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**Works :** 57/1, Site-IV, Industrial Area, Sahibabad-201 010, Distt. Ghaziabad (U.P.) Ph.: 0120-4333427, 4167628  
**Fax :** 91-120-4167630 **Website :** www.cranexltd.com **Email :** cranex1@yahoo.com, info@cranexltd.com

Date: 6<sup>th</sup> September, 2024

**To,**  
**The Secretary**  
**Corporate Relation Department**  
Bombay Stock Exchange Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street Fort,  
Mumbai 400001

**Ref. Scrip Code: 522001- CRANEX LIMITED**  
**ISIN: INE608B01010**

**Dear Sir/Madam,**

**Sub: Submission of Annual Report 2023-24 under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations)**

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing the Annual Report of the Company for the financial year ended 31<sup>st</sup> March, 2024 including the Notice of the 49<sup>th</sup> (Forty Ninth) Annual General Meeting of the Company to be held on Monday, September 30<sup>th</sup>, 2024 at 3:00 P.M. through Video Conferencing (“VC”)/Other Audio Visual Means (“OAVM”) without the physical presence of the Members.

The same is being dispatched to the Company’s shareholders by the permitted mode(s) and same has uploaded on the Company’s website [www.cranexltd.com](http://www.cranexltd.com).

We request you to kindly take the same on records

Thanking You

**For Cranex Limited**

**Heena Sharma**  
**Company Secretary**  
**Membership No.: A65512**



# CRANEX LIMITED



*49th Annual Report 2023 - 24*

**CRANEX LIMITED**

**CIN: L74899DL1973PLC006503**

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

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

**E mail: [investors@cranexltd.com](mailto:investors@cranexltd.com), Website: <http://www.cranexltd.com>**

## Chairman's Message

### Dear Shareholders!

The Financial year 2023-24 marks 49 years of Cranex journey of endurance during which we have pushed many challenging boundaries.

In the current year the Company has seen an outstanding growth of 50.1% in the Turnover. This has also resulted in the Profit after Tax showing a growth of 145.16%. It is our endeavor to continue on this growth path thereby adding to the shareholders value. We have added to the manufacturing capacity and are now focusing more on High Capacity EOT cranes with higher profit margin. Our order book remains very healthy with confirmed orders in hand for over 12 months Sales.

Our products find acceptance in the most challenging operating conditions and with the most demanding customers across a wide gamut of sectors in India and overseas. Indian Railways, Defence and Power Sectors continue to be our major thrust areas.

The Central Government has identified Indian Railways as a major thrust area for infrastructure development and Capex. The Union Budget has earmarked an unprecedented amount towards Railways investment. Vande Bharat Trains have been launched as a trailblazing new product. Several Railways workshops and Manufacturing units have embarked on the manufacture and maintenance of these train sets. It is a matter of pride for us to be closely associated with this new line and our cranes are installed/ being installed at several of these establishments such as ICF Chennai, RCF Kapurthala, MCF Rae Bareilly etc.

Indian Railways has a very wide network of maintenance workshops all over India which require a large variety of machinery. We have started manufacture and supply of new products such as Traversers for these workshops. This is a niche product being manufactured by very few Companies in India. Other specialized equipments are also being developed and supplied such as Turn Tables, Special material handling lines etc.

Another thrust area of the Government is on Power Generation. We are closely associated with major Power equipment manufacturers such as M/s BHEL, L&T & Voith Hydro in installing heavy capacity cranes upto 170 Tonnes capacity at various Thermal & Hydel projects all over India.

This success would not be impossible without our exceptional employees, and we recognize our responsibility to support both their professional and Personal lives, now more than ever. Times like these reinforce the truth that our employees are our most important asset- they are fundamental to the culture and success of our company. They have wholeheartedly supported us in successfully implementing many online systems and procedures enabling better evaluation of performance and operations by remote monitoring.

On behalf of the Board of Directors I would also like to convey earnest thanks to our valued shareholders for their continuous support and trust in us. This motivation helps us to excel in all our pursuits and constant endeavor to create value for all stakeholders.

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## CORPORATE INFORMATION

### BOARD OF DIRECTORS & KMP

Mr. Piyush Agrawal  
Managing Director  
DIN: 01761004

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

Ms. Shilpy Chopra  
Independent Director  
DIN: 07161915

Mr. Ashwani Kumar Jindal  
Independent Director  
DIN: 01958501

Ms. Shalini Rahul  
Independent Director  
DIN:- 09357650

Ms. Heena Sharma  
Company Secretary & Compliance Officer  
Membership No. A65512

### KEY COMMITTEES OF THE BOARD

#### Audit Committee

Mr. Ashwani Kumar Jindal (Chairman)  
Ms. Shilpy Chopra  
Mr. Chaitanya Agrawal

#### Nomination & Remuneration Committee

Mr. Ashwani Kumar Jindal (Chairman)  
Ms. Shilpy Chopra  
Ms. Shalini Rahul

#### Stakeholders Relationship Committee

Mr. Ashwani Kumar Jindal (Chairman)  
Mr. Chaitanya Agrawal  
Ms. Shilpy Chopra

### RTA, AUDITORS AND BANKER

#### Registrar and Share Transfer Agent

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

#### Internal Auditors

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

#### Secretarial Auditors

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

#### Statutory Auditors

M/s. V R Bansal & Associates  
Chartered Accountants,  
Firm Registration No. (016534N)  
Add: A-69/ Vijay Block, Laxmi Nagar  
Delhi-110092

#### Bankers

Kotak Mahindra Bank Limited  
Canara Bank  
State Bank of India

**CRANEX LIMITED****CIN: L74899DL1973PLC006503****Registered Office: 9, DDA Market, Katwaria Sarai, New Delhi-110016****Corporate Office: 57/1, Industrial Area, Site-IV, Sahibabad (U.P.)-201010****E mail: investors@cranexltd.com, Website: http://www.cranexltd.com****BSE Script Code: 522001 ISIN: INE608B01010****NOTICE OF 49th e- ANNUAL GENERAL MEETING**

Notice is hereby given that the 49th e- Annual General Meeting of the Members of Cranex Limited will be held on Monday, the 30th day of September, 2024 at 03:00 P.M. through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM') facility to transact the following Businesses:

**ORDINARY BUSINESS:****ITEM NO. 1 - ADOPTION OF STANDALONE & CONSOLIDATED AUDITED FINANCIAL STATEMENTS.**

To receive, consider and adopt the Standalone & Consolidated Audited Financial Statements of the Company for the financial year ended 31st March, 2024 together with the Reports of the Board of Directors and the Auditors thereon.

**ITEM NO. 2- TO APPOINT A DIRECTOR IN PLACE OF MR. PIYUSH AGRAWAL (DIN 01761004), WHO RETIRES BY ROTATION AND BEING ELIGIBLE, OFFERS HIMSELF FOR RE-APPOINTMENT.****SPECIAL BUSINESS:****ITEM NO. 3 - REGULARISATION OF MS. PRIYANKA PATHAK (DIN: 10601570), AS DIRECTOR AND INDEPENDENT DIRECTOR OF THE COMPANY FOR A TERM OF FIVE CONSECUTIVE YEARS.**

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

**"RESOLVED THAT** Ms. Priyanka Pathak (DIN: 10601570), who was appointed as an Additional Director of the company w.e.f. 3rd September, 2024 by the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, and who hold office as such upto this Annual General Meeting ('AGM'), of the Company under sections 161(1) of the Companies Act, 2013 ("the Act") and in respect of whom the Company has received a notice in writing under section 160(1) of the Companies Act from a member proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company.

**RESOLVED FURTHER THAT** pursuant to section 149, 152 and applicable provisions, if any, of the act read with Schedule IV to the Act, and the Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the appointment of Ms. Priyanka Pathak (DIN: 10601570), who has submitted a declaration that he meets the criteria of independence as provided in section 149(6) of the act and regulation 16 (1)(b) of Listing Regulations and who is eligible for appointment as an Non-Executive Independent Director of the company not liable to retire by rotation, for a first term of consecutive 5 (five) years commencing from 3rd September, 2024 upto 2nd September, 2029 be and hereby is approved.

**RESOLVED FURTHER THAT** pursuant to the provisions of sections 149, 197 and other applicable provisions of the Act and the Rules made thereunder, Ms. Priyanka Pathak shall be entitled to receive the remuneration/ fees/ commission as permitted to be received in a capacity Non-Executive, Independent Director under the Act and Listing Regulations, as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, from time to time.

**RESOLVED FURTHER THAT** the Board of Directors (including any committee thereof) be and is hereby authorised to do all acts and to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

**ITEM NO. 4- INCREASE IN REMUNERATION OF MR. PIYUSH AGRAWAL, MANAGING DIRECTOR OF THE COMPANY.**

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

**"RESOLVED THAT** pursuant to Regulation 17(6)(e) of SEBI (LODR) (Amendment) Regulations, 2018 and other applicable provisions, if any, and pursuant to Section 197, 198 and other applicable provisions, if any, of the Companies Act, 2013, (the 'Act') read with Schedule V of the Companies Act, 2013 and the rules made thereunder, including any amendment(s), modification(s) or re-enactment(s) thereof for the time being in force; upon recommendation of the Nomination and Remuneration Committee and the Board of Directors, the consent of the members of the Company be and is hereby accorded for revision of managerial remuneration of Mr. Piyush Agrawal (DIN: 01761004), Managing Director of the Company, which is in excess of threshold limits as prescribed under Securities and Exchange of Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 (SEBI LODR Regulations) and Schedule V of the Companies Act, 2013 and the Rules made thereunder.

**RESOLVED FURTHER THAT** the extent and scope of salary and perquisites of the Directors of the Company be altered, enhanced,

widened or varied by the Board of Directors in accordance with the provisions of Companies Act, 2013 and other applicable provisions.

**RESOLVED FURTHER THAT** the terms and remuneration as set out in the Explanatory Statement of this Resolution shall be deemed to form part hereof and in the event of inadequacy or absence of profits during this financial year, the remuneration comprising salary, perquisites and benefits approved by the Board of Directors be paid as minimum remuneration to the Managing Director.

**RESOLVED FURTHER THAT** any Director of the Company, be and is hereby authorized to sign and submit the necessary application and forms with appropriate authorities and to perform all such acts, deeds and things as they may in their absolute discretion deem necessary or desirable for and on behalf of the Company for the purpose of giving effect to aforesaid resolution."

**ITEM NO. 5-INCREASE IN REMUNERATION OF MR. CHAITANYA AGRAWAL, WHOLE TIME DIRECTOR OF THE COMPANY.**

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

**"RESOLVED THAT** pursuant to Regulation 17(6)(e) of SEBI (LODR) (Amendment) Regulations, 2018 and other applicable provisions, if any, and pursuant to Section 197, 198 and other applicable provisions, if any, of the Companies Act, 2013, (the 'Act') read with Schedule V of the Companies Act, 2013 and the rules made thereunder, including any amendment(s), modification(s) or re-enactment(s) thereof for the time being in force; upon recommendation of the Nomination and Remuneration Committee and the Board of Directors, the consent of the members of the Company be and is hereby accorded for revision of managerial remuneration of Mr. Chaitanya Agrawal (DIN: 05108809), Whole Time Director of the Company, which is in excess of threshold limits as prescribed under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 (SEBI LODR Regulations) and Schedule V of the Companies Act, 2013 and the Rules made thereunder.

