Associates
Chartered Accountants
C-5 Skylark apartment
Basheerbag,
Hyderabad-29.

REGISTRARS & SHARE TRANSFER AGENTS : M/s Big share Services Private Limited,
306, 3rd Floor, Ring Wing, Amrutha Ville,
Opp. Yashodha Hospital, Raj Bhavan Road,
Somajiguda, Hyderabad – 500082.
Tel: 91-40-2337 4967/23370295
FAX:91-40-23370295
E-mail: bsshyd@bigshareonline.com

REGISTERED OFFICE : D.No. 25-2-1,
GT. ROAD,
Opp.: MASTAN DARGA
GUNTUR.

FACTORY : Nunna, Nuzividu Road,
Vijayawada.



Virat Crane Industries Ltd.

NOTICE:

Notice is hereby given that 20th Annual General Meeting of the Company will be held at the factory premises of the Company at Ankireddypalem Village, Chilakaluripet Road, Guntur, on Saturday the 29th September 2012 at 10.00 A.M to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31.03.2012 and Profit & Loss Account for the year ended 31.03.2012 and the Reports of the Directors and Auditors Report thereon.
2. To appoint a Director in the place of Sri G. Subba Rao who retires by rotation and being eligible offers himself for re-election.
3. To appoint a Director in the place of Sri P. Bhaskara Rao who retires by rotation and being eligible offers himself for re-election.
4. To appoint M/s K. Nagaraju & Co., (FRN: 002271S), Guntur, Chartered Accountants, as auditors of the company in the place of retiring auditors M/s Jawahar & Associates, who shall hold office from the conclusion of this meeting to the conclusion of the next Annual General Meeting of the Company.

By Order of the Board
For Virat Crane Industries Ltd.

PLACE: GUNTUR

DATE : 30.08.2012

Sd/-

G.V.S.L.Kantha Rao
Managing Director

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the company. Instrument of proxies in order to be effective must be deposited at the Company's registered office not less than forty eight hours before the meeting.
2. The Register of Members and Share Transfer Books will remain closed from 27.09.2012 to 29.09.2012 (both days inclusive).
3. Members/Proxies shall fill the attendance slip for attending the meeting.
4. Members who hold shares in Dematerialized form are requested to bring their client ID and DP ID numbers for easy identification of attendance at the meeting.

5. Members are requested to inform immediately the change, if any of address registered with the company.
6. Members desiring to seek any information on the Annual Accounts are requested to write to the company at an early date to enable compilation of information.
7. Big share Services Private Limited., are Registrars and Transfer Agents for both 'Demat' and physical form of shares. The members may contact in future.
M/S Big share Services Private Limited,
306, 3rd Floor, Ring Wing, Amrutha Ville,
Opp. Yashodha Hospital, Raj Bhavan Road,
Somajiguda, Hyderabad – 500082.
Tel: 91-40-2337 4967 | 2337 0295
Fax: 91-40-23370295
E-mail: bsshyd@bigshareonline.com

ANNEXURE TO NOTICE

Additional information on Directors seeking reappointment at the Annual General Meeting (Pursuant to Clause (49) of the listing Agreement).

Item No. 2:

Sri G. Subba Rao aged 81 years is pioneer in Betelnut Industry and is managing "Crane Betelnut Powder Works" as sole proprietor. He has over 56 years experience in business management. He has rich insight into consumer preferences, changing technology & adoptability, advertising and establishment of marketing net works. He is the member of the Audit Committee and Remuneration Committee of the Company.

Item No. 3:

Sri P. Bhaskara Rao aged 58 years Graduate in Commerce and has rich experience in trading and marketing business. He is the member of the Share Holders Committee, Share Transfer Committee, Audit Committee and Remuneration Committee of the Company.

Item No. 4:

The present auditors M/s. **Jawahar & Associates.**, Chartered Accountants, Hyderabad, who are going to be retiring at AGM, had tendered their unwillingness to act as Statutory Auditors of the Company for financial year 2012-13 due to their inability under the Companies Act 1956. The Company has approached M/s. K. Nagaraju & Co., Chartered Accounts, to appoint them as Statutory Auditors for which they had given their consent. They also confirmed that, if they are appointed as Statutory Auditors of the Company, the appointment would be within the provisions of section 224(1B) of the Companies Act, 1956.

By Order of the Board
For Virat Crane Industries Ltd.,

PLACE: GUNTUR
DATE : 30.08.2012.

Sd/-
G.V.S.L. Kantha Rao
Managing Director



DIRECTOR REPORT **FINANCIAL RESULTS:**

Your directors have pleasure in presenting the Twentieth Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March 2012.

	(Rs. In Lacs)	
	2011-2012	2010-2011
Sales and Other Income	3578.62	3143.13
Profit/(Loss) before Interest & Depreciation	108.30	263.51
Interest	13.52	8.85
Depreciation	16.46	28.87
Profit before exceptional and extraordinary items	76.63	225.78
Profit/(Loss) before Tax	70.56	147.72
Deferred-tax (expenses) / Income	21.17	179.38
Income-tax – (Current Tax)	(34.00)	(53.00)
Profit (Loss) after Taxation	57.73	174.10

During the year under review, the Company has achieved turnover of Rs. 3578.62 lakhs and earned a profit of Rs. 108.30 lakhs before interest and depreciation. The net profit after providing for interest of Rs. 13.52 lacs and depreciation of Rs. 16.46 lacs is Rs. 76.63 lakhs. The net profit after taxation is Rs. 57.73 lakhs is carried forward to balance sheet.

DIVIDENDS:

Due to insufficient of profits, your directors could not recommend any dividend for the financial year ending 31st March, 2012.

PUBLIC DEPOSITS:

The company has not accepted/renewed Fixed Deposits from Shareholders, Employees and Public during the period under review.

LISTING:

The company's shares are listed at The Mumbai Stock Exchange Ltd., Jeejee Bhoy Towers, Dalal Street, Mumbai-400 001.

DIRECTORS:

Sri G. Subba Rao and Sri P. Bhaskara Rao, retires by rotation in accordance with Articles of Association of the Company and being eligible for reappointment offers themselves for reappointment.

DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to the requirements of section 217 (2AA) of the companies act 1956 with respect to the directors responsibility statements it is hereby confirmed that:

- in the preparation of the Annual Accounts for the year 2011-2012 the applicable accounting standards have been followed with proper explanations where required.
- The directors have selected such accounting policies and applied them consistently and made judgements and estimates to give a true and fair view of the state of affairs of the company as at 31.03.2012 and of the loss of the company for that year.
- Proper and sufficient care is taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 1956 for safeguarding the assets of the Company and for prevention and detection of fraud and irregularities.
- The Annual Accounts are prepared on a going concern basis.

AUDIT COMMITTEE:

The company has an audit committee, whose composition, role functions and powers are in accordance with the legal/SEBI requirements. The Audit Committee comprises of Sri R.Jagadish Kumar, Sri G.Subba Rao and Sri P.Bhaska Rao as members.

CORPORATE GOVERNANCE:

A separate section on Corporate Governance along with auditor's certificate is attached to this report. A note on Management discussion and analysis is also attached to this report.

AUDITORS:

The present auditors M/s. **Jawahar & Associates.**, Chartered Accountants, Hyderabad, who are going to be retiring at AGM, had tendered their unwillingness to act as Statutory Auditors of the Company for financial year 2012-13 due to their inability under the Companies Act 1956. The



Virat Crane Industries Ltd.

Company has approached M/s. K. Nagaraju & Co., Chartered Accounts, to appoint them as Statutory Auditors for which they had given their consent. They also confirmed that, if they are appointed as Statutory Auditors of the Company, the appointment would be within the provisions of section 224(1B) of the Companies Act, 1956.

They have confirmed their eligibility as per Section 224(1) of the Companies Act.

PERSONNEL:

The Management appreciated the efforts of the employees of the company and its subsidiary for their co-operation and support during the year and acknowledge their contribution.

There are no employees as per the provision of Section 217 (2A) of the Companies Act 1956, employed throughout the year who are in receipt of remuneration of Rs. 24,00,000/- or more or employed for part of the year and in receipt of Rs. 200000/- per month.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS/OUTGOINGS:

Consumption of energy is very insignificant, as the company's production is very much low. However the company has taken adequate steps to conserve the energy.

Foreign exchange earnings/outgoings: NIL

ACKNOWLEDGEMENTS:

The directors of the company placed their appreciation to the bankers of the company, various Government Authorities, employees, distributors and Bankers for their cooperation

Sd/- Sd/-
P.BHASKARARAO G.V.S.L.KANTHARAO
DIRECTOR MANAGING DIRECTOR

PLACE: GUNTUR

DATE : 30-08-2012.

ANNEXURE TO DIRECTORS REPORT

CORPORATE GOVERNANCE:

1. Company's Philosophy:

The Company believes good corporate governance that leads to long-term relationship with shareholders, customers, employees and other stakeholders. The Board has constituted various committees, for smooth and swift functioning of the company. The company has setup, audit committee, share transfer committee and Remuneration committee. Corporate Governance practices are being further strengthened.

2. Board of Directors:

The Board of directors comprises of five directors. The details of their category, directorships and

Sl. No	Name of the Director	Category	Attendance particulars of Board Meeting			No.of other Directorship/ Committee Membership	
			Held	Attend ed	Last AGM	Direct Ship	Com. men/Chair
1	Sri G.Subba Rao	Promoter	5	5	No	1	2
2	Sri R Jagadish kumar	Non-Executive Independent	5	3	No	-	3
3	Sri P Bhaskara Rao	Non-Executive Independent	5	5	Yes	2	3
4	Sri P V Sri Hari	Non-Executive	5	5	Yes	1	-
5	SRI G V L S Kantha Rao	Executive Promoter	5	5	Yes	4	1



attendance are as under :

During the year the Board meetings were held on – 29th April 2011, 30th July 2011, 31st October 2011, 18th Nov. 2011 and 15th Feb 2012.

3. Audit Committee & Remuneration Committee:

(a) Brief description of terms of reference

The Terms of Reference of this committee cover the matters specified for Audit Committees under Clause 49 of the Listing Agreement as well as in Section 292A of the Companies Act, 1956, and are as follows:

- a. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- b. Recommending the appointment and removal of external auditor, fixation of audit fee and also approval for payment for any other services.
- c. Reviewing with management the annual financial statements before submission to the Board, focusing primarily on:
 - Any changes in accounting policies and practices
 - Major accounting entries based on exercise of judgment by management
 - Qualifications in draft Auditors' Report
 - Significant adjustments arising out of audit
 - The going concern assumption
 - Compliance with stock exchange and legal requirements concerning financial statements
 - Any related party transactions i.e. transactions of the company of material nature, with promoters or the management, their

subsidiaries or relatives etc., that may have potential conflict with the interests of the Company at large.

- d. Reviewing with the management, external and internal auditors, and the adequacy of internal control systems.
- e. Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- f. Discussion with internal auditors of any significant findings and follow up there on.
- g. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- h. Discussion with external auditors, before the audit commences, the nature and scope of audit as well as have post audit discussion to ascertain any area of concern.
- i. Reviewing the Company's financial and risk management policies.
- j. Other matters as assigned/specified by the Board from time to time.

(b) Composition, Meetings and Attendance during the year

The Audit Committee comprises of three Independent Non-Executive Directors. During the year committee met 5 times during the year on 29th April 2011, 30th July 2011, 31st October 2011, 18th Nov 2011 and 15th Feb 2012. The attendance of the each member of the committee is given below:

Directors	Chairman/ Member	Category	No. of meetings attended
Sri R. Jagadish Kumar	Chairman	I & NED	3
Sri P. Bhaskara Rao	Member	I & N.E.D.	5
Sri G. Subba Rao	Member	N.E.D.	5

Remuneration Committee

(a) Terms of Reference

The Company had constituted the Remuneration Committee. The broad terms of reference are to determine and recommend to Board, Compensation

payable to Executive Directors, appraisal of the performance of the Managing Directors / Wholtime Directors and to determine and advise the Board for the payment of annual commission/ compensation to the Non-Executive Director

(b) Composition, Meetings and Attendance during the year



The Remuneration Committee comprises of total three Non-Executive Directors. The committee

comprises as follows

Directors	Chairman/Member	Category
Sri R. Jagadish Kumar	Chairman	I & N.E.D.
Sri P. Bhaskara Rao	Member	I & N.E.D.
Sri G. Subba Rao	Member	N.E.D.

