



36th ANNUAL REPORT

2010 - 2011



BOARD OF DIRECTORS

CHAIRMAN & Mg. DIRECTOR	-	Shri S.C.Agrawal
WHOLE TIME : Executive Director	-	Shri Piyush Agrawal
INDEPENDENT DIRECTORS	-	Shri Anil Kumar Jain
	-	Shri Ashwani Kumar Jindal
	-	Shri M.C.Jain
STATUTORY AUDITORS	-	P.D.Mittal & Co. Chartered Accountants 70, Daryaganj New Delhi: 110 002
REGISTERED OFFICE	-	9, DDA Market Katwaria Sarai New Delhi - 110 016
PLANT & ADMINISTRATIVE OFFICE:	-	57/1, Industrial Area Site IV Sahibabad: 201 010
BANKERS	-	Syndicate Bank Sahibabad - 201 010

NOTICE

Notice is hereby given that the 36th Annual General Meeting of CRANEX Ltd. will be held on Friday the 30th September 2010, at 3 PM at DDA Community Hall Recreation Centre, B-XI, Vasant Kunj, New Delhi 110 070, to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Directors' Report, the Audited Financial Statements including Profit & Loss Account for the year ended 31st March 2011 and the Balance Sheet as at that date and the Auditors Report thereon.
2. To elect a Director in place of Mr. Ashwini Kumar Jindal who retires by rotation, and being eligible, offers himself for reappointment.
3. To reappoint Statutory Auditors, P.D. Mittal & Co, who being eligible offer themselves for reappointment, to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS:

4. **Appointment of Managing Director:**

To consider and, if thought fit, to pass the following Resolutions, with or without modifications, as

ORDINARY RESOLUTION:

RESOLVED THAT pursuant to the provisions of Section 198, 269, 310, 311 and Schedule XIII and other applicable provisions of the Companies Act, 1956, consent be and is hereby granted to the appointment of **Shri Piyush Agrawal** as the Managing Director and CEO of the Company for a period of 5 years with effect from 1st October 2011 on the terms and conditions as to remuneration as set out in the appointment letter dated 20 May 2011 issued to Shri Piyush Agrawal subject to the approval of the Members, and placed before this meeting, with the liberty and powers to the Board of Directors to increase, alter and vary the salary, commission and perquisites and other terms in such manner as the Board in its absolute discretion deems fit and acceptable to Shri Piyush Agrawal within the limits specified in Schedule XIII of the Companies Act, 1956 or any amendments, modifications, re-enactments, made thereof from time to time in this behalf.

5. **Appointment of Whole Time Executive Director:**

RESOLVED THAT pursuant to provisions of Sections 198, 269, 310, 311 and Schedule XIII and other applicable provisions of the Companies Act, 1956, consent be and is hereby accorded to the appointment of **Shri Chaitanya Agrawal** as a Whole Time Executive Director whose period of office is liable to determination by retirement of directors by rotation with effect from 1st October, 2011 on the terms and conditions as to remuneration as set out in the appointment letter dated 20 May 2011 issued to Shri Chaitanya Agrawal, subject to the approval of the Members, and placed before this meeting, with the liberty and powers to the Board of Directors to increase, alter and vary the salary, commission and perquisites and other terms in such manner as the Board in its absolute discretion deems fit and acceptable to Shri Chaitanya Agrawal within the limits specified in Schedule XIII of the Companies Act, 1956 or amendments, modifications, re-enactments, made thereof from time to time in this behalf.

By order of the Board
For **Cranex Limited**,
Director

NOTES:

1. A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and on a poll, to vote instead of himself/herself and a proxy need not be a Member of the Company. The instrument appointing the Proxy to be valid, shall be deposited at the Registered Office of the Company not later than 48 hours before the time fixed for holding the Meeting.
2. Explanatory Statement of material facts pursuant to Section 173 of the Companies Act, 1956, for item no. 5 of the Notice is annexed hereto and forms part of the Notice.
3. Members/Proxies are requested to bring the attendance slip sent with the Annual Report duly filled-in for attending the Meeting. Members who hold shares in the dematerialised form are requested to indicate their DP ID & Client ID Numbers in the Attendance slip.
4. The register of Director's Shareholding maintained u/s 307 of the Companies Act, 1956, would be available for inspection by the members at the AGM.
5. The Register of Members and the Share Transfer Books of the Company will remain closed from 28th September 2010 to 30th September 2010 (both days inclusive)
6. For shares held in physical form, any change in address may be intimated immediately to the Company's share transfer division by quoting the Folio number(s).
However, for shares held in demat form, change in address, nomination, power of attorney etc. may be intimated directly to the member's DP.
7. Members seeking any information with regard to accounts are requested to write to the Company at an early date so as to enable the Management to keep the information ready.
8. Shri Ashwini Kumar Jindal, Director, retires by rotation and being eligible offers himself for re-appointment.
9. The Information pursuant to Corporate Governance clause 49 of the Listing Agreement(s) is furnished in the statement of Corporate Governance and is a part of this Annual Report.
10. The statutory auditors of the company M/s P.D.Mittal & Co. have expressed their willingness for re-appointment as the company's statutory auditors and are eligible for the same.
11. Members are requested to consolidate multiple share certificate/multiple folios into one share certificate/one folio to save on the cost of dematerialising their share holdings.
12. Members are hereby informed that the copies of the Annual Report will NOT be distributed at the venue of the AGM and hence they are advised to bring their copies of the Annual Report, which are mailed by the Company to them at their registered address.

Annexure to Notice**EXPLANATORY STATEMENT AS REQUIRED BY Section 173(2) OF THE COMPANIES ACT, 1956,**

In Respect of Item No. 4

Information about appointees, Piyush Agrawal:

1. Background details:

Shri Piyush Agrawal, 58 years of age, graduated from Delhi University with Electrical Engineering as his main subject, has more than 30 years of extensive experience in India and abroad of crane design, manufacture and marketing.

2. Past Remuneration:

Ever since Reference was made to BIFR in the year 2000-01, Shri Piyush Agrawal has been devoting his full time to the management of the affairs of the Company but has not drawn a salary except a token pocket allowance of 10,000 per month till 2008 and Rs.15,000 per month there after, in view if the financial constraints of the Company.

Now that he has succeeded in turning around the Company's fortune by making the net worth of the Company positive, Board considers it only reasonable that he be paid his rightful salary.

3. Job Profile and suitability:

Looking at the overall past 10 years performance, and exposure and experience of Shri Piyush Agrawal in diverse areas and responsibility to be shouldered by him, he is suitable for the position.

4. Remuneration proposed: Rs. 1,25,000/- per month

5. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates, the relevant details would be w.r.t. the country of his origin).

Considering the size of the Company, the industry benchmark, experience of the appointee and the responsibilities to be shouldered by him, the proposed remuneration is commensurate with the remuneration paid to similar appointees in other companies.

6. Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any:

Besides his proposed remuneration, Shri Piyush Agrawal does not have any pecuniary relationship with the Company. He is, however, son of Mr. S.C.Agrawal, Chairman of the Company.

In Respect of Item No. 5

Information about appointees, Chaitanya Agrawal:

1. Background details:

Shri Chaitanya Agrawal, 28 years of age, Commerce graduate, with MBA degree and 3 years experience in financial management, has been holding positions with Financial companies.

2. Job Profile and suitability:

The Company urgently needs a senior level Financial Controller to plan and manage growing needs of the Company. Shri Chaitanya Agrawal, with his exposure and experience is ideally suited to take up the responsibility.

3. Remuneration proposed: Rs. 50,000/- Per month

4. **Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person** (in case of expatriates, the relevant details would be w.r.t. the country of his origin).

Considering the size of the Company, the industry benchmark, experience of the appointee and the responsibilities to be shouldered by him, the proposed remuneration is commensurate with the remuneration paid to similar appointees in other companies.

6. **Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any:**

Besides his proposed remuneration, Shri Chaitanya Agrawal Agrawal does not have any pecuniary relationship with the Company. He is, however, son of Mr. Piyush Agrawal, Director of the Company.

By order of the Board
For **Cranex Limited**
Director

Place : New Delhi

Dated: 05-09-2011

DIRECTORS REPORT

TO THE MEMBERS OF CRANEX LIMITED

Your Directors are happy to present the 36th Annual Report of the Company together with the Audited Accounts for the year ended March 31st 2011.

FINANCIAL RESULTS:

	Current year ended (12 months) 31-03-2011	(Rs in Lakhs) Prev. year ended (12 months) 31-03-2010
1. Gross Revenue	1910.13	1861.32
2. Profit before interest & depreciation	138.48	(9.97)
3. Interest (working capital)	16.13	2.20
4. Profit after Interest but before depreciation	122.35	(12.17)
5. Depreciation	17.28	16.47
6. Profit/loss after depreciation	105.07	(28.64)
7. Provision for tax	44.33	0
8. Profit/loss after tax	60.74	(28.64)

DIVIDEND:

Keeping in view the present financial position of the company, your Directors do not recommend any dividend for the year ended 31st March 2011.

PERFORMANCE:

Your Company has been able to achieve a higher Income of about 3% compared to previous year, and has been able to report operating profit due to better material cost management and more efficient utilization of resources.

BIFR :

In view of the profit generated during the year, net worth of the Company has become positive and suitable application is being made to BIFR for discharging the Company from the purview of BIFR.

SECRETARIAL AUDITOR:

You are requested to approve appointment of M/s Brajesh Kumar & Associates, practicing Company secretary, to act as company's Secretarial Auditors so that their Secretarial Audit Report could form a part of the company's Annual Report of next AGM.

MANAGEMENT DISCUSSIONS AND ANALYSIS:**OUTLOOK:**

Infrastructural and industrial growth in the country will need large number of EOT cranes, which is the core competence of the Company. Your Company is an old established manufacturer of such equipment and is a well recognized name in the Industry. Hence, the outlook looks very promising.