**RESOLVED FURTHER THAT** the extent and scope of salary and perquisites of the Directors of the Company be altered, enhanced, widened or varied by the Board of Directors in accordance with the provisions of Companies Act, 2013 and other applicable provisions.

**RESOLVED FURTHER THAT** the terms and remuneration as set out in the Explanatory Statement of this Resolution shall be deemed to form part hereof and in the event of inadequacy or absence of profits during this financial year, the remuneration comprising salary, perquisites and benefits approved by the Board of Directors be paid as minimum remuneration to the Whole Time Director.

**RESOLVED FURTHER THAT** any Director of the Company, be and is hereby authorized to sign and submit the necessary application and forms with appropriate authorities and to perform all such acts, deeds and things as they may in their absolute discretion deem necessary or desirable for and on behalf of the Company for the purpose of giving effect to aforesaid resolution."

**ITEM NO. 6: ISSUANCE OF UPTO 27,80,000 WARRANTS CONVERTIBLE INTO EQUITY SHARES TO THE PERSONS BELONGING TO PROMOTER AND PROMOTER GROUP AND NON - PROMOTER GROUP ON A PREFERENTIAL ISSUE.**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 62 read with Section 42 of the Companies Act, 2013 and rules made thereunder (the "Act") and any other applicable provisions, if any, of the Companies Act, 2013, as amended and other relevant rules made there under (including any statutory modification(s) thereto or re-enactment thereof for the time being in force), and in accordance with the provisions of Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the "SEBI ICDR Regulations") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended up to date (the "Listing Regulations") and subject to any other applicable rules, regulations, guidelines, notifications, circulars and clarifications issued thereunder from time to time by the Ministry of Corporate Affairs ("MCA"), the Securities and Exchange Board of India ("SEBI"), the Reserve Bank of India ("RBI") and/or any other competent authorities (hereinafter referred to as "Applicable Regulatory Authorities") from time to time to the extent applicable and enabling provisions of the Memorandum and Articles of Association of the Company, and subject to the requisite approvals, consents and permissions as may be necessary or required from regulatory or other appropriate authority including BSE Limited ("BSE") ("Stock Exchanges"), RBI and subject to any other alterations, modifications, conditions, corrections, changes and variations that may be decided by the Board of Director (the "Board") of the Company in its absolute discretion, the consent of the Members of the Company be and is hereby accorded to the Board to create, issue, offer and allot, from time to time, in one or more tranches, upto 27,80,000 (Twenty Seven Lakhs and Eighty Thousand) convertible warrants ("Warrants"), at a price of ₹102/- (Rupees One Hundred Only) per warrant, aggregating upto ₹28,35,60,000/- (Rupees Twenty Eight Crore Thirty Five Lakh and Sixty Thousand Only) ("Total Issue Size"), with a right to the warrant holders to apply for and be allotted 1 (One) fully paid-up equity share of the Company of face value ₹10/- (Rupees Ten Only), each at a premium of ₹92/- per share for each Warrant within a period of 18 (Eighteen) months from the date of allotment of Warrants, to persons / entity enlisted below ("Warrant Holder"/ "Proposed Allottees") belonging to promoter and promoter group and non-promoter group of the Company on a preferential basis ("Preferential Issue"), for consideration payable through electronic means/ banking channels and in such manner and upon such terms and conditions as may be deemed appropriate by the Board in accordance with the terms of this Preferential Issue, provisions of SEBI ICDR Regulations, or other applicable laws in this respect:

| S. No. | Name of the proposed allottee               | Category       | No. of Warrants to be allotted |
|--------|---|----------------|--------------------------------|
| 1.     | Piyush Agrawal                              | Promoter       | 4,50,000                       |
| 2.     | Chaitanya Agrawal                           | Promoter       | 4,00,000                       |
| 3.     | Amitabh Agrawal                             | Promoter Group | 3,00,000                       |
| 4.     | Ritu Investments Private Limited            | Promoter Group | 1,00,000                       |
| 5.     | Securocrop Securities India Private Limited | Non-Promoter   | 4,00,000                       |
| 6.     | Gaurav Singh                                | Non-Promoter   | 2,10,000                       |
| 7.     | Bhavya Jain                                 | Non-Promoter   | 2,05,000                       |
| 8.     | Saket Agarwal                               | Non-Promoter   | 1,50,000                       |
| 9.     | Doshi Sagar Hareshkumar                     | Non-Promoter   | 1,00,000                       |
| 10.    | Parth Shah                                  | Non-Promoter   | 1,00,000                       |
| 11.    | Niveshaay Hedgehogs LLP                     | Non-Promoter   | 1,00,000                       |
| 12.    | Sangeeta Pareekh                            | Non-Promoter   | 90,000                         |
| 13.    | Vidhi Bansal Gupta                          | Non-Promoter   | 50,000                         |
| 14.    | Vivek Sawhney                               | Non-Promoter   | 40,000                         |
| 15.    | Priti Mehul Gandhi                          | Non-Promoter   | 35,000                         |
| 16.    | Amit Kumar                                  | Non-Promoter   | 20,000                         |
| 17.    | Rimjhim Goenka                              | Non-Promoter   | 10,000                         |
| 18.    | Urban Botanics Private Limited              | Non-Promoter   | 10,000                         |
| 19.    | Ashish Kila                                 | Non-Promoter   | 10,000                         |
|        |   | <b>Total</b>   | <b>27,80,000</b>               |

RESOLVED FURTHER THAT in terms of the provisions of Chapter V of ICDR Regulations, the relevant date for determining the minimum issue price of Equity Shares shall be Friday, August 30, 2024, (being the day preceding the weekend or holiday i.e Saturday, August 31, 2024) the date 30 days prior to the date of the Annual General Meeting of the shareholders of the Company scheduled to be held, i.e., Monday, September 30, 2024.

RESOLVED FURTHER THAT the said Warrants shall be issued and allotted by the Company to the allottees within a period of 15 days from the date of passing of this resolution provided that where the allotment of the said Warrants is pending on account of pendency of any approval for such allotment by any regulatory authority or the Central Government, the allotment shall be completed within a period of 15 days from the date of such approval.

**RESOLVED FURTHER THAT the aforesaid issue of Warrants shall be subject to the following terms and conditions:**

1. The Equity Shares to be so allotted on exercise of the Warrants shall be in dematerialised form and shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank pari-passu in all respects including dividend, with the existing Equity Shares of the Company. The Warrants may be exercised into Equity Shares as aforesaid by the Warrant holder(s) at any time before the expiry of 18 months from the date of allotment of the Warrants.
2. A Warrant subscription price equivalent to 25% (i.e., the upfront amount) of the issue price will be payable at the time of subscription to the Warrants, as prescribed by Regulation 169 of the SEBI ICDR Regulations, which will be kept by the Company to be adjusted and appropriated against the issue price of the Equity Shares. A Warrant exercise price equivalent to the 75% of the issue price of the Equity Shares shall be payable by the Warrant holder(s) at the time of exercising the Warrants.
3. The issue of the Warrants as well as Equity Shares arising from the exercise of the Warrants shall be governed by the regulations and guidelines issued by SEBI or any other statutory authority as the case may be or any modifications thereof.
4. The respective Warrant Holders shall make payment of Warrant Subscription Price and Warrant Exercise Price from their own bank account into the designated bank account of the Company and in the case of joint holders, shall be received from the bank account of the person whose name appears first in the application.
5. In the event the Warrant holder(s) does not exercise the Warrants within 18 months from the date of allotment, the Warrants shall lapse and the amount paid shall stand forfeited by the Company.
6. The Warrants and the Equity Shares allotted pursuant to exercise of such warrants shall be subject to a lock-in for such period as specified under Chapter V of SEBI ICDR Regulations.

7. The Warrants itself, until exercised and converted into Equity Shares, shall not give to the Warrant Holders thereof any rights with respect to that of an Equity shareholder of the Company.

RESOLVED FURTHER THAT the pre-preferential allotment shareholding of the Warrant Holders, if any, in the Company shall also be subject to lock-in as per the provisions of the SEBI ICDR Regulations.

RESOLVED FURTHER THAT the Board be and is hereby authorised to accept any modification(s) or modify the terms of issue of Warrants, subject to the provisions of the Act and SEBI ICDR Regulations, without being required to seek any further consent or approval of the Members of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of the Act and subject to receipt of such approvals as may be required under applicable law, the consent of the Members of the Company be and is hereby accorded to record the name and address of the allottees and issue a private placement offer cum application letter in the Form PAS-4 to the allottees inviting to subscribe to the Warrants in accordance with the provisions of the Act.

RESOLVED FURTHER THAT the Board be and is hereby authorised to issue and allot such number of Equity Shares of the Company as may be required to be issued and allotted upon exercise of the option in the Warrants held by the Warrant holder(s).

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, desirable and expedient for such purpose to give effect to the above resolution, including without limitation, issuing clarifications, resolving all questions of doubt, effecting any modifications or changes to the above mentioned Preferential offer (including modification to the terms of the issue), entering into contracts, arrangements, agreements, documents (including for appointment of agencies, intermediaries and advisors for the Issue), making applications to Stock Exchanges for obtaining of in-principle approval, filing of requisite documents with the concerned Registrar of Companies ("ROC"), National Securities Depository Limited ("NSDL"), Central Depository Services (India) Limited ("CDSL") and/ or such other authorities as may be necessary for the purpose, and to take all such steps as may be necessary for the admission of the Warrants and Equity Shares (to be issued on exercise of the Warrants) with the depositories, viz. NSDL and CDSL and for the credit of such Warrants / Shares to the respective dematerialized securities account of the Warrant Holders and to authorize all such persons as may be necessary, in connection therewith and incidental thereto as the Board in its absolute discretion shall deem fit without being required to seek any fresh approval of the members of the Company and to settle all questions, difficulties or doubts that may arise in regard to the offer, issue and allotment of the Warrants and Equity Shares and listing thereof with the Stock Exchanges as appropriate and utilisation of proceeds of the Warrants or Equity Shares, take all other steps which may be incidental, consequential, relevant or ancillary in this connection and to effect any modification to the foregoing and the decision of the Board shall be final and conclusive.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to Committee of Directors/ any Director(s)/Company Secretary / any Officer(s) of the Company to give effect to the aforesaid resolution.

RESOLVED FURTHER THAT all actions taken by the Board or Committee(s) duly constituted for this purpose in connection with any matter referred to above or contemplated in the foregoing resolution is hereby approved, ratified and confirmed in all respects."