(c) Remuneration of Directors

The Company pays remuneration to its Managing Directors / Whole time Directors by way of salary, perquisites and allowances etc. Salary is paid within the range approved by the shareholders. The aggregate value of salary and perquisites and other benefits paid for the year ending 31st March 2012 to Sri G.V.S.L.Kantha Rao, Managing Director is Rs 2,25,000/-p.a.

4. Share holders and Share Transfers committee.

The Company has a shareholders and Share Transfers committee of the Board comprising of Sri P.Bhaska Rao, Sri R.Jagadish Kumar, and Sri G.V.S.L.Kantha Rao. The committee approves of issue of duplicate share certificates, share transfers and review & redresses of shareholders' grievances like non-transfer of Shares etc. All the complaints of the Shareholders are resolved satisfactorily. The committee meets periodically or as often as required or as often as required

5. General Body Meetings:

The details of last 3 AGM's are:				
S.No.	Year	Place	Date & Time	Remarks
1.	2008-2009	Factory premises Ankireddypalem Chilakaluripet Road, Guntur.	30.11.2009 at 10.00 AM	No postal ballot
2.	2009-2010	— DO —	31.12.2010 At 10.00 AM	No postal ballot
3.	2010-2011	— DO —	31.12.2011 At 10.00 AM	No postal ballot

6. Disclosures:

A. None of the transactions with any related parties are in conflict with the interest of the Company. The details of the related party transaction are furnished in notes to accounts.

B. There are no instances of non-compliance of any matter related to capital markets during the last three years

7. Means of communication:

The quarterly, half yearly and annual results are sent to Stock Exchanges at Hyderabad and Mumbai. They are also published in English and Telugu news papers

8.General share holders information.

1. Annual General Meeting:

Date & time : 29.09.2012 at 10.00 A.M

Place : Factory premises at
Ankireddypalem village,
Chilakaluripet Road, Guntur.

Financial Calendar:

April 2011 to March 2012

1st quarter results : Normally last week of July

2nd quarter results : Normally last week of October

3rd quarter results : Normally last week of January

4th quarter results : Normally last week of April

Audited Annual Results : August / September

Dates of book closure : 27.09.2012 to 29.09.2012
(Both Days Inclusive)

Listing on Stock Exchanges: Hyderabad and
Bombay Stock Exchanges.

Stock Code : HSE: VCI

BSE: 519457.

ISIN of Dematerialised shares: INE 295C 01014.

**STOCK PRICE DATA :**

Monthly High and Low quotations in BSE for the financial year 2011-2012.

Month	Open (Rs.)	High (Rs.)	Low(Rs.)	Close (Rs.)	No. of Shares
April 2011	6.5	7.97	6.5	6.75	35821
May 2011	6.51	6.85	5.86	6.09	15339
June 2011	5.79	7.71	5.79	7.25	4120
July 2011	6.89	7.27	5.94	5.94	11259
August 2011	5.66	6.23	4.6	4.7	12230
September 2011	4.93	7.77	4.93	7.38	92781
October 2011	7.4	9.24	7.3	8.37	928
November 2011	7.96	10.5	7.2	9.59	679
December 2011	9.9	11.5	9.9	11.5	45847
January 2012	11.4	11.4	8.27	8.27	4022
February 2012	7.86	7.86	5.11	5.11	34332
March 2012	5.21	5.32	4.52	4.59	36335

Registrars and Transfer Agents:

Your Registrar and Share Transfer Agents of the Company M/s Big share Services Private Limited, 306, 3rd Floor, Ring Wing, Amrutha Ville, Opp. Yashodha Hospital, Raj Bhavan Road, Somajiguda, Hyderabad – 500082.

Tel: 91-40-2337 4967/23370295

Fax: 91-40-23370295

E-mail: bsshyd@bigshareonline.com**Distribution of Shares:**

The share holding pattern as on 31.03.2012 is as follows

Category	No. of Share Holders	Total No. of Shares Held	% of Share Holding
Individuals	6899	4531127	22.19
Companies	93	510004	2.50
Fi / Banks	2	22300	0.11
Promoters/Directors	130	15302423	74.92
And Their Relatives			
Mutual Funds	1	5000	0.02
NRI's & OCB's	60	52896	0.26
Total	7185	20423750	100.00

The distribution of share holding as 31.03.2012 is as follows:

No. of equity Shares held	No. of share holders	% of total shareholder	No. of shares held	% of total shares
1-5000	6116	85.26419	13880700	6.79635
5001-10000	516	7.19364	4325180	2.11772
10001-20000	233	3.24829	3523740	1.72531
20001-30000	107	1.49171	2722760	1.33313
30001-40000	34	0.47400	1203980	0.58950
40001-50000	60	0.83647	2886570	1.41334
50001-100000	64	0.89223	4743370	2.32248
100001 & ABOVE	43	0.59947	170951200	83.70216
TOTAL	7173	100.00	204237500	100.00

Dematerialization of shares: The shares fall under compulsory dematerialization.

The company has not issued any GDRs/ADRs/Warrants or any other convertible instruments.



Virat Crane Industries Ltd.

Plant Location: Nunna, Nuzivedu Road,
Vijayawada.

Regd. Office and } 25-2-1, Opp. Mastan Darga,
G.T.Road, Guntur-522 004.

Address for correspondence:

ANNEXURE TO DIRECTORS REPORT:

MANAGEMENT DISCUSSION AND ANALYSIS:

A) Scope and Potential: The Company's Plan as contemplated for expansion of the market network for the products – Chewable products, Ghee products and other new products (in course of diversification) is anticipated in the near future. In the new scenario it is reiterated that the company has opportunity to introduce its products in the markets of the existing subsidiary company where the Parent Company has no established market and in the same way the subsidiary company can make use of Parent Company's market network.

B) Opportunities and Challenges :

1. Opportunities: The Company is trying to explore new markets through out India apart from Andhra Pradesh from the point of view of the present Parent & Subsidiary Companies.

2. Challenges: Stiff competition from unorganized markets and the Government controls / bans at any point of time.

C) Out Look: The Company is continuously studying various propositions to diversify its activities. The Management is confident that they will be successfully implemented once they are finalized. With the proposed merger the Company firmly believes to expand, diversify and explore new opportunities.