SUBSIDIARY:

The Company's wholly owned Subsidiary Company "Cranex International Inc.", in USA has reported a drop in profits due to the severe economic recession in USA and consequent reduction of revenue. The results of the Company for the year ended 31st December 2010 are annexed with this Annual Report.

DEMATERIALIZATION OF SHARES:

As the Members are aware, the Company's shares are in the compulsory demat mode facilitated through NSDL and CDSL. Your Directors earnestly appeal to all of you to Demat your shares of the company and derive the benefits of holding the shares in electronic form.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Sec. 217 (2AA) of the Company's Act, 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed:

1. That in the preparation of the annual accounts for the year ended 31st March 2011, the applicable Accounting Standards had been followed along with proper explanation relating to material departures.
2. That the Directors had selected such accounting policies and applied them consistently and made judgement and estimates that were 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 or loss of your Company for the year under review.
3. That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities if, as and when they arise.

4. That the Directors had prepared the accounts for the year ended March 31st 2011 on a "Going Concern" basis.

CORPORATE GOVERNANCE:

Your Company is committed to the standards of Corporate Governance and in this direction has laid down well documented internal policies, procedures including Board and Committee procedures and practices in particular relation with Shareholders, Customers, Suppliers and Employees in order to enhance the long-term Shareholder value and maximize interest of all stakeholders.

Your Company has complied with the provisions of Clause 49 of the Listing Agreement relating to Corporate Governance.

A detailed Report on Corporate Governance and a Certificate from the Auditors of your Company regarding the compliance of conditions of Corporate Governance and a Management Discussion and Analysis report have been attached to form part of the Annual Report.

DIRECTORS:

In accordance with the requirements of the Companies Act, 1956 and the Company's Articles of Association, Mr. Ashwani Kumar Jindal, Director of the Company, retires by rotation and being eligible offers himself for reappointment. Your directors solicit your approval for his reappointment as a director of the company.

PARTICULARS OF EMPLOYEES:

During the period under review, the company had no employee who are covered under section 217(2 A) Companies Act 1956.

FIXED DEPOSIT

During the year under review your company has not invited any deposits from the Public U/s 58 A Act of the Companies Act, 1956.

LISTING

At present the securities of the Company are listed at Bombay Stock Exchange. The company has paid the listing fees to Bombay Stock Exchange for the current year.

AUDIT COMMITTEE

Pursuant to the provisions of clause 49 of the listing agreement, the Company had constituted an Audit Committee of the Board of Directors consisting of three independent Non Executive Directors. Shri Anil K. Jain holds the office as Chairman of the Committee. During the year under review Shri Ashwani K. Jindal and Shri M.C. Jain were also the members of the Audit Committee.

The terms of reference stipulated by the Board to the Audit Committee are, as contained under Clause 49 of the Listing Agreement, i.e

- a. Oversight of the Company's financial reporting process and the disclosure of its financial information.
- b. Recommending the appointment and removal of external auditors, 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, focussing primarily on (i) any changes in accounting policies and practices, (ii) major accounting entries based on exercise of judgement by management, (iii) qualifications in draft audit report, (iv) significant adjustments arising out of audit, (v) the going concern assumption, (vi) compliance with accounting standards, (vii) compliance with Stock Exchange and legal requirements concerning financial

statements and (viii) 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 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 functions.
- f. Discussion with internal auditors 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 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.

AUDITORS:

M/s P. D. Mittal & Co. Chartered Accountants the company's Auditors retire at the conclusion of this Annual General Meeting and being eligible offer themselves for reappointment which, if made, will be in confirmation with the provisions of Section 224 (1B) of Companies Act, 1956.

SECRETARIAL AUDITOR:

You are requested to approve appointment of M/s Brajesh Kumar & Associates, practising Company secretary, to act as company's Secretarial Auditors so that their Secretarial audit Report could form a part of the company's Annual Report of next AGM.

ACKNOWLEDGEMENT:

Your Directors commend the continuing commitment and dedication of employees at all levels. The Directors would also like to thank all other stakeholder, including bankers and other business associates, who have provided sustained support and encouragement. This has understandably, been critical for all the Company's success The Directors look forward to their continued support in the years to come,

On behalf of the Board of Directors
S.C.Agrawal
Chairman.

New Delhi
05-09-2011

ANNEXURE TO THE DIRECTORS' REPORT

INFORMATION PURSUANT TO COMPANIES (Disclosures of Particulars in Report of Board of Directors) Rules, 1988 forming part of the Report of the Directors:

A. Conservation of Energy:

1. The Company's requirement of electricity is not very large.
2. The Company does not utilize power supply from State Electricity Board.
3. To ensure continuous and need based requirements, your Company has, its own, in-house diesel generating sets.
4. To conserve electricity and save cost, different capacity D.G .sets are utilised as per actual load requirements
5. Your company is examining cost and utility of installing solar power units for use during no load requirements.
6. The total cost of power generation during the year has been Rs. 16,53,412 (previous year: Rs.12,91, 238)

B. Technology Absorption:

The particulars regarding Technology Absorption are not applicable to Your Company However, 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:

1. The Company's Foreign Exchange earning during the year under review has been Rs. 6,16,922 (previous year Rs. 25,91,624).
2. The Company's foreign exchange outgo during the year has been NIL (previous year Rs. 12,600).

On behalf of the Board of Directors

S.C. Agrawal

Chairman

New Delhi

MANAGEMENT DISCUSSIONS & ANALYSIS:

OUTLOOK

Infrastructural and industrial growth in the country will need large number of EOT cranes, which is the core competence of the Company. Your Company is an old established manufacturer of such equipment and is a well recognized name in the Industry. Hence, the outlook looks very promising.

CAUTIONARY STATEMENT

The statement forming part of the Directors' Report and "Management Discussion and Analysis" describing the Company's objectives, estimates, expectations, or projections may be "Forward Looking" within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations, include Government regulations, patent laws, tax regime, economic developments within India and countries in which the Company conducts business, litigation and other allied factors.

For and on behalf of the Board of Directors

S.C.Agrawal

Chairman

New Delhi

05-09-2011

COMPLIANCE REPORT ON CORPORATE GOVERNANCE

1. CORPORATE GOVERNANCE REPORT :

Good Corporate Governance refers to a system that entails transparency, fairness, accountability and integrity. The Company is committed to transparency in all its dealings and places uncompromising emphasis on integrity and regulatory compliance.

The Company's philosophy on Corporate Governance is proactively meeting its obligations to its Shareholders and creating goodwill with all its stakeholders.

I. Board of Directors

The Board of Directors comprises of two whole time Directors, one being the Managing Director and the other a whole time Executive Director while the other three are Independent Professional Directors.

The matters are placed before the Board for their consideration and approval as specified under Annexure 1 of the Listing Agreement.

The composition of the Board of Directors as at 31.03.2011 is as under:

Name	Category
1. Mr. S.C. Agrawal	Chairman & Managing Director
2. Mr. Piyush Agrawal	Whole Time Executive Director & Chief Executive Officer
3. Mr. Anil K. Jain	Non-Executive, Professional Independent Director
4. Mr. Ashwini K. Jindal	Non-Executive, Professional Independent Director
5. Mr. M.C. Jain	Non-Executive, Professional Independent Director

Notes :

- a) None of the Directors of your Company is a Member or Chairman of outside Committees of Companies in which they are Directors.
- b) No director is related to any other Director on the Board except Mr. S.C. Agrawal and Mr. Piyush Agrawal who are related to each other.

BOARD MEETINGS

The Board of Directors met seven times during the year under review as against the minimum requirement of 4 times. The dates, place and the number of directors present at the meetings therein are mentioned below:

S. No.	Date of the Board Meetings	Place of Meeting	No. of Directors	Attendance
1.	14-05-2010	57/1, Site-IV, Industrial Area, Sahibabad	5	5
2.	30-07-2010	-DO-	5	5
3.	29-10-2010	-DO-	5	5
4.	30-10-2010	-DO-	5	5
5.	25-11-2010	-DO-	5	5
6.	10-01-2011	-DO-	5	5
7.	31-01-2011	-DO-	5	5

The Attendance record of the Directors at the Board Meetings held during the year under review and the last Annual General Meeting is as under: Further the Non Executive Directors are paid sitting fees as Rs 5000/- annually instead of each meeting of the Board of Directors. Managing Director and Whole time Directors are not entitled for any sitting fees.

Name Of the Directors	Number of Board Meetings held while holding the Office	Number of Board Meetings attended while holding the office	Attendance at the Last AGM	Sitting fees paid (Rs)
1. Mr. S.C. Agrawal	7	7	Yes	None
2. Mr. Piyush Agrawal	7	7	Yes	None
3. Mr. Anil K. Jain	7	7	Yes	Yes
4. Mr. Ashwani K. Jindal	7	7	Yes	Yes
5. Mr. M.C. Jain	7	7	Yes	Yes

Apart from sitting fees for attending Board meetings, no other fees/compensation is paid to the Non Executive Directors.

Code of Conduct

The Board of Directors of your company have laid down a Code Of Conduct (the code) applicable to all Board and Senior Management personnel of your company. A declaration from the CEO of your company to the effect that all Board Members and Senior Management personnel of your company have affirmed compliance with the code, forms a part of this report.

DECLARATION

As provided under Clause 49 of the listing Agreement with Bombay Stock Exchange, the Board Members and the Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended March 2011.

By order of the Board
For **Cranex Limited**
Director

Place : New Delhi

Dated: 05-09-2011

II. AUDIT COMMITTEE

The Audit Committee comprises of three Independent Non-Executive Directors. During the year Shri Anil Kumar Jain with extensive financial and accounting knowledge, was Chairman of the Audit Committee. The Audit Committee covers all the functions envisaged under section 292A of the Companies Act as well as clause 49 of the Listing Agreement. The meeting of Audit committee were held on 30 October 2010, 25 November 2010, 10 January 2011 and 31 January 2011. Company is not paying any sitting fees for attending the meeting of Audit Committee. The terms of reference stipulated by the Board to the Audit Committee are as contained under Clause 49 of the Listing Agreement are given as apart of Directors report .