**By Order of the Board of Directors**

**For Cranex Limited**

**Sd/-**

**Heena Sharma**

**Company Secretary**

**ACS: 65512**

**Place: New Delhi**

**Date: 3<sup>rd</sup> September, 2024**

**Regd. Office:**

**Registered Office: 9, DDA Market,**

**CIN: L74899DL1973PLC006503**

**Katwaria Sarai, New Delhi-110016**

**Corporate Office: 57/1, Industrial Area,**

**Site-IV, Sahibabad (U.P.)-201010**

**E mail: investors@cranexltd.com,**

**Website: <http://www.cranexltd.com>**

**BSE Script Code: 522001**

**ISIN: INE608B01010**

**NOTES FOR MEMBERS' ATTENTION:**

1. The deemed venue for 49th e-AGM shall be the Registered Office of the Company. Members may note that the Notice and Annual Report 2023-24 along with other documents will also be available on the Company's website [www.cranexltd.com](http://www.cranexltd.com), website of the Stock Exchange, i.e., [www.bseindia.com](http://www.bseindia.com).
2. **Pursuant to the provisions of the Act, a member entitled to attend and vote at the e-AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the Company. Since this e-AGM is being held pursuant to the MCA Circulars through VC/OAVM facility, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the e-AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.**
3. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ('the Act') in respect of the business under item no. 3,4,5 & 6 set out above and the relevant details of the directors seeking appointment/ re-appointment under the accompanying notice, as required under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 is annexed herewith.
4. The Board has appointed Mr. Parveen Kumar Rastogi, Practicing Company Secretary (COP No. 26582), as the Scrutinizer to scrutinize the e-voting in a fair and transparent manner. The Scrutinizer will submit his report to the Company Secretary of the Company ('the Company Secretary') or to any other person authorized by the Company after the completion of the scrutiny of the e-voting (votes cast during the AGM and votes cast through remote e-voting), not later than 2 days from the conclusion of the AGM. The result declared along with the Scrutinizer's report shall be communicated to the stock exchange, NSDL and RTA and will also be displayed on the Company's website, [www.cranexltd.com](http://www.cranexltd.com).
5. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the e-AGM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by e-mail through its registered e-mail address to [rastogifcs3@gmail.com](mailto:rastogifcs3@gmail.com)
6. The Company has engaged the services of NSDL, as authorised agency for conducting the AGM through VC/ OAVM and for providing e-voting facility. Members attending the AGM through VC/ OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
7. Investors, who are members of the Company, are encouraged to attend and vote at the 49th e-AGM of the Company.
8. SEBI has mandated the submission of Permanent Account Number (PAN) by every person dealing in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or Beetal, RTA.
9. To support "green initiative" and in terms of section 101 and 136 of the Act, read together with the Rules made there under, the listed companies may send the notice of annual general meeting and the annual report, including Financial Statements, Board Report etc. by electronic mode. Pursuant to the said provisions of the Act read with MCA Circulars, Notice of the AGM along with the Annual Report 2023-24 is being sent only through electronic mode to those members whose e-mail addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report 2023-24 will also be available on the Company's website at [www.cranexltd.com](http://www.cranexltd.com), website of the Stock Exchange i.e. BSE Ltd. at [www.bseindia.com](http://www.bseindia.com), RTA at <http://www.beetalfinancial.com/>
10. To receive shareholders' communications through electronic means, including Annual Reports and Notices, members are requested to kindly register/update their e-mail address with their respective depository participant, where shares are held in electronic form. Where shares are held in physical form, members are advised to register their e-mail address with Beetal Financial Computer Services Private Limited.
11. Members having any question on Financial Statements or on any Agenda item proposed in the notice of AGM are requested to send their queries at least three days prior to the date of AGM of the company at [investors@cranexltd.com](mailto:investors@cranexltd.com) to enable the company to collect the relevant informations.
12. Register of Members and Share Transfer Books will remain closed from Tuesday, 24th September, 2024 to Monday, 30th September, 2024 (both inclusive) for the purpose of annual closing and AGM.
13. Shareholders, who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at [investors@cranexltd.com](mailto:investors@cranexltd.com). The same will be replied by the company suitably.
14. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 3 days prior to meeting (i.e. before September 27, 2024) mentioning their name, Demat account number/folio number, email id, mobile number at [investors@cranexltd.com](mailto:investors@cranexltd.com). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 3 days prior to meeting (i.e. before September 27, 2024) mentioning their name, Demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

**15. CUT OFF DATE :**

- a) A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on Monday, September 23rd, 2024 (the "Cut-off Date") only shall be entitled to vote through Remote E-voting and at the AGM. The voting rights of Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the Cut Off date.
- b) Members are requested to quote their Folio No. / Client ID / DP ID in all correspondences with the Company. They are also requested to furnish their bank account details, change of address and all other required details to the Registrar & Share Transfer Agent in respect of shares if held in physical form. In case of shares held in electronic form, these details should be furnished to the respective Depository Participants (DPs).
- c) Members are requested to furnish or update their e-mail Ids with the Registrar for sending the soft copies of the Annual Report of the company as required vide circular no. 17/2011 dated April 21, 2011 and circular no. 18/2011 dated April 29, 2011 issued by the Ministry of Corporate Affairs and to avail remote e-voting facility in respect of the resolutions which would be passed at the General Meetings of the Company.
- d) Pursuant to the prohibition imposed vide Secretarial Standard on General Meetings (SS-2) issued by the ICSI and the MCA circular, no gifts/coupons shall be distributed to the members.
- e) **Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Registrar and Share Transfer Agents, for consolidation into single folio.**
- f) In terms of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, the Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their respective Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their PAN details to the Company or to the Registrar and Share Transfer Agents.
- g) Members desiring any information as regards to Accounts are requested to write to the Company Secretary at Corporate Office at 57/1, Industrial Area, Site IV, Sahibabad (U.P.)-201010 at least 7 days in advance of the meeting so as to enable the management to keep the information ready.
- h) **Members are requested to send their queries related to AGM and other matters on the designated exclusive e-mail ID i.e. investors@cranexltd.com before the date of AGM. For redressal of shareholder's complaints/grievances in case you have any unresolved grievances, please write to us at investors@cranexltd.com**

**16. Updation of Members' details:**

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

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

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

1. To comply with the above mandate, members who still hold share certificates in physical form are advised to dematerialise their shareholding to also avail of numerous benefits of dematerialisation, which include easy liquidity, ease of trading and transfer, savings in stamp duty and elimination of any possibility of loss of documents and bad deliveries.
2. In case of joint holders, the member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the e-AGM. Nomination form SH-13 is available at the website of the Company <http://www.cranexltd.com>.
3. The Company has been maintaining, inter alia, the following statutory registers at its corporate office at 57/1, Industrial Area, Site-IV, Sahibabad (U.P.)-201010:
  - I. Register of contracts or arrangements in which directors are interested under section 189 of the Act.
  - II. Register of Directors and Key Managerial Personnel and their shareholding under section 170 of the Act.

**17. E-VOTING PROCESS**

In Compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 45 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, the Company is pleased to



provide Members a facility to exercise their right electronically through electronic voting service facility arranged by NSDL. The instructions for e-voting are annexed to the notice.

- I. A member may exercise his vote at the Annual General Meeting by electronic means and the Company may pass any resolution by electronic voting system in accordance with the provisions of the aforesaid Rule. The facility of casting the votes by the Members using an electronic voting system from a place other than venue of AGM ("remote e-voting") will be provided by NSDL.
- II. The remote e -voting period begins on 9:00 A.M. on Friday, 27th September, 2024 and ends on 5:00 P.M. on Sunday, 29th September, 2024. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. The voting rights of shareholders shall be in proportion to their shares of the paid up equity shares.
- III. A Person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on cut-off date only shall be entitled to avail the facility of remote e-voting or voting of the meeting.
  1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021, Circular No. 10/2022 dated 28.12.2022 and all other relevant circulars issued from time to time, physical attendance of the Members to the EGM/AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing EGM/AGM through VC/OAVM.
  2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this EGM/AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the EGM/AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
  3. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
  4. The attendance of the Members attending the EGM/AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
  5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the EGM/AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the EGM/AGM will be provided by NSDL.
  6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the EGM/AGM has been uploaded on the website of the Company at <https://www.cranexltd.com>. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) respectively and the EGM/AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  7. EGM/AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021 & Circular No. 10/2022 dated 28.12.2022 & Circular No. 09/2023 dated 25.09.2023.

#### **THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-**

**The remote e-voting period begins on 27th September, 2024 at 9:00 A.M. and ends on 29th September, 2024 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 23rd September, 2024 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 23rd September, 2024.**

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




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

#### **Step 1: Access to NSDL e-Voting system**

**A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

| Type of shareholders  | Login Method  |
|---|---|
| Individual Shareholders holding securities in demat mode with NSDL. | <ol style="list-style-type: none"> <li>Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the "<b>Beneficial Owner</b>" icon under "<b>Login</b>" which is available under '<b>IDeAS</b>' section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "<b>Access to e-Voting</b>" under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "<b>Register Online for IDeAS Portal</b>" or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to <b>e-Voting website of NSDL</b> for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. <div style="text-align: center;"> <p>NSDL Mobile App is available on</p>    </div> </li> </ol> |
| Individual Shareholders holding securities in demat mode with CDSL  | <ol style="list-style-type: none"> <li>Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</li> <li>After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>  |

| Type of shareholders   | Login Method   |
|--|--|
| Individual Shareholders (holding securities in demat mode) login through their depository participants | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

| Login type   | Helpdesk details   |
|--|--|
| Individual Shareholders holding securities in demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at 022 - 4886 7000 and 022 - 2499 7000                    |
| Individual Shareholders holding securities in demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800-21-09911 |

**B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

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

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
  - a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

**Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

**How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [rastogifcs3@gmail.com](mailto:rastogifcs3@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to Abhishek Mishra at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investors@cranexltd.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to investors@cranexltd.com. If you are Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

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

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

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

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders, who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at investors@cranexltd.com. The same will be replied by the company suitably.

**By Order of the Board of Directors  
For Cranex Limited  
Sd/-  
Heena Sharma  
Company Secretary  
ACS: 65512**

**Place: New Delhi**

**Date: : 3rd September, 2024**

**EXPLANATORY STATEMENT  
(PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013)**

As required by Section 102 of the Companies Act, 2013 (the "Act"), and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the "SEBI ICDR Regulations") the following Explanatory Statement sets out all material acts relating to the business mentioned under Item No. 03 and 06 of the accompanying Notice dated September 03, 2024:

**ITEM NO. 3 REGULARISATION OF MS. PRIYANKA PATHAK (DIN: 10601570), AS DIRECTOR AND INDEPENDENT DIRECTOR OF THE COMPANY FOR A TERM OF FIVE CONSECUTIVE YEARS.**

Ms. Priyanka Pathak (DIN: 10601570), on the recommendation of the Nomination and Remuneration Committee was appointed as an Additional Director in the capacity of a Non-Executive Independent Director with effect from 3rd September, 2024 by the Board of Directors in accordance with Articles of Association and sections 149, 161 and Schedule IV of the Companies Act 2013 ("the Act") and Regulation 16(1)(b) and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As per section 161 of the Act, Ms. Priyanka Pathak holds office upto the date of the 49th AGM of the Company. The company has received requisite notice in writing under section 160 of the Act from a member proposing the candidature of Ms. Priyanka Pathak to be appointed as an Independent Non-Executive Director at the 49th AGM for a term of five years starting from 3rd September, 2024, not liable to retire by rotation.

Ms. Priyanka Pathak has consented to the proposed appointment and declared qualified. Ms. Priyanka Pathak possesses requisite knowledge, experience and skill for the position of Independent Director as per required criteria under the Act and rules & regulations made thereunder. Ms. Priyanka Pathak, will not be entitled for any remuneration as per the Company policy for non-executive directors except sitting fees for attending Board meetings.

Except Ms. Priyanka Pathak, Independent Director, no other director, Key Managerial Personnel of the Company and their relatives thereof are interested or concerned financial or otherwise in the proposed resolution.

**ITEM NO. 4 INCREASE IN REMUNERATION OF MR. PIYUSH AGRAWAL, MANAGING DIRECTOR OF THE COMPANY**

Upon recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company in their meeting held on 3rd September, 2024 approved the revision of remuneration payable to Mr. Piyush Agrawal, Managing Director of the Company effective from 1st October, 2024.