D) Risks & Concerns: There is lot of awareness among public with respect to availability of

products of other Brands.

E) Internal Control System is reasonable and adequate.

F) Financial performance:

1) Capital Structure: The company has only equity shares and the paid-up capital is Rs.2042.03 lacs

2) Loan Profile: Nil

3) Assets: The Company is having net fixed assets of Rs. 146.16 lacs after revaluation of Company's Freehold land and Buildings.

G) Cautionary Statement: The Market fluctuations and government policies/regulations will have an impact on the projections and the future outlook.

MANAGING DIRECTOR /

CHIEF FINANCIAL OFFICER

CERTIFICATION

We have reviewed Financial Statements and Cash Flow Statements for the year April 1, 2011 to March 31, 2012 and to the best of our Knowledge and belief:

I) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

II) 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;

III) No transaction entered into by the company during the above said period which are fraudulent, illegal or violate of the company's Code of Conduct.



Further, we accept that it is our responsibility to establish and maintain internal controls for financial reporting. Accordingly, we have evaluated the effectiveness of internal control systems of the company pertaining to Financial Statements and have disclosed to the Auditors and Audit Committee, wherever applicable:

- a) Deficiencies in the design or operation of internal controls, if any which come to our notice and steps have been taken/ proposed to be taken to rectify these deficiencies.
- b) Significant changes in internal control over financial reporting during the year:
- c) Significant changes in accounting policies during the year and that the same have been disclosed in the notice to the financial statements:
- d) Instances of significant fraud of which we became aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.
- e) The disclosures have been received from the senior management personnel relating to the financial and commercial transaction in which they or their relative may have personal interest. However none of these transactions have conflict with the interest of the company at large.

Sd/-

G.V.S.L.KANTHA RAO
MANAGING DIRECTOR
Virat Crane Industries Ltd.

PLACE: Guntur

Dated: 30-8-2012

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

We have examined the compliance of conditions of Corporate Governance by **Virat Crane Industries Ltd., Guntur** for the year ended 31st March, 2012 as stipulated in Clause 49 of the listing agreements entered by the company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our knowledge and information and accordance to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreements as applicable to the Company.

We have been explained that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Company.

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For Jawahar & Associates
Chartered Accountants

Sd/-

V.Umapathi
Partner

Place: Guntur

Date: 30-8-2012



AUDITOR'S REPORT

The Members Of

Virat Crane Industries Limited,

Guntur.

- We have audited the attached Balance Sheet of M/s. Virat Crane Industries Limited as at 31st March, 2012 the Profit and Loss account and the cash flow statement for the year ended on that date annexure there to. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
- We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order. Subject to
- Further to our comments in the Annexure referred to above, we report that:
- We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
- In our opinion, proper books of accounts as required by law have been kept by the Com-

pany so far as appears from our examination of those books.

- The Balance Sheet, Profit and Loss Account and cash flow statement dealt with by this report is in agreement with the books of account.
- In our opinion, the Balance Sheet, Profit and Loss Account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 *except AS-15 retirement benefit to employees.*
- On the basis of written representations received from the directors, as on 31st March, 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.
- in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2012.
- in the case of the Profit and Loss account of the profit for the year ended on that date and
- in the case of the cash flow statement of the cash flows for the year ended on that date.

For Jawahar & Associates
Chartered Accountants
Firm Regn. No: 0012815

V.UMAPATHI
Partner
M.No. 21887

Place: Guntur
Date: 30-8-2012



ANNEXURE TO AUDIT REPORT

Ref: Virat Crane Industries Ltd., Guntur Referred to in paragraph 3 of our report of even date,

(i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

- According to Information and explanations given to us, There is a regular program of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.

- During the year, the company has not disposed off any part of the fixed assets.

(ii) (a) The inventory has been physically verified during the year by the management. In Our opinion, the frequency of verification is reasonable.

(b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.

(c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.

(iii)

(a) The Company has granted interest free unsecured loans to Virat Crane Agri Tech Ltd. a parties covered under register maintained under section 301 of the companies act.

- As per the explanation given to us the loan the terms and conditions on which the loans has been granted to the body corporate listed in the register maintained under section 301 of the Companies Act 1956 are not prima facie prejudicial to the interest of the company.

- In case of loans granted to the body corporate listed in the register maintained under section 301 of the Companies Act 1956, the borrower has been regular in the payment principal amount as and when demanded. The terms of the loan agreement does not stipulate any repayment schedule and is repayable on

demand.

- There are no overdue amounts of more than one lakh rupees in respect of loans granted to a body corporate listed in the register maintained under section 301 of the Companies Act 1956.

Nature of Transaction	Party & Relation	Max. Amount involved Rs. In Lakhs	Closing Balance as on 31.03.2012 Rs. In Lakhs
Advance	Virat Carne Agri Tech Ltd.	5.04 Crores	5.04 Crores
(The above company is related by virtue of common director Mr. .G V S L Kantha Rao)			

- The Company has not obtained any loans during the year from companies and parties covered in the register maintained u/s 301 of Companies Act 1956. Consequently the requirements of Para iii (f) & (g) are not applicable.

- On the basis of selective checks carried out during the course of audit. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.

- (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.

(b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the year.

- In our opinion and according to the information and explanations given to us, the Company has not collected any deposits from the public as per the provisions of section 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975.



- In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

- As per the section 209(1)(d) of the Companies Act, 1956 maintenance of the cost records is not compulsory.

(ix) (a) The Company is generally regular in depositing monies except with P.F/ESI authorities .

- According to the information and explanations given to us, there are no undisputed statutory dues outstanding for a period of more than six months from the date they became due except in respect of P.F.- Rs.205242

(c) According to the information and explanation given to us, there are statutory dues which were deposited under dispute. They are

Ghee Division

Nature of the Stature	Nature of the Dues	Amount (Rs)Lacs	Forum where dispute is pending
Agricultural market committee	Cess	10.55 Lacs	Supreme Court of India
Income Tax Act,1961	Income tax	7.30 Lacs	Commissioner of Appeals Income tax (Hyderabad)

(x) The accumulated losses of the company are not more than fifty percent of net worth. The company has not incurred any cash loss during the financial year under audit.