The Constitution of the Committee and the attendance of each member of the Committee is given below:

Name of the Member	No. of Meetings	
	Held	Attended
Shri Anil K. Jain (Chairman)	4	4
Shri Ashwani K. Jindal	4	4
Shri M.C. Jain	4	4

III. SUBSIDIARY COMPANIES

Your company has a Wholly Owned Subsidiary Company incorporated in the State of Virginia (USA) as “Cranex International Inc.”.

However your company does not have any Subsidiary Company in India.

IV. DISCLOSURES

(A) Basis of related party transaction

Company had not entered into any transactions with related parties as defined under Accounting Standard AS -18.

(B) Disclosure of Accounting treatment

Your company has followed relevant Accounting Standards while preparing the financial statements.

(C) Risk Management

Your Company is aware of the risks associated with the business. It analyses the various risks and is taking corrective action for mitigating/ managing the same. The company has also laid down procedures to inform Board members about the risk assessment and minimization procedures.

(D) Proceeds from public issues, right issues, preferential issues etc.

During the year under review, your company did not raise any funds by way of public, rights, preferential issue.

(E) Remuneration and pecuniary relationship/ transactions of Non -Executive Directors with the company.

Apart from sitting fees that are paid to Non Executive Directors for attending Board meeting, no significant material transactions have been made with the non-executive Directors vis-à-vis the company.

(F) Details of Directors shareholding in the Company as on 31.3.2011

Name of the Director	No of shares
1. Mr. S.C.Agrawal	475100
2. Mr Piyush Agrawal	740015
3. Mr. Anil K. Jain	102200
4. Mr. Ashwini K. Jindal	Nil
5. Mr. M.C.Jain	Nil

(g) Management

The Management Discussion and Analysis Report forms part of the Annual Report and is in accordance with the requirements laid out in Clause 49 of the Listing Agreement.

No material transactions has been entered into by the company with the Promoters, Directors or the Management etc that may have a potential conflict with interest of your company.

Senior Management and the Non-executive Directors had made disclosures to the Board of Director of the company that during the year under review, they had no material financial transactions with the company where there personal interest may conflict with the interest of the company.

(h) Shareholders

In case of appointment of new director or reappointment of director, the shareholders are provided details of Directors along with the Notice convening the ensuing AGM.

Shareholders'/Investors' Grievance Committee

The Company has constituted a Committee of the Board under the Chairmanship of Ashwini K. Jindal Independent Non Executive Director to specifically look into the redressing of shareholders and investors complaints such as transfer of shares, non-receipt of balance-sheets etc. The above committee attends to the share transfer and demat formalities generally once a month .. During the Year 2010-2011, 4 meetings of the committee was held. The company has also entered into a comprehensive agreement with Share transfer Registrars to attend and coordinate with the Depositories NSDL &CDSL for the purpose of demat of shares of shareholders of the company.

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, the Share Transfer Committee of the Company had been reconstituted as Shareholders' Grievance Committee.

The Investors' Grievance Committee shall have the following role, functions and responsibilities:

- (i) To look into and supervise the redressal of shareholders'/Investors' Complaints.
- (ii) To oversee the performance of the Registrars and Share Transfer Agents and recommend measures for overall improvement of the quality of investor services.
- (iii) To consider and approve transfer of shares, transmission of shares, dematerialisation of shares, transposition of shares, issuance of duplicate share, deletion of names, splitting and consolidation of shares, etc.

The Committee consists of the following Directors:

- | | | | |
|----|------------------------|---|-------------------|
| 1. | Shri Ashwani K. Jindal | - | Chairman/Director |
| 2. | Shri Anil K. Jain | - | Member/Director |
| 3. | Shri M.C. Jain | - | Member/Director |

During the year under review company had received 18 letters from the shareholders regarding change of address, non receipt of balance sheet, transfer of shares, loss of share certificates etc. which were duly taken care of by the company and as on 31st March there were 4 complaints pending with the Company which related to forged/duplicate physical shares lodged for transfer.

There has been no instances of no non-compliance by the company on any matter related to capital markets during the year under review and hence no penalties, strictures imposed on the company by Stock Exchange or SEBI or any statutory authority.

The company shares are compulsorily traded and delivered in the dematerialised form at Bombay Stock Exchange.

The equity shares of the company have been admitted with National Securities Depository Limited and Central Depository Services (I) Ltd.

Management Committee:

1. The Management Committee comprises of Mr. Anil K. Jain , who is the Chairman of the Committee and Mr. Ashwani K Jindal. Mr.S.C. Agrawal and Mr. Piyush Agrawal are permanent invitees to the committee apart from such invitees from time to time. Mr. Ajaya Pradhan is the Secretary of the committee.
2. The terms of reference of the Committee are laid down by the Board.
3. The agenda for each of these meeting cover the Production, Sales, Operation, Finance, HR and corporate affairs of the Company.
4. The meeting is held once in three months or more often as and when required.
5. The detailed Agenda with notes are circulated well in advance and detailed discussions are held.
6. The Committee takes on record the detailed compliance confirmation on the various applicable legislations to the Company placed by the Company Secretary .

Adoption of non -mandatory compliance

- I. The Statutory financial statements of your company of your company are unqualified.
- II. Apart from the above, your company has constituted a Remuneration Committee of the Board comprising of Two Independent Non-executive Directors namely, Shri Anil K. Jain & Shri Ashwani K. Jindal. Shri Anil K. Jain holds the position as Chairman of the committee.

The terms of reference of the Remuneration Committee consists of the Following:

- (i) To determine and recommend to Board, compensation payable to Executive Directors, Managing Director & Whole time Directors.
- (ii) To formulate & administer the Company's Employee Stock Option Programs from time to time.

Keeping in view the requirements of the Schedule XIII of the Companies Act 1956 as amended and requirements of clause 49 of the listing agreement for appointment and payment of remuneration to Managing Director and Whole Time Directors , it requires the approval of the Remuneration Committee formed by the company for taking the necessary decisions. During the year under review, committee had their meeting on 30.09.2010.

Details of remuneration paid during the year ended on 31.3.2011 is as follows:

	Managing Director	Whole time Director
Salary	: 1,80,000	1,80,000
Benefits (Rents)	: -----	-----
Bonus	: -----	-----
Stock Options	: -----	-----
P.F	: nil	nil
Gratuity (Provision)	: nil	nil

V. CEO CERTIFICATION

The Chief Executive Officer have certified to the Board that:

On the basis of the review of the financial statements and the cash flow statement for the financial year, ending 31st March, 2011 and to the best of my knowledge and belief that:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
2. 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.
3. There are, to the best of his knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2011, which are fraudulent, illegal or violative of the Company's code of conduct.
4. He accepts responsibility for establishing and maintaining internal controls & have evaluated the effectiveness of the internal control systems of the Company and further have disclosed to the auditors and the Audit Committee those deficiencies, of which he was aware, in the design or operation of the internal control systems and that required steps have been taken to rectify these deficiencies.
5. I, further certify that
 - (a) there have been no significant changes in internal control during this year
 - (b) there have been no significant changes in accounting policies during this year
 - (c) there have been no instances of significant fraud of which we have become aware and the involvement therein, of management or an employee having a significant role in the Company's internal control system.

Piyush Agrawal
(Chief Executive Officer)

VI. General Body Meetings

1 Location and time for last three Annual General Meetings were:

Nature of Meeting	Date and Time	Venue
33rd AGM (12 Months)	30th November, 2008 at 11 A.M.	9, DDA Market, Katwaria Sarai, New Delhi – 110 016
34th AGM (12 Months)	29th September, 2009 at 11 A.M.	9, DDA Market, Katwaria Sarai, New Delhi – 110 016
35th AGM (12 Months)	30th September, 2010 at 11 A.M.	9, DDA Market, Katwaria Sarai, New Delhi – 110 016

No Special Resolution was adopted nor any resolution was required to be passed through postal ballot last year.. During the year under review, no Extra-Ordinary General Meeting (EGM) of shareholders was convened.

VII. Means of Communication

The Company communicates with the shareholders at large through its Annual Report.

General Shareholder's Information

a) Annual General Meeting

Date and Time: 30th September 2011 at 3 PM
 Venue: DDA Community Hall Recreation Centre, B-XI Vasant Kunj, New Delhi 110 070
 Financial Year of the Company From 1st April to 31st March

b) Financial Calendar (Tentative)

Results for quarter ending
 Financial reporting for
 Quarter ending June 30, 2011 End of July 2011
 Quarter ending September 30, 2011 End of Oct. 2011
 Quarter ending December 31, 2011 End of Jan. 2012
 Year ending March 31, 2012 End of April 2012

c) Date of Book Closure

(both days Inclusive) 28th September 2011 to 29th September 2011

d) Registered Office:

9, DDA Market, Katwaria Sarai, New Delhi 110016

e) Dividend Declaration

Company has not declared dividend during the year

f) Equity Shares of the company are listed on the following stock exchange and the trading code allotted by the stock exchange is given below :

THE STOCK EXCHANGE MUMBAI
 PHIROZE JEEJEEBHOY TOWERS
 DALAL STREET
 MUMBAI-400 001

BSE Code: 522001

Listing Fees for Bombay Stock exchange Ltd. have been paid for the year 2010-2011 as per the Listing Agreement with the Stock Exchange.

(g) Registrar & Share Transfer Agents

Share transfer & demat & remat of shares and communication regarding issue of duplicate share certificates, change of address, nominations, splitting of shares etc.