Further, the members are requested to authorise the Board to alter and vary the terms and conditions including remuneration and incremental thereof, from time to time for Mr. Piyush Agrawal, Managing Director as mentioned below.

Terms and Conditions:

A. REMUNERATION: 1. Basic Pay: Rs. 2,00,000/- per month.

2. Perquisites: i) House Rent Allowance of Rs. 72,500/-per month  
ii) Conveyance Allowance- 27,500/- per month  
iii) Gratuity, not exceeding one half months' Salary for each completed year of service.  
iv) Any other benefits, facilities, allowance and expenses as may be allowed under Company rules/schemes.

The Board of Directors in their meeting held on 3rd September, 2024 proposed to increase remuneration payable to Mr. Piyush Agrawal, subject to approval of members in the forthcoming AGM of the Company. In accordance with the applicable provisions of the Companies Act, 2013, approval of members in the forthcoming AGM is being sought, by way of special resolution, for payment of remuneration to Mr. Piyush Agrawal, Managing Director of the Company.

Accordingly, the Board recommends the resolution set forth in Item No. 4 relating to increase in the managerial remuneration payable to Mr. Piyush Agrawal, Managing Director, by way of Special Resolution.

Except Mr. Chaitanya Agrawal, Ms. Ritu Agrawal (wife of Mr. Piyush Agrawal) no other director(s) and Key Managerial Personnel(s) or their relatives, is in any way, concerned or interested, financially or otherwise, in this resolution.

**ITEM NO. 5 INCREASE IN REMUNERATION OF MR. CHAITANYA AGRAWAL, WHOLE TIME DIRECTOR OF THE COMPANY**

Upon recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company in their meeting held on 3rd September, 2024 approved the revision of remuneration payable to Mr. Chaitanya Agrawal, Whole Time Director of the Company effective from 1st October, 2024.

Further, the members are requested to authorise the Board to alter and vary the terms and conditions including remuneration and incremental thereof, from time to time Chaitanya Agrawal, Whole Time Director as mentioned below.

Terms and Conditions:

A. REMUNERATION: 1. Basic Pay: Rs. 1,18,000/- per month.

2. Perquisites:
- i) House Rent Allowance of Rs. 55,000/-per month
  - ii) Conveyance Allowance- 22500/- per month.
  - iii) Company's contribution towards Provident Fund, Superannuation Fund or annuity as per the Rules of the Company: 12 % of the Basic pay.
  - iv) Gratuity, not exceeding one half months' Salary for each completed year of service.
  - v) Medical allowance - 4,500/- per month
  - vi) Any other benefits, facilities, allowance and expenses as may be allowed under Company rules/schemes.

The Board of Directors in their meeting held on 3rd September, 2024 proposed to increase remuneration payable to Mr. Chaitanya Agrawal, subject to approval of members of the Company. In accordance with the applicable provisions of the Companies Act, 2013, approval of members in the forthcoming AGM is being sought, by way of special resolution, for payment of remuneration to Mr. Chaitanya Agrawal Whole Time Director of the Company.

Accordingly, the Board recommends the resolution set forth in Item No. 5 relating to increase in the managerial remuneration payable to Mr. Chaitanya Agrawal Whole Time Director, by way of Special Resolution.

Except Mr. Piyush Agrawal, Ms. Ritu Agrawal (wife of Mr. Piyush Agrawal) no other director(s) and Key Managerial Personnel(s) or their relatives, is in any way, concerned or interested, financially or otherwise, in this resolution.

**ITEM NO. 6: ISSUANCE OF UPTO 27,80,000 WARRANTS CONVERTIBLE INTO EQUITY SHARES TO THE PERSONS BELONGING TO PROMOTER AND PROMOTER GROUP AND NON PROMOTER CATEGORY, ON A PREFERENTIAL BASIS**

In accordance with section 23(1)(b), 42, 62(1)(c) of the Companies Act, 2013 (the "Act"), read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and any other applicable provisions if any of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), and in accordance with the SEBI ICDR Regulations and the Listing Regulations, as amended from time to time, subject to the requisite approvals, consents and permissions as may be necessary or required from regulatory or other appropriate authority approval of shareholders of the Company by way of special resolution is required to issue Convertible Warrants into Equity Shares by way of private placement on a preferential basis to the proposed allottees.

The information required in terms of Rule 14(1) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and Rule 13(2)(d) of the Companies (Share Capital and Debentures) Rules, 2014 of Companies Act, 2013 and Chapter V of the SEBI ICDR Regulations, and other relevant details in respect of the proposed Preferential Issue of Convertible Warrants into Equity Shares are as under:

**a. Particulars of the Preferential Issue including date of passing of Board resolution:**

The Board at their meeting held on Tuesday, September 03, 2024 have, subject to the approval of the Members of the Company and such other approvals as may be required, approved to issue and allot in one or more tranches, upto 27,80,000 (Twenty Seven Lakhs Eighty Thousand) convertible warrants ("**Warrants**"), at a price of ₹ 102/- (Rupees One Hundred and Two Only) per warrant, aggregating upto ₹ 28,35,60,000/- (Twenty Eight Crores Thirty Five Lakhs and Sixty Thousand Only) ("**Total Issue Size**"), with a right to the warrant holders to apply for and be allotted 1 (One) fully paid-up equity share of the Company of face value ₹ 10/- (Rupees Ten Only), each at a premium of ₹ 92/- per share for each Warrant within a period of 18 (Eighteen) months from the date of allotment of Warrants, to persons / entity enlisted below ("**Warrant Holder**")/ ("**Proposed Allottees**") belonging to promoter and promoter group and non-promoter group of the Company on a preferential basis ("**Preferential Issue**"), for consideration payable through electronic means/ banking channels and in such manner and upon such terms and conditions as may be deemed appropriate by the Board in accordance with the terms of this Preferential Issue, provisions of SEBI ICDR Regulations, or other applicable laws as mentioned in the resolution no. 13.



may be deemed appropriate by the Board in accordance with the terms of this Preferential Issue, provisions of SEBI ICDR Regulations, or other applicable laws as mentioned in the resolution no. 13.

| S. No. | Name of the proposed allottee               | Category       | No. of Warrants to be allotted |
|--------|---|----------------|--------------------------------|
| 1.     | Piyush Agrawal                              | Promoter       | 4,50,000                       |
| 2.     | Chaitanya Agrawal                           | Promoter       | 4,00,000                       |
| 3.     | Amitabh Agrawal                             | Promoter Group | 3,00,000                       |
| 4.     | Ritu Investments Private Limited            | Promoter Group | 1,00,000                       |
| 5.     | Securocrop Securities India Private Limited | Non-Promoter   | 4,00,000                       |
| 6.     | Gaurav Singh                                | Non-Promoter   | 2,10,000                       |
| 7.     | Bhavya Jain                                 | Non-Promoter   | 2,05,000                       |
| 8.     | Saket Agarwal                               | Non-Promoter   | 1,50,000                       |
| 9.     | Doshi Sagar Hareshkumar                     | Non-Promoter   | 1,00,000                       |
| 10.    | Parth Shah                                  | Non-Promoter   | 1,00,000                       |
| 11.    | Niveshaay Hedgehogs LLP                     | Non-Promoter   | 1,00,000                       |
| 12.    | Sangeeta Pareekh                            | Non-Promoter   | 90,000                         |
| 13.    | Vidhi Bansal Gupta                          | Non-Promoter   | 50,000                         |
| 14.    | Vivek Sawhney                               | Non-Promoter   | 40,000                         |
| 15.    | Priti Mehul Gandhi                          | Non-Promoter   | 35,000                         |
| 16.    | Amit Kumar                                  | Non-Promoter   | 20,000                         |
| 17.    | Rimjhim Goenka                              | Non-Promoter   | 10,000                         |
| 18.    | Urban Botanics Private Limited              | Non-Promoter   | 10,000                         |
| 19.    | Ashish Kila                                 | Non-Promoter   | 10,000                         |
|        |   | <b>Total</b>   | <b>27,80,000</b>               |

**b. Kinds of securities offered and the price at which security is being offered, and the total/ maximum number of securities to be issued:**

The Company proposes to offer, issue and allot, in one or more tranches, upto 27,80,000 (Twenty Seven Lakhs Eighty Thousand) convertible warrants into equity shares ("Warrants"), at a price of ₹102/- (Rupees One Hundred and Two Only) per warrant, aggregating upto ₹28,35,60,000/- (Twenty Eight Crores Thirty Five Lakhs and Sixty Thousand Only) ("Total Issue Size") by way of a Preferential Issue.

**c. Objects of the Issue:**

The Company proposes to raise funds through issue of Convertible Warrants into equity shares on preferential basis:

1. Meet funding requirements for Business Expansion
2. Meet working capital requirements to strengthen financial position
3. General corporate purposes.

**d. Maximum number of securities to be issued and price at which securities being offered:**

The Company proposes to offer, issue and allot, in one or more tranches, upto 27,80,000 (Twenty Seven Lakhs Eighty Thousand) convertible warrants into equity shares ("Warrants"), at a price of ₹102/- (Rupees One Hundred and Two Only) per warrant, aggregating upto ₹ 28,35,60,000/- (Twenty Eight Crores Thirty Five Lakhs and Sixty Thousand Only) ("Total Issue Size") by way of a Preferential Issue.

The price for the allotment of securities to be issued is based on the minimum price determined in accordance with Chapter V of SEBI ICDR Regulations is fixed at ₹102/- (Rupees One Hundred and Two only) per Convertible Warrant.

**e. Basis on which the price has been arrived at along with report of the registered valuer**

The equity shares of the Company are listed on BSE Limited ("BSE") and are frequently traded as per provisions of SEBI ICDR Regulations. In terms of the provisions of Regulation 164 of the ICDR Regulations, the equity shares of the Company listed on a BSE for a period of 90 trading days or more as on the relevant date, the minimum price at which the Equity Shares shall be issued not less than higher of the following:

- a. The volume weighted average price of the Equity Shares of the Company quoted on BSE, during the 90 trading days preceding the

Relevant Date, i.e. ₹ 101.34/- per Equity shares; or

- b. The volume weighted average price of the Equity Shares of the Company quoted on BSE, during the 10 trading days preceding the Relevant Date i.e. ₹ 93.11/- per Equity shares.

We also confirm that the Articles of Association do not contain any restrictive provision for Preferential Allotment and doesn't contain any article which provides for particular method for determination of price in case of preferential issue.

However, the proposed allotment is more than 5% of the post issue fully diluted Shares capital of the Company, to the allottees and allottees acting in concert, the pricing of the equity shares proposed to be allotted shall be higher of the following parameters:

- i. Price is determined as per the provisions of Regulation 164 of the SEBI ICDR Regulations (in case of frequently traded shares) which is ₹ 101.34/- per Equity Shares.

Or

- ii. Price determined as per provisions of Regulation 166A of the SEBI ICDR Regulations which is ₹64.10/- per Equity Shares.

Accordingly, the floor price in terms of SEBI (ICDR) Regulations is ₹101.34/- per Convertible Warrants. The issue price is ₹102/- (Rupees One Hundred and Two Only) per Convertible Warrants which is not lower than the minimum price determined in compliance with applicable provisions of SEBI (ICDR) Regulations.