(xi) In our opinion and according to the information and explanations given to us, during the year the Company has not borrowed any loans from any financial institution, bank or debenture holders. Accordingly, the provisions of clause 4(xi) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.

(xii) In our opinion and according to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

(xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society.

Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.

(xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.

(xv) In our opinion and according to the information and explanations given to us, company has given corporate guarantees to IDBI for the term loan of Rs. 10 Crore taken by Virat Crane Bottling Limited and Virat Agritech for the term loan of Rs 13.24 Crores and the same is not prejudicial in the interest of the company

(xvi) In our opinion, the company has not raised any term loans during the year under audit.

(xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the company, we report that the funds raised on short-term basis not been used for long-term purpose.

(xviii) According to the information and explanations given to us, the Company has not made preferential allotment of shares to parties and Companies covered in the register maintained under section 301 of the Companies Act, 1956.

(xix) According to the information and explanations given to us, during the period covered by our audit report, the Company had not issued any debentures.

(xx) As per the information and explanation given to us the company have not raised any monies through public issue.

(xxi) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

For Jawahar & Associates

Chartered Accountants

Firm Regn. No: 0012815

V.UMAPATHI

Partner

M.No. 21887

Place: Guntur

Date: 30-8-2012

**VIRAT CRANE INDUSTRIES LIMITED**

25 - 2 - 1, G.T Road, Oppositte Mastan Darga, GUNTUR - 522004.

Balance Sheet as at :

Particulars	Refer Notes No.	March 31, 2012	March 31, 2011
1	2	3	4
I. EQUITY AND LIABILITIES			
1 Shareholders' Funds			
(a) Equity Share Capital	1	204,203,000	204,203,000
(b) Reserves and surplus	2	14,224,112	8,451,033
2 Non-Current Liabilities			
(a) Other Long Term Liabilities	3	13,907,071	13,907,071
(b) Long-Term Provisions	4	788,188	788,188
3 Current Liabilities			
(a) Short-Term Borrowings	5	2,006,307	15,155,148
(b) Trade Payables		26,248,634	19,829,136
(c) Other Current Liabilities	6	19,844,081	19,062,472
(d) Short-Term Provisions	7	19,269,038	5,300,000
TOTAL		300,490,432	286,696,048
II. ASSETS			
Non-Current Assets			
1 (a) Fixed Assets			
(i) Tangible Assets	14	14,616,529	14,210,839
(ii) Intangible Assets		95,858,203	95,858,202
(b) Non-Current Investments		41,242,800	41,242,800
(c) Deferred Tax Assets (net)		4,371,087	2,253,625
(d) Long-Term Loans and Advances		-	-
(e) Other Non-Current Assets	8	8,728,216	5,201,859
2 Current assets			
(a) Inventories	9	13,027,887	22,523,083
(b) Trade Receivables	10	6,652,413	7,130,682
(c) Cash and Cash Equivalents	11	15,145,565	7,166,538
(d) Short-Term Loans and Advances	12	57,905,300	4,906,000
(e) Other Current Assets	13	40,837,940	84,379,068
Miscellaneous Expenditure not Written off		2,104,492	1,272,175
Deferred Revenue Expenditure		-	551,177
TOTAL		300,490,432	286,696,048
Significant Accounting policies and Notes	22		

**VIRAT CRANE INDUSTRIES LIMITED**

25 - 2 - 1, G.T Road, Opposite Mastan Darga Guntur - 522004.

Profit and loss statement for the year ended 31.03.2012**(in Rupees)**

Particulars	Note No.	March 31, 2012	March 31, 2011
I Revenue from operations	15	357,151,020	312,153,773
II. Other income	16	711,300	2,158,993
III. Total Revenue (I + II)		357,862,320	314,312,766
IV. Expenses:			
Cost of materials consumed	17	300,697,764	242,087,494
Changes in inventories	18	11,355,317	6,393,711
Employee benefits expense	19	4,479,301	7,084,276
Finance costs	20	1,352,428	885,808
Depreciation	14	1,645,797	2,886,921
Other expenses	21	29,880,530	17,369,205
Deferred Revenue Expenditure Written Off		-	8,403,914
Miscellaneous Expenditure Written Off		619,697	6,623,055
Total expenses (IV)		350,030,834	291,734,384
V. Profit before exceptional and extraordinary items and tax (III-IV)		7,663,007	22,578,382
Less : Prior Period Taxes and Expenses		56,213	426,661
		7,606,794	22,151,721
VI. Exceptional items (Loss due to Fire Accident)		551,177	17,379,756
VII. Profit before TAX		7,055,617	4,771,965
VIII. Tax expense:			
(1) Current tax		3,400,000	5,300,000
(2) Deferred Tax-(Expense)/Income		2,117,462	17,938,374
IX. Profit (Loss) for the period (VII-VIII)		5,773,079	17,410,339
X. Earnings per equity share:			
Basic		0.28	0.85

As per our report of even date
for JAWAHAR AND ASSOCIATES
Chartered Accountants

for and on behalf of the Board
for VIRAT CRANE INDUSTRIES LIMITED

Sd/-
V.UMAPATHI
PARTNER
M.NO. 21887

Sd/-
P.BHASKARA RAO
DIRECTOR

Sd/-
G.V.SL.KANTHA RAO
MANAGING DIRECTOR

DATE : 30-08-2012 PLACE: GUNTUR

**Note: 2 - Reserves & Surplus**

Particulars	As at 31 March 2012	As at 31 March 2011
a. Surplus		
Opening balance	8,451,033	-8,806,626
(+) Net Profit/(Net Loss) For the current year	5,773,079	17,410,339
Closing Profit	-	152,680
Closing Balance & TOTAL	14,224,112	8,451,033

Note: 3 - Other Long Term Liabilities

Particulars	As at 31 March 2012	As at 31 March 2011
(a) Others - Deffered Sales Tax	13,907,071	13,907,071
Total	13,907,071	13,907,071

Note: 4 - Long Term Provisions

Particulars	As at 31 March 2012	As at 31 March 2011
(a) Provision for employee benefits		
(a) Gratuity (unfunded)	788,188	788,188
Total	788,188	788,188

Note: 5 - Short Term Borrowings

Particulars	As at 31 March 2012	As at 31 March 2011
<u>Secured</u>		
(a) Other loans and advances		
Car Loan	411,307	338,743
<u>Unsecured Loans</u>		
Chits Payable	1,595,000	-
<u>Unsecured loans from Related parties</u>		
Intercompany Deposits		9,634,706
Loan from Directors	-	2,410,664
Others	-	2,771,035
TOTAL	2,006,307	15,155,148

The Vehicle loans are from HDFC repayable before 31.3. 2013.