LINK INTIME INDIA PVT LTD

h) Share Transfer System :

Share transfer requests received in physical form with Demat requests are registered within an average period of ten days from the date of receipt. Share transfer requests received in physical form without demat request are registered within an average period of fifteen days.

i) Distribution of Shareholding :

Distribution of shareholding as on 31-03-2011

DISTRIBUTION SCHEDULE

CRANEX LIMITED

DATE : 31/03/2011

BENPOS DATE : 31/03/2011

DATE :

Share Holding of Nominal Value of	Share Holder	Share Amount						
			Number	% to Total	Physical (Rs.)	NSDL Dmat (Rs.)	CDSL Demat (Rs.)	Total (Rs.)
Rs.	Rs.							
Upto 2,500	1748	45.285	6000	1486090	4658101	957900	3.263	
2,501	855	22.150	4000	2684480	900930	3589410	5.982	
5,001	587	15.207	18000	3500940	1676180	5195120	8.659	
10,001	283	7.332	34000	2927140	1604950	4566090	7.610	
20,001	128	3.316		2357020	1013900	3370920	5.618	
30,001	49	1.269		1163110	614870	1777980	2.963	
40,001	66	1.710		2126780	1067750	3194530	5.324	
50,001	80	2.073		4223150	1921320	6144470	10.241	
1,00,001 & Above	64	1.658	10751000	17189430	2263150	30203580	50.339	
** TOTAL **	3860	100.000	10813000	37658140	11528860	60000000	100.000	

No. of Shares in Physical form 10,81,300 (18.00%)

No. of Shares in Electronic (Demat) Mode 49,18,700 (82.00%)

j) Liquidity

Shares of Cranex Ltd are actively traded at Mumbai Stock Exchange. The trading volumes of the shares of the company at Mumbai Stock Exchange per the information available is as follows

Market Price High & Low (in Rs), and Trading Volume , during each month from April 2010 to March 2011:

Month	Open Price	High Price	Low Price	Close Price	No. of Shares	No. of Trades	Total Turnover (Rs.)	* Spread (Rs.)	
								H - L	C - O
Apr 10	4.69	5.20	4.30	4.90	1,36,318	311	6,45,831	0.90	0.21
May 10	4.99	5.02	4.00	4.21	1,27,369	279	5,81,370	1.02	-0.78
Jun 10	4.84	4.89	3.67	4.23	1,01,320	238	4,48,506	1.22	-0.61
Jul 10	4.20	5.99	3.50	4.48	2,30,455	548	10,97,091	2.49	0.28
Aug 10	5.25	5.54	4.00	4.90	1,94,416	569	9,38,896	1.54	-0.35
Sep 10	4.81	5.44	4.48	5.09	1,84,791	321	9,23,488	0.96	0.28
Oct 10	5.00	5.59	4.60	4.93	1,29,142	303	6,50,269	0.99	-0.07
Nov 10	4.51	5.40	3.41	3.97	1,27,928	365	5,88,260	1.99	-0.54
Dec 10	4.59	5.50	3.56	4.99	1,30,274	335	5,95,325	1.94	0.40
Jan 11	4.80	5.34	4.75	4.90	83,202	146	4,21,741	0.59	0.10
Feb 11	5.10	5.40	4.61	5.24	77,709	153	3,97,143	0.79	0.14
Mar 11	5.00	7.19	4.80	4.95	3,00,873	644	18,10,638	2.39	-0.05

* Spread

H - L -> High - Low

C - O -> Close - Open

- k) Dematerialization of Shares** : Approx 49,18,700 shares equivalent to 82.00% of equity shares have been dematerialized up to 19-09-2008. Trading in Equity Shares of the Company is permitted only in dematerialized form as per notification issued by the Securities and Exchange Board of India (SEBI).
- l) Outstanding GDRs/ADRs/Warrants or any other convertible instruments** : Company does not have GDRs/ADRs/Warrants any other Convertible Instruments.
- m) Plant Location** : 57/1, Industrial Area Site IV, Sahibabad: 201 010 (U.P.)
- n) Investors Correspondence** : Investors, for any query related to share transfer, dematerialization to shares, may contact the nominated Registrars & Transfer Agents at their respective addresses
- o) Details on use of Public funds** : Not Applicable

(p) STATEMENT SHOWING SHAREHOLDING PATTERN

Name of the Company : CRANEX LIMITED
Scrip Code : 522001

DATE : 31/03/2011
Quarter Ended : MARCH 2011

Category Code	Category of Shareholder	No. of Shareholder	Total No. of Shares	No of Shares Held in dematerialized form	Total Shareholding as a percentage of total no. of shares % of A+B+C		
(A) Shareholding of Promoter and Promoter Group							
(1)	Indian						
(a)	Individuals / Hindu Undivided Family	6	1448721	407921	24.14535	24.14535	0.00000
(b)	Central Government / State Government (s)	0	0	0	0.00000	0.00000	0.00000
(c)	Bodies Corporate	0	0	0	0.00000	0.00000	0.00000
(d)	Financial Institutions / Banks	0	0	0	0.00000	0.00000	0.00000
(e)	Others						
Sub-Total (A)(1)		6	1448721	407921	24.14535	24.14535	0.00000
(2)	Foreign						
(a)	Individuals (NRIs / Foreign Individuals)	0	0	0	0.00000	0.00000	0.00000
(b)	Bodies Corporate	0	0	0	0.00000	0.00000	0.00000
(c)	Institutions	0	0	0	0.00000	0.00000	0.00000
(d)	Others	0	0	0	0.00000	0.00000	0.00000
Sub-Total (A) (2)		0	0	0	0.00000	0.00000	0.00000
Total Shareholding of Prom. & Prom. Grp. (A)=(A)(1)+(A)(2)		6	1448721	407921	24.14535	24.14535	0.00000
(B) Public Shareholding							
(1)	Institutions	NA	NA				
(a)	Mutual Funds/ UTI	0	0	0	0.00000	0.00000	
(b)	Financial Institutions / Banks	3	35600	00	0.59333	0.59333	
(c)	Central Government / State Government (s)	0	0	0	0.00000	0.00000	
(d)	Venture Capital Funds	0	0	0	0.00000	0.00000	
(e)	Insurance Companies	0	0	0	0.00000	0.00000	
(f)	Foreign Institutional Investors	0	0	0	0.00000	0.00000	
(g)	Foreign Venture Capital Investors	0	0	0	0.00000	0.00000	
(h)	Others						
Sub-Total (B) (1)		3	35600	300	0.59333	0.59333	

(2) Non-institutions	NA	NA			
(a) Bodies Corporate	114	246639	243239	4.11065	4.11065
(b) (i) Indiv. hldg. nom. shr. cap.<=Rs. 1 Lakh	3576	2657996	2656196	44.29993	44.29993
(ii) Indiv. hldg. nom. shr. cap.> Rs. 1 Lakh	47	1348427	1348427	22.47378	22.47378
(c) Others					
(1) Non Resident Indians	51	48097	48097	0.80162	0.80162
(2) Clearing Members	3	5403	5403	0.09005	0.09005
(3) Hindu Undivided Families	83	209117	209117	3.48528	3.48528
Sub-Total (B)(2)	3874	4515679	4510479	75.26132	75.26132
Total Public Shareholding	3877	4551279	4510779	75.85465	75.85465
(B) = (B)(1)+(B)(2)					
TOTAL (A)+(B)	3883	6000000	4918700	100.00000	100.00000
(C) Shares held by Custodians and against which Depository Receipts have been issued	0	0	0		0.00000
(1) Promoter and Promoter Group	0	0	0		0.00000
(2) Public	0	0	0		0.00000
GRAND TOTAL (A)+(B)+(C)	3883	6000000	4918700	100.00000	100.00000

q) Investor Services :

Complaints received during the year

Nature of the Complaints	Opening	Received during the year	Complaints Attended during the year	Closing Balance as on 31.03.11
Relating to transfer, Transmission, Demat & Remat and change of address	4	18	17	5

Other useful information for shareholders:

Share Transfer / Dematerialisation

- Share transfer requests are acted upon within 10 days from the date of their receipt. In case no response is received from the Company within 30 days of lodgement of transfer request, the lodger should immediately write to the Company or its Registrar & Transfer Agent with full details so that necessary action could be taken to safeguard interest of the concerned against any possible loss / interception during postal transit.
- Dematerialisation requests duly completed in all respects are normally processed within 15 days from the date of their receipt.
- Equity Shares of the Company are under compulsory demat trading by all investors, with effect from Feb 2001. Considering the advantages of script-less trading, shareholders are requested to consider dematerialisation of their shareholding so as to avoid inconvenience in future.
- The equity shares of the Company have been admitted with the National Securities Depository. Limited (NSDL) and Central Depository Services (I) Limited (CDSL) bearing No. INE-608B01010.

Correspondence with the Company

Shareholders / Beneficial Owners are requested to quote their Folio No. / DP & Client ID Nos. as the case may be, in all correspondence with the Company. All correspondence regarding shares & debentures of the Company should be addressed to the Company's Registrar & Transfer Agent.

Non-Resident Shareholders

Non-resident members are requested to immediately notify:

- Indian address for sending all communications, if not provided so far ;
- Change in their residential status on return to India for permanent settlement;
- Particulars of their NRE Bank Account with a bank in India, if not furnished earlier.