The valuation was performed by Mr. Manish Manwani, a Registered Valuer (Registration No. IBBI/RV/03/2021/14113) having his office located at Unit No. 125, Tower B-3, Spaze Itech Park, Sohna Road, Sector 49, Gurugram Haryana -122018 in accordance with regulation 164 and regulation 166A of SEBI (ICDR) Regulations. The certificate of Independent Valuer confirming the minimum price for preferential issue as per chapter V of SEBI (ICDR) Regulations is available for inspection at the Registered Office of the Company between 10:00 A.M. to 05:00 P.M. on all working days upto the date of AGM and uploaded on the website of the Company. The link of Valuation Report is <https://www.cranexltd.com/investor-relations/valuation-report>.

**f. Relevant Date**

The relevant date as per the Regulation 161 of SEBI ICDR Regulations, for determination of minimum price for the issuance of equity shares of the Company is Friday, August 30, 2024 (being the day preceding the weekend or holiday i.e Saturday, August 31, 2024), date 30 days prior to the date of the Annual General Meeting of the shareholders of the Company scheduled to be held on, i.e., Monday, September 30, 2024.

**g. The intent of the promoters, directors, key managerial personnel or senior management of the issuer to subscribe to the offer**

The Convertible Warrants shall be issued to Mr. Piyush Agrawal, Mr. Chaitanya Agrawal, Mr. Amitabh Agrawal and Ritu Investments Private Limited belongs to Promoters and Promoters Group. They have indicated their intention to subscribe to the Convertible Warrants into equity shares on a Preferential basis. Other than the above, none of the Directors, Key Managerial Personnel or senior management of the Company intends to subscribe to any of the Convertible Warrants.

**h. Time frame within which the Preferential Issue shall be completed:**

As required under the SEBI ICDR Regulations, the preferential issue/allotment of Warrants shall be completed within a period of 15 days of passing the special resolution or such extended time, as may be approved by the Regulatory Authorities, from the date of approval of the members to the preferential issue, provided that where the said allotment is pending on account of pendency of any approval for such allotment by any Regulatory Authority, the allotment shall be completed within a period of 15 days from the date of receipt of such approval.

**i. The Shareholding Pattern of the issuer before and after the preferential issue:**

The shareholding pattern of the Company before and after the proposed preferential issue is likely to be as follows:

| S. No.   | Category                       | Pre-Issue Shareholding    |               | Warrants to be allotted | No. of Warrants to be allotted |               |
|----------|--------------------------------|---------------------------|---------------|-------------------------|--------------------------------|---------------|
|          |                                | No. of equity shares held | % of Shares   |                         | No. of equity shares held      | % of Shares   |
| <b>A</b> | <b>Promoter &amp; Promoter</b> |                           |               |                         |                                |               |
|          | <b>Group Shareholding</b>      |                           |               |                         |                                |               |
| A1       | Indian Promoter                | 25,75,345                 | 42.92%        | 9,50,000                | 35,25,345                      | 40.15%        |
| A2       | Foreign Promoter               | 0                         | 0.00%         | 3,00,000                | 3,00,000                       | 3.42%         |
|          | <b>Sub Total (A)</b>           | <b>25,75,345</b>          | <b>42.92%</b> | <b>12,50,000</b>        | <b>37,25,345</b>               | <b>43.57%</b> |
| <b>B</b> | <b>Public Shareholding</b>     |                           |               |                         |                                |               |
| B1       | Institutions                   | -                         | -             | -                       | -                              | -             |
| B2       | Institutions (Domestic)        | 22,300                    | 0.37%         | -                       | 22,300                         | 0.25%         |

| S. No. | Category  | Pre-Issue Shareholding    |                | Warrants to be allotted | No. of Warrants to be allotted |                |
|--------|---|---------------------------|----------------|-------------------------|--------------------------------|----------------|
|        |   | No. of equity shares held | % of Shares    |                         | No. of equity shares held      | % of Shares    |
|        | Mutual Funds  | -                         | -              | -                       | -                              | -              |
| B3     | Institutions (Foreign)  | -                         | -              | -                       | -                              | -              |
| B4     | Central Government/<br>State Government(s)/<br>President of India           | -                         | -              | -                       | -                              | -              |
| B5     | Non-Institutions  |                           |                |                         |                                |                |
|        | Resident Individuals holding nominal share capital up to Rs. 2 lakhs        | 21,47,482                 | 35.79%         | 40,000                  | 21,87,482                      | 24.91%         |
|        | Resident Individuals holding nominal share capital in excess of Rs. 2 lakhs | 9,26,804                  | 15.45%         | 9,80,000                | 19,06,804                      | 21.72%         |
|        | Non-Resident Indians (NRIs)   | 78,813                    | 1.31%          | -                       | 78,813                         | 0.90%          |
|        | Foreign Companies   | -                         | -              | -                       | -                              | -              |
|        | Bodies Corporate  | 1,07,022                  | 1.78%          | 4,10,000                | 5,17,022                       | 5.89%          |
|        | Any Other (specify)   | 1,42,234                  | 2.37%          | 1,00,000                | 2,42,234                       | 2.76%          |
|        | <b>Sub Total B= B1+B2+B3+B4+B5</b>  | <b>34,24,655</b>          | <b>57.08%</b>  | <b>15,30,000</b>        | <b>49,54,655</b>               | <b>56.43%</b>  |
|        | <b>Total Shareholding(A+B)</b>  | <b>60,00,000</b>          | <b>100.00%</b> | <b>27,80,000</b>        | <b>87,80,000</b>               | <b>100.00%</b> |

**j. Consequential Changes in the control and change in management.**

There will not be any change in the Composition of the Board, the existing promoters of the Company will continue to be in control of the Company and there will not be any change in the management or control of the Company as a result of the proposed preferential allotment. However, there will be corresponding changes in the shareholdings of the Promoters & Promoters Group consequent to preferential allotment.

**k. The number of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price:**

During the year the Company has not made any allotments on a preferential basis till date.

**l. Principle terms of assets charged as securities.**

Not applicable.

**m. Material terms of raising such securities**

The Equity Shares being issued shall be pari-passu with the existing Equity Shares of the Company in all respects, including dividend and voting rights.

**n. Lock-In Period & Transferability**

The Warrants and the equity shares to be allotted pursuant to the exercise of the Warrants issued on Preferential Issue shall be subject to 'lock-in' for such period(s), as may be applicable to each of the investor(s), in accordance with the provisions of Chapter V of the SEBI ICDR Regulations and any other applicable law for the time being in force.

Further the entire pre-preferential allotment shareholding of the allottees if any shall be locked-in from the relevant date up to a period of 90 (Ninety) trading days from the date of allotment of such securities.

**o. The current and proposed status of the allottee(s) post Preferential Issue namely, promoters and non-promoters**

| S. No. | Name of Allottee                            | Current Status | Post Status    |
|--------|---|----------------|----------------|
| 1      | Piyush Agrawal                              | Promoter       | Promoter       |
| 2      | Chaitanya Agrawal                           | Promoter       | Promoter       |
| 3      | Amitabh Agrawal                             | Promoter Group | Promoter Group |
| 4      | Ritu Investments Private Limited            | Promoter Group | Promoter Group |
| 5      | Securocrop Securities India Private Limited | Non Promoter   | Non Promoter   |
| 6      | Gaurav Singh                                | Non Promoter   | Non Promoter   |
| 7      | Bhavya Jain                                 | Non Promoter   | Non Promoter   |
| 8      | Saket Agarwal                               | Non Promoter   | Non Promoter   |
| 9      | Doshi Sagar Hareshkumar                     | Non Promoter   | Non Promoter   |
| 10     | Parth Shah                                  | Non Promoter   | Non Promoter   |
| 11     | Niveshaay Hedgehogs LLP                     | Non Promoter   | Non Promoter   |
| 12     | Sangeeta Pareekh                            | Non Promoter   | Non Promoter   |
| 13     | Vidhi Bansal Gupta                          | Non Promoter   | Non Promoter   |
| 14     | Vivek Sawhney                               | Non Promoter   | Non Promoter   |
| 15     | Priti Mehul Gandhi                          | Non Promoter   | Non Promoter   |
| 16     | Amit Kumar                                  | Non Promoter   | Non Promoter   |
| 17     | Rimjhim Goenka                              | Non Promoter   | Non Promoter   |
| 18     | Urban Botanics Private Limited              | Non Promoter   | Non Promoter   |
| 19     | Ashish Kila                                 | Non Promoter   | Non Promoter   |

**p. The class or classes of persons to whom the allotment is proposed to be made:**

The allotment is proposed to be made to the proposed allottees as mentioned at point no. (q) below.

**q. Identity of the natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and/or who ultimately control the proposed allottees, the percentage of post preferential issues that may be held by them and change in control, if any, in the issuer consequent to the preferential issues**

| S. No. | Name of the Proposed Allottees              | Category                      | Number of Warrants to be issued | Pre- Issue Shareholding   |             | Number of Warrants to be issued | Post- Issue Shareholding  |             |
|--------|---|-------------------------------|---------------------------------|---------------------------|-------------|---------------------------------|---------------------------|-------------|
|        |   |                               |                                 | No. of equity shares held | % of Shares |                                 | No. of equity shares held | % of Shares |
| 1.     | Piyush Agrawal                              | Promoter                      | NA                              | 2,143,000                 | 35.72%      | 4,50,000                        | 2,593,000                 | 29.53%      |
| 2.     | Chaitanya Agrawal                           | Promoter                      | NA                              | 1,90,000                  | 3.17%       | 4,00,000                        | 5,90,000                  | 6.72%       |
| 3.     | Amitabh Agrawal                             | Promoter Group                | NA                              | Nil                       | Nil         | 3,00,000                        | 3,00,000                  | 3.42%       |
| 4.     | Ritu Investments Private Limited            | Promoter Group                | Ritu Agrawal                    | Nil                       | Nil         | 1,00,000                        | 1,00,000                  | 1.14%       |
| 5.     | Securocrop Securities India Private Limited | Non-Promoter Pareekh<br>4.56% | Dinesh                          | Nil                       | Nil         | 4,00,000                        | 4,00,000                  |             |
| 6.     | Gaurav Singh                                | Non-Promoter                  | NA                              | Nil                       | Nil         | 2,10,000                        | 2,10,000                  | 2.39%       |
| 7.     | Bhavya Jain                                 | Non-Promoter                  | NA                              | Nil                       | Nil         | 2,05,000                        | 2,05,000                  | 2.33%       |
| 8.     | Saket Agarwal                               | Non-Promoter                  | NA                              | Nil                       | Nil         | 1,50,000                        | 1,50,000                  | 1.71%       |
| 9.     | Doshi Sagar Hareshkumar                     | Non-Promoter                  | NA                              | Nil                       | Nil         | 1,00,000                        | 1,00,000                  | 1.14%       |
| 10.    | Parth Shah                                  | Non-Promoter                  | NA                              | Nil                       | Nil         | 1,00,000                        | 1,00,000                  | 1.14%       |

| S. No. | Name of the Proposed Allottees | Category     | Number of Warrants to be issued                     | Pre- Issue Shareholding   |             | Number of Warrants to be issued | Post- Issue Shareholding  |             |
|--------|--------------------------------|--------------|---|---------------------------|-------------|---------------------------------|---------------------------|-------------|
|        |                                |              |   | No. of equity shares held | % of Shares |                                 | No. of equity shares held | % of Shares |
| 11.    | Niveshaay                      | Non-Promoter | Arvind  | Nil                       | Nil         | 1,00,000                        | 1,00,000                  | 1.14%       |
|        | Hedgehogs LLP                  |              | Ashok kumar Kothari, Vikram Sharma and Gunjan Kabra |                           |             |                                 |                           |             |
| 12.    | Sangeeta Pareekh               | Non-Promoter | NA  | Nil                       | Nil         | 90,000                          | 90,000                    | 1.03%       |
| 13.    | Vidhi Bansal Gupta             | Non-Promoter | NA  | Nil                       | Nil         | 50,000                          | 50,000                    | 0.57%       |
| 14.    | Vivek Sawhney                  | Non-Promoter | NA  | Nil                       | Nil         | 40,000                          | 40,000                    | 0.46%       |
| 15.    | Priti Mehul Gandhi             | Non-Promoter | NA  | Nil                       | Nil         | 35,000                          | 35,000                    | 0.40%       |
| 16.    | Amit Kumar                     | Non-Promoter | NA  | Nil                       | Nil         | 20,000                          | 20,000                    | 0.23%       |
| 17.    | Rimjhim Goenka                 | Non-Promoter | NA  | Nil                       | Nil         | 10,000                          | 10,000                    | 0.11%       |
| 18.    | Urban Botanics Private Limited | Non-Promoter | Sarita Lalwani and Prince Sethiya                   | Nil                       | Nil         | 10,000                          | 10,000                    | 0.11%       |
| 19.    | Ashish Kila                    | Non-Promoter | NA  | Nil                       | Nil         | 10,000                          | 10,000                    | 0.11%       |