Note: 6 - Other Current Liabilities

Particulars	As at 31 March 2012	As at 31 March 2011
(a) Advance from Customers	1,728,128	1,007,319
(b) Other Advances	109,000	109,017
© Stamp Duty Expenses Payable	6,000,000	-
(d) Outstanding Expenses	558,034	6,414,978
(e) Others	3,060,809	1,023,278



Virat Crane Industries Ltd.

(f) Statutory Liabilities

(i) Taxes Payable	3,562	3,562
(ii) Tax Deducted at Source	72,017	109,457
(iii) Others	969,082	3,827,812
(g) APGST Penalty	2,384,040	2,384,040
(h) Bank OD	4,959,408	4,183,009
Total	19,844,081	19,062,472

Note: 7 - Short Term Provisions

Particulars	As at 31 March 2012	As at 31 March 2011
(a) Provision for employee benefits		
Contribution to PF	38,743	-
Bonus	49,963	-
Leave Encashment (unfunded)	154,881	-
(b) Others		
Provision for Income Taxation	19,025,451	5,300,000
Total	19,269,038	5,300,000

Note: 8 - Other Non Current Assets

Particulars	As at 31 March 2012	As at 31 March 2011
a. Others		
<u>Secured, considered good</u>		
Deposits	584,121	-
Recurring deposit	72,000	-
Security Deposits with government Authorities	203,646	202,146
Electricity	619,770	478,857
Telephones	185,229	185,229
<u>Unsecured, considered good</u>		
Rent	79,000	76,000
Others (CHIT)	6,984,450	4,259,627
Total	8,728,216	5,201,859

Note: 9 - Inventories

Particulars	As at 31 March 2012	As at 31 March 2011
a. Raw Materials and components (Valued at Cost)	4,546,541	1,717,770
b. Work-in-progress (Valued at Cost)	449,385	1,004,970
c. Finished goods (Valued at Cost)	2,800,282	12,193,544
d. Packing Material	5,231,679	6,401,453
f. Other Materials		1,205,346
Grand Total	13,027,887	22,523,083

**Note: 10 - Trade Receivables**

Particulars	As at 31 March 2012	As at 31 March 2011
Trade receivables outstanding for a period less than six months from the date they are due for payment		
Unsecured, considered good	4,706,243	3,674,051
Trade receivables outstanding for a period more than six months from the date they are due for payment		
Unsecured, considered good	1,946,170	3,456,631
Total	6,652,413	7,130,682

Note: 11 - Cash & Cash Equivalents

Particulars	As at 31 March 2012	As at 31 March 2011
Balances with banks	701,964	329,548
Cash on hand	14,443,601	6,836,990
Total	15,145,565	7,166,538

Note: 12 - Short Term Loans & Advances

Particulars	As at 31 March 2012	As at 31 March 2011
Secured, considered good	-	-
a. Loans and advances to related parties		
Intercompany Deposit	50,496,852	4,906,000
b. Others	7,408,448	-
Total	57,905,300	4,906,000

Note: 13 - Other Current Assets

Other Current Assets	As at 31 March 2012	As at 31 March 2011
a. Advance to Suppliers	14,211,472	13,116,586
b. Advance for Expenses	2,719,494	-
c. Advances to Staff	1,206,363	173
d. Taxes paid under protest	2,106,408	-
e. Other Advances Recoverable	10,465,090	-
f. Debtors for land	546,283	-
g. Residual Value of Scrap	2,222,670	-
h. VAT Receivable	1,849,913	-
j. Others	4,477,897	67,700,655
k. Recoverable from Tax Authorities	822,250	2,934,654
l. Share Application Money - Pending Allotment	210,100	627,000
Total	40,837,940	84,379,068

Note : 14 FIXED ASSETS

Fixed Assets	Gross Block			Accumulated Depreciation			Net Block	
	As at 31 March 2011	Additions/ (Disposals)	As at 31 March 2012	Depreciation as on 31/3/2011	Depreciation for Year	Depreciation as on 31/3/2012	As at 31 March 2012	As at 31 March 2011
A INTANGIBLE ASSETS								
Goodwill (Note: 1)	95,858,203.00	-	95,858,203.00	-	-	-	95,858,203.00	95,858,203.00
B TANGIBLE ASSETS								
Land	2,303,410.00	-	2,303,410.00	-	-	-	2,303,410.00	2,303,410.00
Buildings	1,063,392.00	-	1,063,392.00	377,656.00	17,333.29	394,989.29	668,402.71	685,736.00
Plant and Equipment	20,673,948.00	2,062,403.00	22,736,351.00	12,640,434.00	1,014,097.36	13,654,531.36	9,081,819.65	7,545,692.00
Furniture and Fixtures	1,239,365.00	-	1,239,365.00	990,986.00	78,451.80	1,069,437.80	169,927.20	248,379.00
Electrical Installation	675,470.00	-	675,470.00	487,822.00	32,084.83	519,906.83	155,563.18	675,470.00
Vehicles	3,577,830.00	-	3,577,830.00	1,642,315.00	309,759.85	1,952,074.85	1,625,755.15	1,935,515.00
Office equipment	2,590,083.00	14,083.00	2,604,166.00	1,817,121.00	175,393.86	1,992,514.86	611,651.14	635,886.00
Others	180,752.00	(25,000.00)	155,752.00	137,076.00	18,676.00	155,752.00	-	180,752.00
TOTAL	32,304,250.00	2,051,486.00	34,355,736.00	18,093,410.00	1,645,796.98	19,739,206.98	14,616,529.02	14,210,840.00

Note: 1: Goodwill: The Goodwill is created due to merger and demerger of Ghee Division and Infra division respectively

Note:2: Pending Completion of registration formalities, the assets under scheme of amalgamation have been transferred and brought in to the books of Accounts.