Others

1. In terms of the Regulations of NSDL & CDSL, the Bank Account details of Beneficial Owners of Shares in demat form will be printed on the dividend warrants as furnished by the Depository Participants. The Company will not entertain any request for change of bank details printed on their dividend warrants. In case of any changes in your bank details please inform your DP immediately.
2. Shareholders holding shares in physical form are requested to notify to the Company, change in their address / pin code number and Bank Account details promptly in writing, under the signatures of sole / first joint holder. Beneficial Owners of shares in demat form are requested to send their instructions regarding change of name, change of address, bank details, nomination, power of attorney, etc. directly to their DP as the same are maintained by the DPs
3. To prevent fraudulent encasement of dividend warrants, members are requested to provide their Bank Account Details (if not provided earlier) to the Company (if shares held in physical form) or to DP (if shares held in demat form), as the case may be, for printing of the same on their dividend warrants.
4. In case of loss / misplacement of shares, investors should immediately lodge a FIR / Complaint with the Police and inform the Company along with original or certified copy of FIR / Acknowledged copy of Police Complaint. And apply for issue of duplicate share along with an Indemnity Bond and an Affidavit on prescribed format.
5. For expeditious transfer of shares, shareholders should fill in complete and correct particulars in the transfer deed. Wherever applicable, registration number of Power of Attorney should also be quoted in the transfer deed at the appropriate place.
6. Shareholders are requested to keep record of their specimen signature before lodgement of shares with the Company to obviate possibility of difference in signature at a later date
7. Shareholders of the Company who have multiple accounts in identical name(s) or holding more than one share certificate in the same name under different ledger folio(s) are requested to apply for consolidation of such folio(s) and send the relevant share certificates to the Company
8. Section 109A of the Companies Act, 1956 extends nomination facility to individuals holding shares in physical form companies. Shareholders, in particular, those holding shares in single name, may avail of the above facility by furnishing the particulars of their nominations in the prescribed Nomination Form which can be obtained from the Company or its Registrar & Transfer Agent or send their request for the said form to the registrar and transfer agent.
9. Shareholders are requested to give us their valuable suggestions for improvement of our investor services.
10. Compliance Certificate from the Auditors of the company is enclosed along with the Annual Accounts presented and the Secretarial Auditor had not made any qualification remarks in its report.

For & on behalf of the Board of Directors,

(S.C. Agrawal)

Chairman and Managing Director

Place : New Delhi

Date : 05-09-2011

CERTIFICATE FOR COMPLIANCE OF CORPORATE GOVERNANCE

Auditors' Certificate
(Under Clause 49 of the Listing Agreement)

To The Members of Cranex Limited

We have examined the compliance of conditions of Corporate Governance by Cranex Limited for the year ended March 31st, 2011, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange(s).

The compliance 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 the 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 information and according 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 Agreement . We state that no grievance(s) is/are pending for the period exceeding one month against the Company as per the record maintained by the Investors Grievance Committee.

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 **P.D. Mittal & Co.**
Chartered Accountants
P.D. Mittal
Partner
(Membership No. 009459)

New Delhi
05-09-2011

**Statement Regarding Subsidiary Companies Pursuant to
Section 212 of the Companies Act, 1956**

1.	Name of the Subsidiary Company...	Cranex International, Inc (USA)
2.	Financial Year of the Subsidiary. Company ended on	31-12-2010
3.	Holding Company's interest:	
1.	No. of Equity Shares	100
2.	Face Value	US\$ 1
3.	Paid Up Value	US\$ 100
4.	Extent of holding	100 per cent
4.	Net aggregate amount of Subsidiary's Profit/Loss Not Dealt in the Holding Company's account:	
(a)	for subsidiary' financial year	PAT (+) US\$ 2,670
(b)	for its previous year	PAT (+) US\$ 25,436
5.	Net aggregate amount of subsidiary's Profit/Loss dealt in the Holding Co.	
(a)	for subsidiary's financial year	Nil
(b)	for its previous financial year	Nil
6.	Changes in the interest of the Holding Co. between the end Of the subsidiary's financial Ended and March 31st, 2011	Nil
7.	Material changes between the end of the subsidiary's financial year ended and March 31st, 2011	Nil

S.C. Agrawal
Chairman & M.D.

Place : New Delhi
Date : 05-09-2011

Piyush Agrawal
Executive Director

Pratima Nayak
Accounts Officer

Anil K. Jain
Director

AUDITORS' REPORT TO THE SHAREHOLDERS

1. We have audited the attached Balance Sheet of M/s. CRANEX LIMITED as at 31st March,2011 the profit & loss account & the cash flow statement for the year ended on that date annexed thereto. 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.
2. We conducted our audit in accordance with 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 financial statements. An audit also includes assessing the accounting principles used the significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.
3. The companies (Auditor's Report) Order,2003, issued by the Central Govt. of India under sub-section (4A) of section 227 of the companies act,1956, and on the basis of such checks of the books & records of the company as we considered appropriate & according to the information & explanations given to u, we enclosed in the Annexure a statement on the matter specified in paragraph 4 & 5 of the said order.
4. Further to our comments in the annexure referred to above, we report that:
 - I. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - II. In our opinion, proper books of accounts as required by law have been kept by the company so far as appears from our examination of those books.
 - III. The balance sheet, the profit & loss account dealt with by this report are in agreement with the books of account.
 - IV. In our opinion, the balance sheet and profit & loss account statement dealt by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the companies act,1956.
 - V. On the basis of the written representations received from directors as on 31st March,2011, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March,2011, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the companies act,1956;
 - VI. In our opinion and to the best of our information and according to the explanations given to us, the said accounts, read together with the significant accounting policies in schedules Q, notes appearing thereon, 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.
 1. In the case of the balance sheet, of the state of affairs of the company as at 31st March,2011.
 2. In the case of the profit & loss account, of the profit for the year ended on that date.
 3. In the case of the Cash Flow statement of the cash flow for the year ended on that date.

For P.D. MITTAL & COMPANY
CHARTERED ACCOUNTANTS
(P.D. MITTAL) PARTNER
M.NO.009459

DATED: 30.07.2011

ANNEXURE TO THE AUDITOR'S REPORT

(Referred to in paragraph (1) of our report of even date)

REG: CRANEX LIMITED

FINANCIAL YEAR : 2010-11

- I.a The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- I.b All the assets have not been physically verified by the management during the year but there is a regular programme 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.
- I.c During the year, the company has not disposed off a major part of the plant & machinery & accordingly the clause is not applicable to this extent.
- II.a The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- II.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.
- II.c The company is not maintaining adequate records of inventories. Further, the discrepancies between the physical records & the book record hence not been taken care of.
- III.a The company has taken loan from other companies & firm & also directors & their relatives covered by the provision of section 297 & 299 read with section of 301 of the companies act, 1956. The maximum amount involved during the year & the year end balance of loan taken from such parties are as under:

	Maximum amount involved	Year end balance
	During the year	
Directors & their relatives	53374700	53374700

The company has not granted loan to any company, firms or director or their relative during the year under audit & there is nil balance at the end of the year.

- III.b In our opinion, the rate of interest and other terms and conditions on which loans have been taken from/granted to companies, firms or other parties listed in the register maintained U/S 301 of the companies act, 1956 are not, prima facie, prejudicial to the interest of the company.
- III.c The company is regular in repaying the principal amounts as stipulated and has been regular in the payment of interest. The parties have repaid the principal amounts as stipulated and have been regular in the payment of interest.
- III.d There is no overdue amount of loans taken from or granted to companies, firm or other parties listed in the register maintained U/S 301 of the companies act, 1956.
- IV In our opinion and according to the information & 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 purchase 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.

- V.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.
- V.b. In our opinion and according to the information & explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained U/S 301 of the companies act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- VI In our opinion and according to the information & explanations given to us, the company has complied with the provisions of section 58A and 58AA of the companies act, 1956 and the companies (Acceptance of Deposits) Rules, 1975 are not applicable as the company has not accepted any deposit from public falling within the definition of deposit. No order has been passed by the company law board.
- VII. In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- VIII The provision of section 209 (1) (d) of the companies act, 1956 read with rules made by the Cent. Govt. for the maintenance of cost record are not applicable, hence not commented.
- IX.a. The company is regular in depositing with appropriate authorities, undisputed statutory dues including P.F., Investor Education Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Custom Duty, Excise Duty, cess and other material statutory dues applicable to it.
- IX .b. According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, customs duty, excise duty and cess were in arrears, as at 31-3-2010 for the period of more than six months from the date they become payable.
- IX.c According to the information & explanations given to us the following statutory dues have not been deposited on account of dispute.
- | | |
|-------------|-----|
| Sales tax | NIL |
| Income tax | NIL |
| Excise duty | NIL |
| Custom duty | NIL |
| Wealth tax | NIL |
| Cess | NIL |
- X The Company has accumulated losses in the preceding financial year and is a sick industrial company in terms of section 3(1) (o) of the Sick Industrial Companies (Special Provisions) Act 1985. However, the Co. has not incurred any cash loss in the current year, and has reported a cash profit.
- XI In our opinion and according to the information & explanations given to us, the company has not defaulted in repayment of dues to a financial institution, bank or debentures.
- XII We are of the opinion that company maintained adequate records where the company has granted loans and advance on the basis of securities 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 provision of clauses 4(XIV) of the companies (auditors report) order, 2003 ate not applicable to the company.
- XV The company has not given any guarantee for loans taken by others, from banks or financial intuition & accordingly the sub-clause in sot applicable.
- XVI That the company has not granted loan and advances on the basis of security by way of pledge of Share, Dividenture and other securities.
- 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 no funds raised on short term basis have been used for long-term investment. No long-term funds have been used to finance short-term assets except permanent working capital.
- XVIII The Assessee Company has not applied/obtain any tern loan during the period under audit hence the clause not applicable.
- XIX The company has not issued any debentures during the period under audit, thus the sub-clause is not applicable.
- XX The company has not raised any money by public issue. Thus the sub-clause is not applicable.
- XXI According to the information & explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For: **P.D. Mittal & Co.**
CHARTERED ACCOUNTANTS,
(P.D. MITTAL) PARTNER
M.NO.009459