**r. The percentage of post preferential issue capital that may be held by the allottee(s) and change in control, if any, in the issuer consequent to the preferential issue**

| S. No. | Name of Allottee                            | Post Status |
|--------|---|-------------|
| 1.     | Piyush Agrawal                              | 29.53%      |
| 2.     | Chaitanya Agrawal                           | 6.72%       |
| 3.     | Amitabh Agrawal                             | 3.42%       |
| 4.     | Ritu Investments Private Limited            | 1.14%       |
| 5.     | Securocrop Securities India Private Limited | 4.56%       |
| 6.     | Gaurav Singh                                | 2.39%       |
| 7.     | Bhavya Jain                                 | 2.33%       |
| 8.     | Saket Agarwal                               | 1.71%       |
| 9.     | Doshi Sagar Hareshkumar                     | 1.14%       |
| 10.    | Parth Shah                                  | 1.14%       |
| 11.    | Niveshaay Hedgehogs LLP                     | 1.14%       |
| 12.    | Sangeeta Pareekh                            | 1.03%       |
| 13.    | Vidhi Bansal Gupta                          | 0.57%       |
| 14.    | Vivek Sawhney                               | 0.46%       |
| 15.    | Priti Mehul Gandhi                          | 0.40%       |
| 16.    | Amit Kumar                                  | 0.23%       |
| 17.    | Rimjhim Goenka                              | 0.11%       |
| 18.    | Urban Botanics Private Limited              | 0.11%       |
| 19.    | Ashish Kila                                 | 0.11%       |

**s. Justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer.**

Not applicable, since the proposed allotment of Warrants will be made on cash basis.

**t. Amount which the company intends to raise by way of such securities:**

Aggregating up to ₹28,35,60,000/- (Rupees Twenty Eight Crore Thiry Five Lakh and Sixty Thousand Only).

**u. Certificate of Practicing Company Secretary**

The certificate from Practicing Company Secretaries, certifying that the preferential issue of equity shares is being made in accordance with requirements of Chapter V of SEBI ICDR Regulations has been obtained considering the said preferential issue. The copy of said certificate may be accessed on the Company's website [www.cranexltd.com](http://www.cranexltd.com).

**v. Other disclosures/Undertaking**

- i. The Company, its Promoters and its Directors are not categorized as wilful defaulter(s) by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by Reserve Bank of India and have not been categorized as a fraudulent borrower.
- ii. None of its directors or promoters are fugitive economic offenders as defined under the SEBI ICDR Regulations.
- iii. The Company does not have any outstanding dues to SEBI, Stock Exchanges or the depositories.
- iv. The Company has obtained the Permanent Account Numbers (PAN) of the proposed allottees, except those allottees which may be exempt from specifying PAN for transacting in the securities market by SEBI before an application seeking in-principle approval is made by the Company to the stock exchange(s) where its equity shares are listed;
- v. The Company shall be making application seeking in-principle approval to the stock exchange(s), where its equity shares are listed, on the same day when this notice will be sent in respect of the general meeting seeking shareholders' approval by way of special resolution;
- vi. The Company is in compliance with the conditions for continuous listing.
- vii. Since the Equity Shares have been listed on the recognized stock exchanges for a period of more than 90 trading days prior to the Relevant Date, the Company is not required to re-compute the price in terms of Regulation 163(1)(g) and Regulation 163(1)(h) of SEBI ICDR Regulations.
- viii. None of the allottees have sold or transferred any Equity Shares during the 90 trading days preceding the relevant date.
- ix. The Equity Shares held by the proposed allottees in the Company are in dematerialized form only.
- x. None of the allottees have previously subscribed to any shares of the Company during the last one year.
- xi. The Company has complied with the applicable provisions of the Companies Act, 2013. The provisions of Section 62 of the Companies Act, 2013 (as amended from time to time) and the SEBI ICDR Regulations provide, inter alia, that when it is proposed to increase the issued capital of the Company by allotment of further shares, such shares are required to be first offered to the existing members of the Company for subscription unless the members decide otherwise through a Special Resolution.

The Board of Directors of the Company believes that the proposed preferential issue is in the best interest of the Company and its members. The Board of Directors recommends the passing of the resolution as set out in Item No. 6 as Special Resolution for your approval.

None of the Directors, Promoters and Key Managerial Personnel are, in any way, concerned or interested, financially or otherwise in the resolution set out at Item No. 6 of the accompanying notice, except mentioned in point no. g above or to the extent of their shareholding, if any in the Company.

Documents referred to in the notice/explanatory statement will be available for inspection by the Members of the Company as per applicable laws.

**By Order of the Board of Directors**

**For Cranex Limited**

**Sd/-**

**Heena Sharma**

**Company Secretary**

**ACS: 65512**

**Place: New Delhi**

**Date: 3<sup>rd</sup> September, 2024**

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

**Item No. -2&4**

|   |  |
|---|--|
| <b>Name of Director and Designation and DIN No.</b>   | <b>Mr. Piyush Agrawal, Managing Director and DIN: 01761004</b>   |
| <b>D.O.B and Age</b>  | 04-08-1953, 71 years   |
| <b>Date of Appointment on the Board of the Company</b>  | 29-01-2005   |
| <b>Qualification</b>  | B.E.   |
| <b>Experience</b>   | 47+ years  |
| <b>Expertise and functional area</b>  | Technical and Managerial   |
| <b>No. of directorship held in other company</b>  | 2  |
| <b>List of Directorship of other Board</b>  | Directorship: <ul style="list-style-type: none"> <li>• Ritu Investments Private Limited</li> <li>• Skylark Associates Pvt Ltd</li> </ul>   |
| <b>Chairman/Member of the Committee(s) of the Board of Directors of the Company and other listed entities</b> | NIL  |
| <b>Name of the listed entities from which the person has resigned in the past three years</b>                 | NIL  |
| <b>No. of Shares held in Cranex Limited</b>   | 2143000 (at present)   |
| <b>Relation with other Director and KMP</b>   | Mr. Chaitanya Agrawal - Son  |
| <b>No. of Board meeting attended during the year</b>  | 16   |
| <b>Remuneration sought to be paid and last drawn</b>  | <b>Last drawn:</b> Upto Rs. 1,75,000 per month<br><b>Sought to be paid:</b> Upto Rs. 3,00,000 per month  |
| <b>Terms and conditions of re-appointment</b>   | Except Remuneration, other Terms and conditions of appointment/re-appointment will remain same as before. Further Remuneration details are mentioned in the Explanatory Statement of the Notice of AGM |



**Item No. -3**

|  |  |
|--|--|
| <b>Name of Director and Designation &amp; DIN</b>  | <b>Ms. Priyanka Pathak (Independent) and DIN: 10601570</b>   |
| <b>D.O.B and Age</b>   | 23-12-1989, 35 years   |
| <b>Date of Appointment on the Board of the Company</b>   | 03-09-2024   |
| <b>Qualification</b>   | Company Secretary, PGDM (Finance), B.com Honours   |
| <b>Experience</b>  | 8+ years   |
| <b>Expertise and functional area</b>   | Corporate Law  |
| <b>No. of directorship held in other company</b>   | 2  |
| <b>List of Directorship of other Board</b>   | Directorship: <ul style="list-style-type: none"> <li>• Dynemech Systems Limited</li> <li>• Auto Pins (India) Limited</li> </ul>  |
| <b>Chairman/Member of the Committee(s) of the Board of Directors of the Company and other listed entities</b>  | NIL  |
| <b>Name of the listed entities from which the person has resigned in the past three years</b>  | NIL  |
| <b>No. of Shares held in Cranex Limited</b>  | NIL  |
| <b>Relation with other Director and KMP</b>  | No relation with other Director and KMP  |
| <b>No. of Board meeting attended during the year</b>   | NIL  |
| <b>Terms and conditions of appointment</b>   | As per the Explanatory Statement   |
| <b>Remuneration sought to be paid and last drawn</b>   | <b>Last drawn:</b> Not applicable<br><b>Sought to be paid:</b> Ms. Priyanka Pathak would be entitled to sitting fees for attending the Meetings of the Board of Directors and Committee(s) thereof.  |
| <b>In case of independent directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements &amp; the justification for choosing the appointee as Independent Directors</b> | Ms. Priyanka Pathak fulfils the conditions for independence specified in the Act, the Rules made thereunder and the LODR Regulations and such other laws / regulations for the time being in force, to the extent applicable to the Company and she is independent of the Management and her Expertise and experience in the areas of corporate laws and business finance justify her role as an Independent Director. |

**Item No. -5**

|  |   |
|--|---|
| <b>Name of Director and Designation &amp; DIN</b>      | <b>Mr. Chaitanya Agrawal, Whole Time Director &amp; CFO and DIN: 05108809</b>   |
| <b>D.O.B and Age</b>                                   | 11-04-1983, 40 years  |
| <b>Date of Appointment on the Board of the Company</b> | 01-10-2011  |
| <b>Qualification</b>                                   | M.B.A.  |
| <b>Experience</b>                                      | 14+ years   |
| <b>Expertise and functional area</b>                   | Finance   |
| <b>No. of directorship held in other company</b>       | 3   |
| <b>List of Directorship of other Board</b>             | Directorship: <ul style="list-style-type: none"> <li>• Ritu Investments Private Limited</li> <li>• Skylark Associates Pvt Ltd</li> <li>• IFE Cranex Elevators and Escalators India Pvt. Ltd.</li> </ul> |

|   |  |
|---|--|
| <b>Chairman/Member of the Committee(s) of the Board of Directors of the Company and other listed entities</b> | NIL  |
| <b>Name of the listed entities from which the person has resigned in the past three years</b>                 | NIL  |
| <b>No. of Shares held in Cranex Limited</b>   | 190000 (at present)  |
| <b>Relation with other Director and KMP</b>   | Mr. Piyush Agrawal - Father  |
| <b>No. of Board meeting attended during the year</b>  | 16   |
| <b>Remuneration sought to be paid and last drawn</b>  | <b>Last drawn:</b> Upto Rs. 1,25,000 per month<br><b>Sought to be paid:</b> Upto Rs. 2,00,000 per month  |
| <b>Terms and conditions of appointment</b>  | Except Remuneration, other Terms and conditions of appointment/re-appointment will remain same as before. Further Remuneration details are mentioned in the Explanatory Statement of the Notice of AGM |

### DIRECTOR'S REPORT

TO,  
THE MEMBERS,

The Directors have pleasure in presenting the 49th Annual Report on the business and operations of the Company together with the financial results for the period ended 31st March, 2024.