**Note: 15 - Revenue From Operations**

Particulars	As at 31 March 2012	As at 31 March 2011
Sale of products	357,151,020	312,153,773
Total	357,151,020	312,153,773

Note: 16 - Other Income

Particulars	As at 31 March 2012	As at 31 March 2011
Discounts	6,600	625
Dividend	571,200	959,250
Rental Income	112,000	108,000
Miscellaneous	21,500	1,091,118
Total	711,300	2,158,993

Note: 17 - Material Consumption

Particulars	As at 31 March 2012	As at 31 March 2011
Opening Stock of Raw Materials	1,729,288	14,276,182
Add: Purchases & Carriage Inwards	303,515,017	229,279,933
	305,244,305	243,556,115
Less: Closing Stock	4,546,541	1,729,288
Raw Materials Consumed	300,697,764	241,826,827

Note: 18 - Changes in Inventories

Particulars	As at 31 March 2012	As at 31 March 2011
1 OPENING BALANCE		
Work in Progress	1,004,970	2,963,007
Finished Goods	12,392,172	18,785,883
Packing material	6,401,451	4,443,414
Sub Total	19,798,593	26,192,304
2 CLOSING BALANCE		
Work in Progress	449,385	1,004,970
Finished Goods	2,762,212	12,392,172
Packing material	5,231,679	6,401,451
Sub Total	8,443,276	19,798,593
3 INCREASE/(DECREASE) IN STOCK	11,355,317	(6,393,711)

Note: 19 - Employee Benefit Expenses

Particulars	As at 31 March 2012	As at 31 March 2011
(a) Salaries and incentives	4,170,401	6,753,025
(b) Contributions to Provident Fund	250,987	307,844
(c) ESIC	6,348	19,294
(d) Staff welfare expenses	51,565	4,113
Total	4,479,301	7,084,276



Virat Crane Industries Ltd.

Note: 20 - Finance Cost

Particulars	As at 31 March 2012	As at 31 March 2011
Bank Charges	22,024	33,793
ESIC & PF Interest	16,851	-
Interest expense - Working Capital	103,856	212,015
Loss on Chits	1,202,370	640,000
TDS Interest	7,327	-
Total	1,352,428	885,808

Note: 21 - Other Expenses

Particulars	As at 31 March 2012	As at 31 March 2011
1 Processing Charges	1,035,871	647,135
2 Power & Fuel	1,157,711	1,028,238
3 Factory Expenses	1,959,859	291,059
4 Rates & taxes	3,026,401	161,214
5 Legal & Professional Fees	396,495	-
6 Office Maintenance	21,002	-
7 Telephone & Internet Charges	106,753	103,034
8 Travelling Expense	1,388,775	179,632
9 Business Promotion	1,078,559	-
10 Rent	282,462	281,700
11 Repairs and Maintenance	6,420,794	331,449
12 Security Charges	223,868	-
13 Donations and Subscriptions	40,532	40,811
14 Postage	9,553	14,535
15 Printing and Stationery	34,344	56,985
16 Advertisement	658,079	-
17 Licenses and Fees	228,813	1,600,190
18 General Expenses	298,600	341,374
19 Selling & Dist. Expenses	8,298,406	11,694,106
20 AGM Expenses	72,000	-
21 Loss on sale of Investments	2,028,542	-
22 Loss on sale Machinery Spares	944,631	-
23 Establishment Expenses	-	248,375
24 Computer Maintenance	-	13,700
25 Professional Charges	-	170,218
26 Audit Fees	168,480	165,450
Total	29,880,530	17,369,205

As per our report of even date
for JAWAHAR AND ASSOCIATES
Chartered Accountants
Reg. No. 0012815

for and on behalf of the Board
for VIRAT CRANE INDUSTRIES LIMITED

Sd/-
V.UMAPATHI
PARTNER
M.NO. 21887

Sd/-
P.BHASKARA RAO
DIRECTOR

Sd/-
G.V.SL.KANTHA RAO
MANAGING DIRECTOR

DATE: 30-08-2012 PLACE: GUNTUR



A) ACCOUNTING POLICIES.

1) ACCOUNTING CONVENTION:

Financial Statements are prepared under historical cost convention modified by revaluation of certain fixed assets in accordance with the Accounting Standards issued by The Institute of Chartered Accountants of India and referred to in section 211 (3C) of the Companies Act, 1956. The significant accounting policies are as follows.

2) REVENUE RECOGNITION:

- a. Income and expenditure is accounted on accrual basis on receipt of invoices.
- b. Sales comprises of sale of goods net of returns, trade discount and taxes.

3) DEPRECIATION:

- a. Depreciation is provided on Straight line method applying the rates as per schedule IV of the Companies Act 1956.
- b. The additional depreciation provided on the revalued amounts of the assets is written off against the revaluation reserve.

4) INVESTMENTS:

Investments are valued at cost or market price whichever is lower and in the absence of market quotation cost price is adopted for current investments and long term investments are valued at cost.

5) INVENTORY:

All inventories except work-in-progress are valued at lower of cost or net realisable value whichever is lower.

- a. First in First out method has been followed for issues for determining the inventory value.
- b. Work-in-progress is valued on the basis of technical evaluation adopted by

6) DEFERRED TAX:

Deferred tax is recognized, subject to consideration of prudence, on timing differences being the differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods

7) CONTINGENT LIABILITIES:

Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

8) IMPAIRMENT OF ASSETS:

At each balance sheet date, the company assesses whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount if the carrying amount of the asset exceeds its recoverable amount an impairment loss is recognized in profit and loss account to the extent the carrying amount exceeds recoverable amounts.

9) ESTIMATES:

Estimates are used for provision for doubtful debts, useful life of fixed assets and obligations under employee retirement plan.

10) DEFERRED REVENUE EXPENDITURE:

Deferred revenue expenditure is written off over a period of five years against profits.

12) INTEREST TO SUPPLIERS:

Interest claimed by suppliers if any on delayed payments is accounted on settlement basis.

**B.NOTES ON ACCOUNTS:****1). CLAIMS AGAINST THE COMPANY:**

- (a) Claims against the company not acknowledged as debts Nil.