New Delhi

30.07.2011

CRANEX LIMITED BALANCE SHEET AS AT 31.03.2011

PARTICULARS	AS AT SCH	AMOUNT IN RUPEES	
		AS AT 31.03.2011 AUDITED	31.03.2010 AUDITED
SOURCE OF FUNDS:			
SHARE CAPITAL FUNDS			
Share Capital	1	60000000	60000000
SUB TOTAL (A)		60000000	60000000
LOAN FUNDS:			
a) Secured Loans	2	23587524	17552533
b) Unsecured Loan:	3	53374700	58515222
SUB TOTAL (B)		76962224	76067755
TOTAL C = (A) + (B)		136962224	136067755
APPLICATION OF FUNDS:			
FIXED ASSETS			
a) Gross Value	4	33178418	30091902
b) Less Depreciation		19253787	17525780
		13924631	12566122
CAPITAL WORK IN PROGRESS		0	0
		13924631	12566122
INVESTMENTS:	5	1303250	7557120
SUB TOTAL (A)		15227881	20123242
CURRENT ASSETS, LOANS & ADVANCES:			
a) Inventories	6	7928725	10507790
b) Sundry Debtors	7	121574766	93073115
c) Cash & Bank Balances	8	1872438	3867098
d) Loans & Advances	9	33258504	30293108
e) Deposit (Assets)	10	3265637	3817984
SUB TOTAL (B)		167900070	141559095
LESS: CURRENT LIABILITIES & PROVISIONS			
a) Sundry Creditors (C)	11	103598460	89121279
NET CURRENT ASSETS D = B - C		64301610	52437816
MISCELLANEOUS EXPENDITURE (E)	12	57432733	63506697
TOTAL A + D+E		136962224	136067755

AS PER OUR REPORT OF EVEN DATE
for **P.D MITTAL & CO.**
CHARTERED ACCOUNTANT

S. C. AGRAWAL
(CMD)

PIYUSH AGRAWAL
(DIRECTOR)

A.K. JAIN
(DIRECTOR)

P. D MITTAL
(PARTNER)
M.No. 009459

PRATIMA
(C.A.O)

NEW DELHI
DATE -16.08.2011

CRANED LIMITED
PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED 31.3.2011

PARTICULARS	SCH	AMOUNT IN RUPEES	
		AS AT 31.03.2011 AUDITED	AS AT 31.03.2010 AUDITED
INCOME:	13		
(I) SALES AND OTHER RECEIPT		183852888	185208230
(III) OTHER INCOME		7160005	923799
TOTAL		191012893	186132029
EXPENDITURE:			
COST OF GOODS	14	143945964	153218990
EMPLOYEESS REMUNERATION & BENEFITS	15	7982778	7717440
OPERATION & ESTABLISHMENT EXPENSES	16	25236188	26192404
TOTAL		177164930	187128834
OPERATING PROFIT BEFORE INTT. & DEPRN.		13847963	-996 805
INTEREST		1612505	220232
OPERATING PROFIT AFTER INTT. BUT BEFORE DEPRN.		12235458	-1217037
DEPRECIATION		1728007	1646935
PROFIT AFTER INTT. & DEPRN.		10507451	-2863972
PROV. FOR TAX		4433487	0
PROFIT AFTER TAX		6073964	-2863972
BALANCE BROUGHT FORWARD FROM P & L A/C		-63506697	-60642725
PROFIT AVAILABLE FOR APPROPRIATION		-57432733	-63506697
BALANCE CARRIED FORWARD TO BALANCE SHEET		-57432733	-63506697
NOTES TO ACCOUNT	17		

AS PER OUR REPORT OF EVEN DATE
for **P.D MITTAL & CO.**
CHARTERED ACCOUNTANT

S. C. AGRAWAL
(CMD)

PIYUSH AGRAWAL
(DIRECTOR)

A.K. JAIN
(DIRECTOR)

P. D MITTAL
(PARTNER)
M.No. 009459

PRATIMA
(C.A.O)

NEW DELHI
DATE -16.08.2011

SCHEDULE TO THE BALANCE SHEET

	AMOUNT IN RUPEES	
	YR. ENDED 31.03.2011	YR. ENDED 31.03.2010
SCHEDULE - 1		
SHARE CAPITAL :		
AUTHORISED		
1,00,00,000 EQUITY SHARES OF RS.10/- EACH	<u>10000000</u>	<u>10000000</u>
ISSUED & SUBSCRIBED		
60,00,000 EQUITY SHARES OF RS.10/- EACH		
SUBSCRIBED & PAID UP :		
6000000 EQUITY SHARES OF RS.10/- EACH	<u>6000000</u>	<u>6000000</u>
SCHEDULE - 2		
SECURED LOANS		
Syndicate Bank:	9045269	4995251
(Secured against hypothecation of Trading Stock and Book Debts)		
Syndicate Bank Loan against FDRs	14542255	12212190
HDFC Bank (Car Loan)	<u>0</u>	<u>345092</u>
	<u>23587524</u>	<u>17552533</u>
SCHEDULE - 3		
UNSECURED LOANS		
Abhyudaya Agrawal	342400	342400
Amitabh Agrawal (HUF)	31421741	31421741
Piyush Agrawal	15278209	13973209
Ritu Agrawal	298453	610853
Riviera India Pvt. Ltd	0	6895722
S.C. Agrawal	5320103	4245103
Chaitanya Agrawal	401394	713794
Mamta Agrawal	312400	312400
	<u>53374700</u>	<u>58515222</u>

SCHEDULE - 4
CRANEX LIMITED
FIXED ASSETS SCHEDULE FOR THE PERIOD 01.0.2009 TO 31.03.2010 AS PER COMPANY LAW (SLM)

DESCRIPTION	DAYS	GROSS BLOCK				DESCRIPTION				NET BLOCK	
		RATE	COST AS ON 31/03/2010	ADDITION DURING THE YEAR	DELETION DURING THE YEAR	TOTAL AS ON 31/03/2011	AS ON 31/03/2010	ADD FOR THE YEAR	AS ON 31/03/2011	AS ON 31/03/2010	AS ON 31/03/2011
FACTORY LAND	0	0	0	535000	0	535000	0	0	535000	0	0
FACTORY BUILDING	365	0.0334	0	795000	0	795000	0	26553	768447	0	0
TOTAL OF LAND & BUILDING			0	1330000	0	1330000	0	26553	1303447	0	0
PLANT & MACHINERY (OB)	365	0.0528	24925843	0	0	24925843	15199740	1316085	8410018	9726103	0
GENERATOR	365	0.0528	530000	0	0	530000	25301	27984	476715	504699	0
GRINDER MACHINE	365	0.0528	15600	0	0	15600	296	824	14480	15304	0
COMPRESSOR	365	0.0528	8470	0	0	8470	153	447	7870	8317	0
RADIAL DRILL MACHINE	365	0.0528	109792	0	0	109792	1429	5797	102566	108363	0
RADIAL DRILL MACHINE	59	0.0528	0	122400	0	122400	0	1045	121355	0	0
WELDING MACHINE	365	0.0528	76500	0	0	76500	730	4039	71731	75770	0
WELDING MACHINE	216	0.0528	0	6750	0	6750	0	211	6539	0	0
WELDING MACHINE	90	0.0528	0	73950	0	73950	0	963	72987	0	0
WELDING MACHINE	79	0.0528	0	73950	0	73950	0	845	73105	0	0
WELDING MACHINE	352	0.0528	0	72420	0	72420	0	3688	68732	0	0
MAGNETIC DRILL MACHINE	365	0.0528	24977	0	0	24977	177	1319	23481	24800	0
MAGNETIC DRILL MACHINE	300	0.0528	0	81696	0	81696	0	3545	78151	0	0
FIRE EXTINGUISHER	365	0.0528	6750	0	0	6750	9	356	6385	6741	0
BANDSAW MACHINE	59	0.0528	0	147900	0	147900	0	1262	146638	0	0
VTL MACHINE	203	0.0528	0	600000	0	600000	0	17619	582381	0	0
CUB DRILLING MACHINE	23	0.0528	0	37740	0	37740	0	126	37614	0	0
DRILLING MACHINE 20 MM	163	0.0528	0	38760	0	38760	0	914	37846	0	0
LATHE MACHINE	59	0.0528	0	239700	0	239700	0	2046	237654	0	0
MILLING MACHINE	59	0.0528	0	54060	0	54060	0	461	53599	0	0
RALLIWALF DRILL MACHINE	313	0.0528	0	4550	0	4550	0	206	4344	0	0
SLOTING MACHINE	355	0.0528	0	61200	0	61200	0	3143	58057	0	0
SLOTING MACHINE	59	0.0528	0	78540	0	78540	0	670	77870	0	0
TOTAL OF P & M			25697932	1693616	0	27391548	15227835	1393595	16621430	10470098	0
FURNITURE & FIXTURE (OB)	365	0.0633	743816	0	0	743816	717895	25921	743816	25921	0
TOTAL OF FURN. & FIXTURE			743816	0		743816	717895	25921	743816	25921	0

SCHEDULE - 4
 CRANEX LIMITED
 FIXED ASSETS SCHEDULE FOR THE PERIOD 01.0.2010 TO 31.03.2011 AS PER COMPANY LAW (SLM)

DESCRIPTION	DAYS	GROSS BLOCK				DESCRIPTION				NET BLOCK	
		RATE	COST AS ON 31/03/2010	ADDITION DURING THE YEAR	DELETION DURING THE YEAR	TOTAL AS ON 31/03/2011	AS ON 31/03/2010	ADD FOR THE YEAR	AS ON 31/03/2011	AS ON 31/03/2010	AS ON 31/03/2011
AIR CONDITIONERS (OB)	365	0.0528	230952	0	0	230952	166875	12194	179069	51883	64077
AC (LG)	365	0.0528	29300	0	0	29300	1301	1547	2848	26452	27999
AC	323	0.0528	0	22000		22000		1028	1028	20972	
TOTAL AC			260252	22000		282252	168176	14769	182945	99307	92076
OFFICE EQUIPMENTS (OB)	365	0.0528	1288583	0	0	1288583	1081233	68037	1149270	139313	207350
CELL PHONE	365	0.0528	10261	0	0	10261	332	542	874	9387	9929
CELL PHONE	200	0.0528	0	34400		34400		995	995	33405	
COMPUTER	365	0.0528	21154	0	0	21154	441	1117	1558	19596	20713
PRINTER	365	0.0528	8500	0	0	8500	149	449	598	7902	8351
PRINTER	208	0.0528	0	6500		6500		196	196	6304	
TOTAL OFFICE EQUIP.			1328498	40900		1369398	1082155	71336	1153491	215907	246343
VEHICLE (OB)	365	0.0950	1331196	0	0	1331196	282966	126464	409430	921766	1048230
VEHICLE(MARUTI SX4)	365	0.0950	730208	0	0	730208	46753	69370	116123	614085	683455
TOTAL VEHICLE			2061404	0		2061404	329719	195833	525552	1535852	1731685
TOTAL OF FIXED ASSETS			30091902	3086516	0	33178418	17525781	1728007	19253787	13924631	12566122