#### FINANCIAL RESULTS

Financial results are presented in the table below:

(Amount in lac)

| Particulars  | Standalone |            | Consolidated |            |
|--|------------|------------|--------------|------------|
|  | 31-03-2024 | 31-03-2023 | 31-03-2024   | 31-03-2023 |
| Revenue from operation                                   | 6211.41    | 4137.75    | 6211.41      | 4137.75    |
| Other Income   | 101.17     | 46.9       | 101.17       | 46.9       |
| Total Revenue  | 6312.58    | 4184.66    | 6312.58      | 4184.66    |
| Less: Total Expenses                                     | 6095.74    | 4058.97    | 6095.74      | 4058.97    |
| Profit before Exceptional and Extra ordinary items & tax | 216.83     | 125.69     | 216.83       | 125.69     |
| Less: Exceptional Items                                  | -----      | -----      | -----        | -----      |
| Less: Extraordinary Items                                | -----      | -----      | -----        | -----      |
| Profit or Loss before Tax                                | 216.83     | 125.69     | 216.83       | 125.69     |
| Less:  |            |            |              |            |
| (a) Current tax expense for current year                 | 50.95      | 23.5       | 50.95        | 23.5       |
| (b) Deferred tax   | 0.51       | 36.66      | 0.51         | 36.66      |
| (c) Prior Period Tax                                     | 13.49      | 3.57       | 13.49        | 3.57       |
| Share in Profit/Loss (of Associates)                     |            |            | -2.04        | -5.53      |
| Profit or Loss After Tax                                 | 151.88     | 61.95      | 149.84       | 56.42      |

#### STATE OF AFFAIRS AND OUTLOOK

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

**Standalone Financials:** During the year under review, your Company has achieved a turnover of Rs. 6312.58 Lakhs against Rs. 4184.66 Lakhs during previous year. The Company reported a Net Profit of Rs. 151.88 Lakhs as against Rs. 61.95 Lakhs earned during previous year.

**Consolidated Financials:** During the year under review, your Company has achieved a consolidated turnover of Rs. 6312.58 Lakhs against Rs. 4184.66 Lakhs during previous year. The Company reported a Net profit of Rs. 149.84 Lakhs against Rs. 56.42 Lakhs during previous year. However you're Directors are confident that the Company will perform much better in future and will bring more promising improvement in coming years.

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

**DIVIDEND**

Your Directors do not recommend any dividend for the financial year ended 31st March 2024.

**TRANSFER TO RESERVE**

Your Company has not transferred any amount to the Reserves for the financial year ended 31st March 2024.

**CONSOLIDATED FINANCIAL STATEMENTS**

The audited consolidated financial statements incorporating the duly audited financial statements of the Associate Company and Joint Venture, as prepared in compliance with the Companies Act, 2013 ('the Act'), Listing Regulations, 2015 and in accordance with the Indian Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 along with all relevant documents and the Independent Auditors' Report thereon forms part of this Annual Report.

Pursuant to the provisions of section 129(3) of the Act read with the Companies (Accounts) Rules, 2014, the statement containing salient features of the financial statements of the Company's Associate and Joint Venture for the financial year ended on 31st March 2024 in Form AOC-1 forms part of this Annual Report.

Further, in terms of the provisions of section 136 of the Act, a copy of the audited financial statements for the financial year ended on 31st March 2024 of the Associate Company will be made available by email to members of the Company, seeking such information. The members can send an email to investors@cranexltd.com. These financial statements shall also be kept open for inspection by any member at the registered office of the Company during business hours.

**DIRECTORS' RESPONSIBILITY STATEMENT**

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

- i. in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- ii. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- iii. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. they have prepared the annual accounts on a going concern basis;
- v. they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- vi. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively. Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and external consultants and the reviews performed by management and the relevant board committees, including the audit committee, the board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2023-24.

**DETAILS OF FRAUD REPORTED BY AUDITORS**

No fraud has been noticed or reported by the Auditors including secretarial auditor of the Company as per Section 134 (3) (ca) of the Companies Act, 2013 read with Companies (Amendment) Act, 2015.

**POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS**

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

**INTERNAL FINANCIAL CONTROL SYSTEM**

According to Section 134(5) (e) of the Companies Act, 2013 the term Internal Financial Control (IFC) means the policies and procedures adopted by the company for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information.

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

reporting of Internal Audit Division and Internal Auditors to the Audit Committee of the Board.

#### **NUMBER OF MEETINGS OF THE BOARD**

During the Financial Year 2023-24, the Company hold 16 (Sixteen) meetings of the Board of Directors as per Section 173 of Companies Act, 2013 which is summarized below. The provisions of Companies Act, 2013 were adhered to while considering the time gap between two meetings.

| S. No | Date of the meeting |
|-------|---------------------|
| 1.    | 10-05-2023          |
| 2.    | 30-05-2023          |
| 3.    | 14-07-2023          |
| 4.    | 11-08-2023          |
| 5.    | 26-08-2023          |
| 6.    | 12-10-2023          |
| 7.    | 09-11-2023          |
| 8.    | 12-12-2023          |
| 9.    | 31-01-2024          |
| 10.   | 03-02-2024          |
| 11.   | 07-02-2024          |
| 12.   | 14-02-2024          |
| 13.   | 19-02-2024          |
| 14.   | 27-02-2024          |
| 15.   | 16-03-2024          |
| 16.   | 20-03-2024          |

#### **ATTENDANCE OF DIRECTORS**

| S. No | Name of Director     | Meeting of Board       |  |                             |      |
|-------|----------------------|------------------------|--|-----------------------------|------|
|       |                      | Number of meeting Held | Number of Meeting to be entitled to attend | Number of Meeting attendant | %    |
| 1     | PIYUSH AGRAWAL       | 16                     | 16   | 16                          | 100  |
| 2     | ASHWANI KUMAR JINDAL |                        | 16   | 10                          | 62.5 |
| 3     | CHAITANYA AGRAWAL    |                        | 16   | 16                          | 100  |
| 4     | SHILPY CHOPRA        |                        | 16   | 13                          | 81.3 |
| 5     | SHALINI RAHUL        |                        | 16   | 5                           | 31.3 |

#### **COMMITTEES OF THE BOARD OF DIRECTORS**

Detailed information on the Committees is given below.

#### **AUDIT COMMITTEE: (Section 177 of Companies Act, 2013) and Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provision.**

Five (5) Audit Committee Meetings were held during the year and the gap between two meetings did not exceed 120 days. The necessary quorum was present for all the meetings. The dates on which the said meetings were held are as follows:

30th May, 2023, 11th August, 2023, 26th August, 2023, 9th November, 2023, 14th February, 2024 and 16th March, 2024.

The details of Audit Committee meetings attended by its members are given below:

| S. No. | Name of Director         | Designation          | Category | Total meeting held during the year | Number of Meeting to be entitled to attend | Number of meeting attended | %   |
|--------|--------------------------|----------------------|----------|------------------------------------|--|----------------------------|-----|
| 1      | Mr. Ashwani Kumar Jindal | Independent Director | Chairman | 6                                  | 6  | 6                          | 100 |
| 2      | Mr. Chaitanya Agrawal    | Whole Time Director  | Member   | 6                                  | 6  | 6                          | 100 |
| 3      | Ms. Shilpy Chopra        | Independent Director | Member   | 6                                  | 6  | 6                          | 100 |

**NOMINATION AND REMUNERATION COMMITTEE: (Section 178 of Companies Act, 2013 and Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provision.**

One (1) Nomination & Remuneration Committee Meeting was held on 12th December, 2023 during the year.

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

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

**STAKEHOLDERS RELATIONSHIP COMMITTEE: Section 178 of Companies Act, 2013 and Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provision.**

One (1) meeting of the stakeholders' relationship committee was held on 20th March, 2024 during the financial year 2023-24.

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

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

**SEPARATE MEETING OF THE INDEPENDENT DIRECTORS**

The Independent Directors of the Company met separately on 12th December, 2023 without the presence of Non-Independent Directors and the members of management. The meeting was attended by all the Independent Directors. The meeting was conducted informally to enable the Independent Directors to discuss matters pertaining to the Company's affairs and put forth their combined views to the Board of Directors of the Company. In accordance with the Listing Regulations, following matters were, inter-alia, discussed in the meeting:

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

**PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES**

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 form part of this Report and are annexed as "Annexure I".

There are no employees who are drawing remuneration in excess of the limits as set out in provisions of Section 197(12) of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**EMPLOYEES BENEFITS**

Retirement benefit in the form of provident fund is a defined contribution scheme. The contributions to the provident fund are charged to the statement to the profit and loss for the year when the contributions are due. We have considered the provision for Gratuity in F.Y. 2023-24. The benefit shall be transferred to the employees as may be applicable. The liability for gratuity payable has been determined in the

year hence provision has been made in the accounts for expenses of gratuity.

### **CODES, STANDARDS, POLICIES AND COMPLIANCES**

Detailed information on the codes, standards and policies is given below.

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

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

#### **CODE FOR PROHIBITION OF INSIDER TRADING PRACTICES**

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

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

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

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

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

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

#### **NOMINATION, REMUNERATION & EVALUATION POLICY**

In accordance with the provisions of the Companies Act 2013 and Listing Regulations, the Company has put in place the Nomination and Remuneration Policy for the Directors, Key Managerial Personnel and other employees of the Company including criteria for determining qualifications, positive attributes and independence of a Director as well as a policy on Board Diversity. The Board has, on the recommendation of the Nomination & Remuneration Committee framed a Nomination Remuneration & Evaluation Policy, which, inter-alia, lays down the criteria for identifying the persons who are qualified to be appointed as Directors and/or Senior Management Personnel of the Company, along with the criteria for determination of remuneration of Directors, KMPs and other employees and their evaluation and includes other matters, as prescribed under the provisions of Section 178 of Companies Act, 2013.

#### **The salient features of the policy are as follows:**

- The Nomination and Remuneration Committee of Directors (the Committee) shall take into consideration the following criteria for recommending to the Board for appointment as a Director of the Company:
  - a) Qualifications & experience of proposed incumbent.
  - b) Attributes like - professional integrity, strategic capability with business, respect for Company's core values, vision, etc.
  - c) The incumbent should not be disqualified for appointment as Director pursuant to the provisions of the Act or other applicable laws & regulations.
  - d) In case the proposed appointee is an Independent Director, he should fulfil the criteria for appointment as Independent Director as per the applicable laws & regulations.
- The Committee will recommend to the Board appropriate compensation to the Executive Directors subject to the provisions of the Act, Listing Regulations and other applicable laws & regulations. The Committee shall periodically review compensation of such Directors in relation to other comparable companies and other factors, the Committee deems appropriate. Proposed changes, if any, in the compensation of such Directors shall be reviewed by the Committee subject to approval of the Board.
- The evaluation of the performance of the Board, its committees and the individual directors will be carried out by the Board, on an annual basis, in the manner specified by the Nomination and Remuneration Committee of Directors for such evaluation and in accordance with the other applicable provisions of the Companies Act, 2013 and the Listing Regulations, in this regard.