2). CONTINGENT LIABILITIES:

The following claims made by tax authorities contested by the Ghee Division and the management confident of favorable decision and hence no provision considered necessary.

a)

Nature of the Stature	Nature of the Dues	Amount (Rs)	Period to which the amount relates	Forum where dispute is pending
1.Agricultural market committee Cess	Cess	10,55,689	1994-95 to 2000	Supreme Court of India
2.Income Tax Act,1961	Income tax	7,30,591	2002-03	Commissioner of Appeals Income tax (Hyderabad)

- b) The demand made by Sales Tax Authority towards APGST for the year 1999-2000 is Rs. 1.95 lakhs against which appeal is preferred with Tribunal. The demand against luxury tax made by commercial tax officer for Rs.3,47,484/- for the year 2005-06 in April 2008 is contested by appeal before Hon'ble High Court of Andhra Pradesh by remitting Rs.1,73,742/- which is 50% of demand.

c) Corporate Guaranties given to Group Companies:

- i) Virat Crane Bottling Ltd Rs 10 Crores.
ii) Virat Crane Agri Tech Ltd. Rs 13.24 Crores

- d) The company is contingently liable for equivalent amount of guarantees given to Group Companies.

3) RELATED PARTY TRANSCATIONS:

Nature of Transaction	Party & Relation	Max. Amount involved Rs. In Lakhs	Closing Balance as on 31.03.2012 Rs. In Lakhs
Advance	Virat Carne Agri Tech Ltd.	5.04 Crores	5.04 Crores
	(The above cpmpany is related by virtue of common director Mr. G V S L Kantha Rao)		

4) Deferred Tax Asset: The Company has identified the net Deffered Tax Asset of Rs 43.71 Lacs (Previous year 22.53 Lacs).

5) There are no SSI units to whom the company owes Rs. 100000/- or more.



6)The Revised Schedule VI has become effective from 1st April 2011 for the preparation of financial statements. This has significantly impacted the disclosure and presentation made in the financial statements. Previous years figures have been regrouped/reclassified wherever necessary to correspond with the current years classification and disclosure

As per our report of even date
For JAWAHAR AND ASSOCIATES
CHARTERED ACCOUNTANTS
Reg.No. 001281S

For and on behalf of Board
For VIRAT CRANE INDUSTRIES LTD.,

V.UMAPATHI
PARTNER
M.NO.21887

P.BHASKARAO
DIRECTOR

G.V.S.L.KANTHA RAO
MANAGING DIRECTOR

Date: 30-08-2012
Place: Guntur



VIRAT CRANE INDUSTRIES LIMITED

25 - 2 - 1, G.T Road, Opposite Mastan Darga Guntur - 522004.

Cash Flow Statement for the Year Ended 31.3-2012

	Amount	Amount
Net Cash flows from Operating Activities		
Operating Profit		5,773,079.17
Add: Income Tax	3,400,000.00	
Depreciation	1,645,796.05	
Misc Expenses Written off	619,697.00	
		5,665,493.05
Less:		
Dividend Received	571,200.00	
Rental Income	112,000.00	
		683,200.00
Operating Profit Before Tax and Working Capital Changes.		10,755,372.23
Less: Taxes Paid	-	
Operating Profit Before Working Capital Changes.		10,755,372.23
Working Capital Changes		
Increase in Sundry Creditors	4,305,491.41	
Increase in Outstanding Expenses	1,249,296.38	
Decrease in Inventory	9,495,196.00	
Decrease in Trade Debtors	478,269.08	
Increase In Other Current Assets	-10,383,593.91	
Cash Flows From Operating Activities		15,900,031.19
Cash Flows from Financing Activities		
Loans Borrowed	2,952,752.56	
Loans Repaid	-8,205,470.31	
		-5,252,717.75
Cash Flows From Investing Activities		
Loans Given	-1,300,000.00	
Dividend Received	571,200.00	
Rental Income	112,000.00	
Purchase of Fixed Assets	-2,051,486.00	
		-2,668,286.00
Total Cash Flows during the year		7,979,027.44
Add: Opening Cash Equivalents		7,166,538.00
Less: Closing Cash Equivalents		-15,145,565.44



AUDITOR'S CERTIFICATE ON CASH FLOW STATEMENT

To
The Board Of Directors,
Virat Crane Industries Limited,
25-2-1; Gt. Road,
Guntur – 522 004.

We have examined the attached Cash Flow Statement of the Virat Crane Industries Ltd., for the period ended 31.03.2012. The statement has been prepared by the Company in accordance with the requirements of Clause of 32 of listing agreements with the Stock Exchanges and is based on and in agreement with the corresponding Profit & Loss Account and Balance Sheet of the Company covered by our report of 30th August, 2012 to the members of the Company.

Sd/-
V. Umapathi
Partner
Guntur 30-08-2012

For Jawahar & Associates

**VIRAT CRANE INDUSTRIES LIMITED**

Regd. Office D.No. 25-2-1, G.T. Road,
Opp. Mastan Dargah, Guntur,
Andhra Pradesh

PROXY FORM

Regd. Folio No.

No. of Shares held

I/We of
in the district of being a member /members of the above named company hereby
appoint of in the district of
as my/our proxy to vote
for me/us on my/our behalf at the 19th Annual General Meeting of the Company to be held on 29th
September, 2012. at 10 A.M. and at any adjournment thereof.

Signed this day of 2012

Affix
Revenue
Stamp

Note :

1. The Proxy form duly completed should be signed across the Stamp, as per specimen signature registered with the Company and deposited at Regd. of the Company not less than 48 hours before the fixed for holding the meeting
2. A Proxy need not be a member
(Person attending the meeting should bring this Entrance pass duly filled)

VIRAT CRANE INDUSTRIES LIMITED

Regd. Office D.No. 25-2-1, G.T. Road,
Opp. Mastan Dargah, Guntur,
Andhra Pradesh

PROXY FORM**20th ANNUAL GENERAL MEETING ON 29th September, 2012**

Time	Place	Folio No.
Full name of the First Share Holder		
Full name of the Person attending the meeting as a Proxy/ Shareholder		
Date	Signature	

If Undelivered Please return to
VIRAT CRANE INDUSTRIES LIMITED

D. No. 25-2-1, Opp. Mastan Dargah

G.T. Road, Guntur - 522 004. (A.P.)

India