SCHEDULE TO THE BALANCE SHEET

	AMOUNT IN RUPEES	
	YR. ENDED 31.03.2011	YR. ENDED 31.03.2010
SCHEDULE - 5		
INVESTMENTS		
(a) USA SUBSIDIARY	3250	3250
SUB TOTAL (a)	3250	3250
(b) Investments (Advance)		
(1) Free hold Land: advance	1300000	7553870
SUB TOTAL (b)	1300000	7553870
TOTAL (a+b)	1303250	7557120
CURRENT ASSETS, LOANS & ADVANCES:		
SCHEDULE - 6		
INVENTORIES		
Stock in hand	7928725	10507790
SCHEDULE - 7		
SUNDRY DEBTORS:		
OVER SIX MONTHS	38914507	19547247
LESS THAN SIX MONTH	82660259	73525868
	121574766	93073115
SCHEDULE - 8		
CASH & BANK BALANCES:		
CASH	31409	67245
WITH BANK CURRENT A/CS	1841029	3799853
	1872438	3867098
SCHEDULE - 9		
LOANS & ADVANCES		
Fdr with Bank		
1. OBC, Bombay	131747	131747
2. Syndicate Bank, Sahibabad	26721068	26583200
SUB TOTAL (a)	26852815	26714947
Earnest Money Tenders		
1. EMD-Eastern Rly., Kolkata/P-455	379370	0
2. EMD-BHEL, Bhopal/P-405	100000	100000
3. Earnest Money Deposit, Bhel Rev/19	0	25000
4. EMD - Hpseb Bhaba Nagar/P-410	75169	75169
5. EMD-Nalco, Angul	2000	2000
6. EMD-Donimalai	0	19000

SCHEDULE TO THE BALANCE SHEET

	AMOUNT IN RUPEES	
	YR. ENDED 31.03.2011	YR. ENDED 31.03.2010
7. EMD-Bhel, Hardwar/P-453	20000	0
8. EMD-399/E.Rly., Kolkata, P-455	164060	0
9. EMD-489/Garrison Eng. Arkkonam	157500	0
10. EMD-592/1, GE (N) Kolkata	82500	0
11. EMD-6020/1, N.E. Rly., Gorakhpur	89400	0
12. EMD-6713/Sr. DFM/N.Rly/(Ludhiana)/Q-18R	3710	0
13. EMD-749/2, CSP, N.C.RLY., AID/Q-18R	34310	0
14. EMD-BEML, Palakad	200000	0
15. EMD/Q-496	40000	0
Security Deposits (Contracts)		
1. Security Deposit-256/6, Jidhpur/P-469	146750	0
2. Security Deposit-Bhel, Bhopal/P-293	153070	153070
3. Security Depos- E.Rly., Sealdah	4465	4465
4. Security Deposit-Mppgcl, Jabalpur/75T/P-395	20000	20000
6. Security Deposit-N.W.Rly./P-428	21300	0
7. Security Deposit-N.W.Rly./P-428	21300	0
8. Security Deposit-Heep/20093742/P-440	454978	0
9. Security Deposit-Airtel	6000	0
10. Security Deposit-Associated Sup. Contractor/P-394	5000	5000
11. Security Deposit-Bhel, Bhopal/P-405	49000	0
12. Security Deposit-Delhi Metro Rail Corp. Ltd	5000	5000
13. Security Deposit-Bhel, Heep/116/P-407	1165000	11650003
14. Security Deposit-D.V Board	12850	12850
15. Security Deposit-E.C. Railway	20730	20730
16. Security Deposit-Emu Carshed	15674	15674
17. Security Deposit-E.Rly/147	945	945
18. Security Deposit-Garrison Eng./DGNO/Mumbai/P-430	89846	0
19. Security Deposit-HPGC Hariyana	15000	15000
20. Security Deposit-GRSE/324	0	389500
21. Security Deposit-N.W. Rly., Abu Road	18875	18875
22. Security Deposit-N.W. Rly., Bikaner/03/08-09/	16626	0
23. Security Deposit-N.W. Rly., Ajmer	9470	9470
24. Security Deposit-N.W. Rly., Jaipur/P-411	77662	77662
25. Security Deposit-N.W. Rly., Jodhpur	32360	32360
26. Security Deposit- Ppyard Bhilai	48842	0
27. Security Deposit-S.E. C. Rly., Bhila	118320	118320

28. Security Deposit-S.E. C. Rly., Tata Ng./10T	0	36046
29. Security Deposit-S.E. C. Rly., Tata Ng./35T	0	55506
30. Security Deposit- Shubham Enterprises	22300	15800
31. Security Deposit- W.C. Rly., Itarsi	199940	0
32. Security Deposit- Tata Nagar/6 & 15T	0	49387
33. Security Deposit- W.Rly., Navayard, Voroda	84005	84005
34. Security Deposit- W.Rly., Valsad/50/10	68543	68543
Security Deposits (Others)		
1. Delhi Stock Exchange	145500	145500
SUB TOTAL (b)	4397370	2739877
UNSECURED BUT CONSIDERED GOOD (UNLESS OTHERWISE STATED) ADVANCE RECOVERABLE IN CASH OR IN KIND OR FOR VALUE IN CASH OR IN KIND OR FOR VALUE TO BE RECEIVED		
	2008319	838284
SUB TOTAL (c)	2008319	838284
TOTAL (a+b+c)	33258504	30293108
SCHEDULE - 10		
DEPOSITS (ASSETS)		
TDS	1776264	2431595
MAT	0	189152
PLA & MODVAT A/C	173797	199556
VAT	1281840	921701
FBT	26452	26452
SERVICE TAX	7284	49528
	3265637	3817984
SCHEDULE - 11		
CURRENT LIABILITIES & PROVISIONS:		
a) SUNDRY CREDITORS :		
(i) Sundry Cre. (Factory Salary)	733440	489383
(ii) Sundry Cre. (Current a/c)	1529200	2723111
(iii) Sundry Cre. (Export)	0	473856
(iv) Sundry Cre. (HRD)	74500	74500
(v) Sundry Cre.(Mach.)	882342	460270
(vii) Sundry Cre. (Advance)	31013879	37290922
(viii) Sundry Cre. (Misc.)	6910722	30000
(ix) Sundry Cre. (Services)	8066732	3911472
(x) Sundry Cre. (Suppliers)	54243256	42932721
(xi) Sundry Cre. (Staff Salary)	64925	83398
Sub Total (a)	103518996	88469633

b) DUTIES & TAXES

(i) Central Sale Tax	0	592313
(i) Esic	10387	6690
(ii) Provident Fund	36927	32159
(iii) TDS (payable)	32150	20484
Subtotal (b)	79464	651646
Total (A) + (B)	103598460	89121279

SCHEDULE - 12**MISCELLANEOUS EXPENDITURE**

(to the extent not written off)

P & L A/C (accumulated losses) : OB	-63506697	60642725
Add loss/frofit during the year	6073964	2863972
Total loss carried forward in P & L A/c	-57432733	63506697

SCHEDULE - 13**INCOME**

(I) SALES AND OTHER RECEIPT	183235966	182616605
(II) SALES EXPORT	616922	2591625
Sub total	183852888	185208230
(III) OTHER INCOME	7160005	923799
Total Income	191012893	186132029

SCHEDULE - 14**COST OF GOODS**

OPENING STOCK	10507790	27911875
ADD: PURCHASES DURING THE YEAR (+)	141366899	135814905
	151874689	163726780
LESS CLOSING BALANCE (-)	7928725	10507790
	143945964	153218990

SCHEDULE - 15**EMPLOYEES REMUNERATION & BENEFITS:**

SALARY TO ADMN.STAFF & FACTORY STAFF	2032165	796507
WAGES TO FACTORY STAFF & WORKER	4708869	5451891
REMUNERATION (INCL.DIR)	540000	540000
CO'S CONTRIBUTION TO PROVIDENT FUND	192123	213178
CO'S CONTRIBUTION TO ESIC	73437	205750
STAFF WELFARE	392886	341563
BONUS	0	53321
MEDICAL EXP.	43298	115230
	7982778	7717440

SCHEDULE - 16

OPERATION & ESTABLISHMENT EXPENSES

MANUFACTURING EXPENSES

POWER & FUEL	1653412	1291238
ERECTION CHARGES	3727758	1541471
MACHINING CHARGES	2146792	1122534
STORES & SPARES/CONSUMABLES	2185915	2280604
JOB WORK	3878774	1227873
DESIGN CHARGES	50000	149550
TESTING & INSPECTION	257076	110756
REPAIR & MAINTENANCE	707286	460097

SUB TOTAL (A)**14607013****8184123**

ADMINISTRATIVE & SELLING EXPENSES

CONVEYANCE	234677	173799
RENT	144000	273732
LEGAL CHARGES & PROF CHARGES	368502	429649
POSTAGE/COURIER	32374	34850
PRINTING, STATIONERY & PHOTOSTATE	99101	102544
RATES & TAXES	17584	17584
ADVERTISEMENT & PUBLICITY	34100	28555
AUDITORS REMUNERATION:		
AUDIT FEE	20000	10000
TAX MATTERS	40000	10000
BANK CHARGES	350229	833665
CAR RUNNING & MAINTENANCE	129552	260302
FREIGHT OUTWARD	6837285	4367658
INSURANCE	42494	45943
STOCK EXCHANGE LISTING & ROC FEES	43023	112300
MEETING EXPENSES	32000	27500
SALES PROMOTION	208047	164899
TELEPHONE, TELEX & FAX	213390	221708
TENDER & PERIODICALS	109555	123851
TRAVELLING :		
DOMESTIC	719971	739611
FOREIGN (INCLUDING FOREIGN CURRENCY)	208500	48144
SERVICE TAX	0	88544
AREARS OF TAX PAID/ADJUSTED	5807	511269
MISC EXPENSES	51347	45250
DIRECTOR SITTING FEE	10000	10000
LD/BAD DEBT	0	9326924
COMMERCIAL TAX	71978	0
PROJECT SITE EXP.	517109	0
WORK CONTRACT TAX	80050	0
CST (UP)	8500	0

SUB TOTAL (B)

10629175**18008281**

TOTAL

25236188**26192404**

SCHEDULE - 17

(a) Basis of Accounting & Accounting Convention

1. All Revenue, Expenses, Except provision for gratuity, Assets & Liabilities are accounted for on actual basis.
2. The Financial Statements are prepared under the historical cost convention in accordance with applicable mandatory accounting standard and relevant presentation requirements of the Companies Act 1956.
3. Fixed Assets are recorded in the books at cost of acquisition which comprises of purchase price, freight and other incidental expenses including expenditure of installation of Fixed Assets.
4. Depreciation of Fixed Assets have been provided on the basis of Straight Line Method as per the rates mentioned in the Schedule XIV of the Companies Act 1956.
5. Investments are stated at cost of acquisition
6. Inventories: As certified by the Management, the stocks have been valued at cost or market price, whichever is lower.
7. Sales are recognized at the point of dispatch of finished goods from the factory.
8. Excise Duty is paid and accounted for at the time of clearance of Finished goods from the factory.
9. Foreign Currency transactions: The transaction in Foreign Exchange are translated in to Indian Rupees at the Exchange Rate prevailing at the time of transaction taking place.

B) NOTES TO ACCOUNTS

1. Contingent Liabilities

a) Bank Guarantees issued	Rs.1,02,34,960	(1,20,58,766)
b) Any other	NIL	NIL
TOTAL	Rs.1,02,34,960	(1,20,85,766)

2. Company has not provided for Gratuity as the same is accounted for on cash basis as and when paid.

3. Managerial Remuneration:

Salary	Rs. 5,40,000	(Rs. 5,40,000)
Perquisites	NIL	NIL
Commission	NIL	NIL
TOTAL	Rs. 5,40,000	(Rs. 5,40,000)

4. Auditor's remuneration

(a) Audit fee	Rs. 20,000	(10,000)
(b) Taxation Services	Rs. 40,000	(10,000)

5. Confirmation of balances in some cases are yet to be received from Debtors/Creditors and also for loans, advances & deposits.
6. Previous year figures have been re-arranged / re-grouped wherever necessary.
7. The names of Small Scale Industrial undertakings to whom the Company owes a sum exceeding Rs. 1,00,000 and which is outstanding for more than 30 days is NIL previous year NIL.
8. Foreign Exchange gain/loss is accounted for in the Export revenue account.

9. The company has incurred a loss of Rs. 22,40,473/- only on account of its non-recoverable trade bills. It has been observed that these debts are to disputed and doubtful debts and the company has not been able to recover in spite of its best efforts. The amount has become bad debt and has been accounted for accordingly.
10. The company has recovered an amount of Rs. 23,44,446/- from its trade bills, previously considered as non recoverable.

ADDITIONAL INFORMATION PURSUANT TO THE PROVISIONS OF PART-II OF SCHEDULE VI TO THE COMPANIES ACT, 1956 TO THE EXTENT RELEVANT.

Particulars	Capacity	Ob. Raw Materials 01.04. 2010	Cls. Raw Materials 33.03.2011	Nos.	Turnover 2010-11
Production	50 Cranes	1,05,07,790.00	79,28,725.00	34 Cranes	12,17,00,670.00
Erection		0.00	0.00		43,05,667.00
Export		0.00	0.00		6,16,922.00
Misc.		0.00	0.00		5,72,29,629.00
Total	50 Cranes	1,05,07,790.00	79,28,725.00	34 Cranes	18,38,52,888.00

2. Raw Materials Consumed:

ITEM	VALUE IN Rs.	Prev. Year
Manufacturing Cranes	14,34,10,670.00	15,09,54,400.00
Export	5,35,294.00	22,70,975.00
Total	14,39,45,964.00	15,32,25,375.00

3. Expenditure in Foreign Currency

	Current Year	Prev. Year
(a) Import of Materials	0.00	0.00
(b) Foreign Travel (T/C)	0.00	12,600

	Current Year	Prev. Year
4. Earning in Foreign Currency:	6,16,922	25,91,624

Export of merchandise

AS PER OUR REPORT OF EVEN DATE

AS PER OUR REPORT OF EVEN DATE

for **P.D MITTAL & CO.**
CHARTERED ACCOUNTANT

S. C. AGRAWAL
(CMD)

PIYUSH AGRAWAL
(DIRECTOR)

A.K. JAIN
(DIRECTOR)

P. D MITTAL

(PARTNER)
M.No. 009459

PRATIMA
(C.A.O)

NEW DELHI

DATE -16.08.2011

CRANEX LIMITED
Cash Flow Statement for the period ended 31st March' 2011

PARTICULARS	FOR THE YEAR 2010-2011 (Rs. in Lacs)	FOR THE YEAR 2009-2010 (Rs. in Lacs)
A. CASH FLOW FROM OPERATING ACTIVITIES:		
NET PROFIT BEFORE TAX	105.07	-28.64
ADD: DEPRECIATION	17.28	16.47
INTEREST ON LOANS	16.12	2.20
DIVIDEND PAID	0.00	0.00
	138.47	-9.97
LESS: INTEREST & DIVIDEND RECEIVED	17.72	9.24
OTHERS	0.00	0.00
OPERATING PROFIT BEFORE WORKING		
CAPITAL CHANGES	120.75	-19.21
ADJUSTMENTS FOR INCREASE/DECREASE IN:		
TRADE RECEIVABLE	-285.02	-542.27
OTHER RECEIVABLE	-24.14	-290.10
INVENTORIES	25.79	174.04
TRADE & OTHER PAYABLES	144.77	191.42
CASH GENERATED FROM OPERATIONS	-17.85	-486.12
LESS: INTEREST PAID	-16.12	-2.20
DIRECT TAXES PAID	-44.33	0.00
DIVIDEND PAID	0.00	0.00
CASH FLOW BEFORE EXTRAORDINARY ITEMS	-78.30	-488.32
EXTRAORDINARY ITEMS (NET):		
INTEREST & DIVIDEND RECEIVED	17.72	9.24
OTHERS	0.00	0.00
NET CASH FLOW FROM OPERATING ACTIVITIES (A)	-60.58	-479.08
B. CASH FLOW FROM INVESTING ACTIVITIES:		
(PURCHASE)/SALE OF FIXED ASSETS AND CHANGE IN CAPITAL WORK IN PROGRESS	-30.86	79.37
(PURCHASE)/SALE OF INVESTMENTS	62.54	291.05
SALE OF SHARES	0.00	0.00
NET CASH USED IN INVESTING ACTIVITIES (B)	31.68	370.42
C. CASH FLOW FROM FINANCING ACTIVITIES		
PROCEEDS FROM (REPAYMENT OF) LONG TERM BORROWINGS	8.95	9.07
INCREASE/DECREASE IN TANGIBLE ASSETS	0.00	0.00
INCREASE/DECREASE IN GENERAL RESERVES	0.00	0.00
NET CASH FLOW FROM FINANCING ACTIVITIES (C)	8.95	9.07
NET INCREASE/DECREASE IN CASH & CASH EQUIVALENTS (A+B+C)	-19.95	-99.59
CASH & CASH EQUIVALENTS (OPENING BALANCE)	38.67	138.26
CASH & CASH EQUIVALENTS (CLOSING BALANCE)	18.72	38.67
NET INCREASE/DECREASE IN CASH & CASH EQUIVALENTS	-19.95	-99.59

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE
Amount in Lacs

1. Registration Details

Registration No.	6503	State Code	55
Balance Sheet Date	31.03.2011		

2. Capital Raised During The Year

Public Issue	Nil	Right Issue	Nil
Bonus Issue	Nil	Private Planement	Nil

3. Position of Mobilisation & Deployment of Funds

Total Liabilities	1369.62	Total Assets	1369.62
Source of Funds:			
Paid-up-capital	60000	Reserves & Surplus	Nil
Secured Loans	235.88	Unsecured Loan	533.75
Application of Funds:			
Net Fixed Assets	139.25	Investments	13.03
Net Current Assets	643.02	Accumulated Loss	574.33

4. Performance of Company

Turnover	1838.53	Total Expenditure	1771.65
Profit/Loss Before Tax	105.07	Profit After Tax	60.74
Earning Per Share	1.01	Dividend Rate	Nil

5. Generic Names of Principal Products of the Company (As Per Monetary Items)

Product Description:	EOT Cranes/elevators	Item Code No.	84261100
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As per our report of even date

For P.D Mittal & Co.
Chartered Accountant

S.C Agrawal
(CMD)

Piyush Agrawal
(Director)

A.K. Jain
(Director)

P.D. Mittal
(Partner)
M.No.: 009459

New Delhi
Date - 30/07/11



CRANEX LIMITED

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