#### **DISCLOSURE ON WHISTLE-BLOWER POLICY/VIGIL MECHANISM**

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

**RELATED PARTY TRANSACTION POLICY**

Related Party Transaction Policy, as formulated by the Company, defines the materiality of related party transactions and lays down the procedures of dealing with Related Party Transactions. The policy on materiality of and dealing with related party transactions is available on the Company's website at <https://www.cranexltd.com/investor-relations/corporate-governance/policies/related-party-transaction-policy>.

**COST AUDITOR**

In terms of Section 148 of the Companies Act, 2013 and rules made there under, Cost Audit is not applicable to the Company.

**RISK MANAGEMENT POLICY**

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

**SECRETARIAL AUDITORS AND THEIR REPORTS**

M/s PARVEEN RASTOGI & CO., Practicing Company Secretaries, was appointed as Secretarial Auditors of the Company for the financial year 2023-24 pursuant to Section 204 of the Companies Act, 2013. The Secretarial Audit Report submitted by them in the prescribed Form MR- 3 is attached as "Annexure III" and forms part of this report.

Please find below the observations made in the secretarial audit report for F.Y. 2023-24 along with management reply:-

| S. No. | Observations  | Management Reply  |
|--------|---|---|
| 1.     | During the Audit Period, there was Non-Compliance with provisions of Regulation 6 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.  | The Company was unable to find suitable candidate for the post of Company Secretary and Compliance officer.   |
| 2.     | During the Audit Period, the Compliance Officer appointed was not a qualified Company Secretary pursuant to provisions of Regulation 6 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. | The Company inadvertently appointed a Compliance Officer who was not a qualified Company Secretary. There was no intention to mislead the Stock Exchanges or our valuable stakeholders. We reiterate that we will continue to abide by the requirements of Listing Regulations in future. |

**STATUTORY AUDITORS AND THEIR REPORTS**

M/s V R Bansal & Associates, Chartered Accountants, Firm Registration No. (016534N) was appointed as Statutory Auditors of the Company in the Annual General Meeting held on 30/09/2022 for a term of Five (5) Years upto 52nd Annual General Meeting of the Company.

Please find below the qualifications, reservations or adverse remark made in their audit report for F.Y. 2023-24 and also the explanations by the board on every qualification, reservation or adverse remark in the qualified auditors report:-

**On Standalone & consolidated Financial Results**

| Audit Qualification (each audit qualification separately):   | For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: | For Audit Qualification(s) where the impact is not quantified by the auditor   |
|--|---|--|
| (i) Property, Plant and Equipment (PPE) register has not been produced before us for verification. Depreciation of Property, Plant and Equipment has been provided on the basis of figures as certified by the management, |   | The Company has calculated the Depreciation figures as per applicable rules. The detailed register is under preparation. |
| (ii) Goods and Services tax (GST) balances are subject to audit and reconciliation with GST returns.   |   | Noted and confirmed  |



| Audit Qualification (each audit qualification separately):   | For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: | For Audit Qualification(s) where the impact is not quantified by the auditor  |
|--|---|---|
| (iii) Balances under Trade Receivables and Trade Payables, loans and advances given by the Company and parties from whom unsecured loans have been taken are subject to confirmations and adjustments, if any.   |   | Noted and confirmed   |
| (iv) The Financial Assets and Liabilities - Trade Receivables and long term borrowings taken from IFE Cranex Elevators and Escalators India Private Limited have not been measured at fair value as required by Ind AS-109 "Financial Instruments". Impairment provisions and fair value measurements have not been measured in accordance with Expected Credit Loss (ECL) method as per Ind AS-109. |   | The Company does not expect any change in the long term borrowings taken from IFE Cranex Elevators and Escalators India Private Limited.<br>There is no Expected Credit Loss (ECL). |
| (v) Inventory register has not been produced before us for verification. Inventory value has been provided on the basis of figures as certified by the management.   |   | Noted and confirmed   |

**On Consolidated Financial Results (other than those specified above)**

| Audit Qualification (each audit qualification separately):   | For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: | For Audit Qualification(s) where the impact is not quantified by the auditor   |
|--|---|--|
| (i) The Parent Company has produced a Joint Venture agreement which it has entered into with M/s Shree Construction on 23/09/2021, whereby the parties have entered into a Joint Venture agreement and a Joint Venture entity namely M/s Shree-Cranex (JV) has been formed. However the parent company has not applied Equity method of accounting in respect of the investment in the Joint Venture and hence not complied with the provisions of Ind AS 28 (Investment in Associates and Joint Ventures) with respect to accounting Joint Ventures in consolidated financial statements. |   | There will be a very insignificant impact on the Company from the financial results from M/S Shree Cranex (JV).<br>Further, financial closing and financial data of M/s Shree Cranex (JV) are not finalized, as they are required to do so only by 30 September 2023.<br>Hence, it was not considered. |

**PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

Related party transactions entered during the financial year under review are disclosed in Notes of the financial statements for the financial year ended March 31, 2024. These transactions entered were at an arm's length basis and in the ordinary course of business. There were no materially significant related party transactions with the Company's Promoters, Directors, Management or their relatives, which could have had a potential conflict with the interests of the Company. Form AOC-2, containing the note on the aforesaid related party transactions is enclosed herewith as "**Annexure-IV**".

**PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS**

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

**SUBSIDIARY, ASSOCIATE AND JOINT VENTURE**

The Company does not have any subsidiary whereas the Company has one Associate Company viz., **IFE Cranex Elevators & Escalators India Private Limited** and one Joint Venture viz., **Shree Cranex JV**. Details of Associate Company and Joint Venture are provided in AOC-1 as "**Annexure- V**" attached with this report.

**ANNUAL RETURN**

Pursuant to the provisions of section 92(3) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the annual return for F.Y 2023-24, which will be filed with Registrar of Companies/MCA, is uploaded on the Company's

website and can be accessed at <https://www.cranexltd.com/investor-relations/annual-return>.

**SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

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

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

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

**A. Conservation of Energy**

- a) Energy conservation measures taken :
  - The Company has always been conscious of the need for the conservation of energy and optimum utilisation of available resources and has been steadily making progress towards this end.
  - The Company has taken lot of initiatives for reduction in power cost by improving the production processes. Production process of the company does not require much power.
  - There is an optimum ratio of glass windows to utilise natural light and proper insulation/ventilation to balance temperature and reduce heat.
- b) Impact of above measures:
  - The above measures will results in lower energy consumption, significant reduction in Carbon emissions, and hedge against continuous energy rate increase.
  - The Company has taken lot of initiatives for reduction in power cost by improving the production processes. Production process of the company does not require much power.
  - There is an optimum ratio of glass windows to utilise natural light and proper insulation / ventilation to balance temperature and reduce heat.

**B. Technology Absorption, Adaptation And Innovation**

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

**C. Foreign Exchange Earnings and Outgo.**

| Sr. No. | Particulars             | F.Y. 2023-24<br>Amount (in Lakhs) | F.Y. 2022-23<br>Amount (in Lakhs) |
|---------|-------------------------|-----------------------------------|-----------------------------------|
| 1.      | Foreign Exchange Earned | 37.20 /-                          | 96.84/-                           |
| 2.      | Foreign Exchange Outgo  | 724.74/-                          | 460.44/-                          |

**MANAGEMENT DISCUSSION AND ANALYSIS**

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

**GREEN INITIATIVE**

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

**CORPORATE SOCIAL RESPONSIBILITY**

Your Company does not fall under the criteria as laid down under Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, therefore, there was no requirement to constitute and formulate a committee under Corporate Social Responsibility.

**DEMATERIALIZATION OF SHARES**

The shares of your company are being traded in electronic form and the Company has established connectivity with Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL). In view of the numerous advantages offered by the Depository system, members are requested to avail the facility to dematerialization of shares either of the Depositories as aforesaid. Directors are thankful to the Shareholders for actively participating in the Green Initiative.

### **PERFORMANCE EVALUATION OF NON - INDEPENDENT DIRECTORS:**

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

### **CORPORATE GOVERNANCE**

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

### **DECLARATION BY INDEPENDENT DIRECTOR**

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

### **MATERIAL CHANGES AND COMMITMENTS**

There have been no material changes and commitments, affecting the financial position of the Company, which have occurred between the end of the financial year 2023-24 and the date of this Report.

### **CAPITAL STRUCTURE**

The authorised share capital as on 31st March, 2024 was Rs. 100,000,000/- (Rupees Ten Crore) comprising 10000000 (One Crore) Equity Shares of Rs. 10 (Rupees Ten) each.

The Issued, Subscribed and paid up equity share capital as on 31st March, 2024 was Rs. 60,000,000/- (Rupees Six Crores) comprising 6,000,000 (Sixty Lakhs) Equity Shares of Rs. 10 (Rupees Ten) each.

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

The Company's shares are listed on the Bombay Stock Exchange Limited (BSE), and are actively traded. The company has paid the listing fees to Bombay Stock Exchanges for the year 2023-24.

### **CHANGE IN THE NATURE OF BUSINESS**

During the year under review, there was no Change in the nature of the business of the Company.

### **CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)**

The changes in the composition of the Board of Directors and Key Managerial Personnel of the Company during the year under review are as under:

#### **Changes in Key Managerial Personnel**

During the Year under review, Ms. Renu, Company Secretary & Compliance Officer of the Company resigned from her position w.e.f. 12th December, 2023 and Mr. Piyush Agrawal was appointed as the Compliance Officer of the Company w.e.f. 12th December, 2023.

Mr. Piyush Agrawal was resigned from his position as the Compliance Officer of the Company w.e.f. 2nd April, 2024 and Ms. Heena Sharma was appointed as the Company Secretary & Compliance Officer of the Company w.e.f. 2nd April, 2024.

#### **Retirement by Rotation**

Pursuant to the provisions of section 152 of the Companies Act, 2013, Mr. Piyush Agrawal (DIN 01761004), director of the Company, is liable to retire by rotation at the ensuing 49th AGM of the Company and being eligible, offer himself for re-appointment. The Board recommends their re-appointment. Brief detail of Mr. Piyush Agrawal is given in the Notice of ensuing 49th AGM.

#### **Appointments/Cessations**

Ms. Priyanka Pathak (DIN: 10601570), on the recommendation of the Nomination and Remuneration Committee was appointed as an Additional Director in the capacity of a Non-Executive Independent Director with effect from 3rd September, 2024 by the Board of Directors in accordance with Articles of Association and sections 149, 161 and Schedule IV of the Companies Act 2013 ("the Act") and Regulation 16(1)(b) and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Her appointment as Independent Director of the Company is subject to the approval of the shareholders in the ensuing 49th Annual General Meeting of the Company and any other regulatory approvals, if applicable.

In terms of the provisions of rule 8(5)(iii) of the Companies (Accounts) Rules, 2014, the Board opines that the Independent director so appointed hold highest standards of integrity and possess necessary expertise and experience.

Except as stated above, there were no other changes in the directors and key managerial personnel of the Company during the year under review since the last report.

#### **DEPOSITS FROM PUBLIC**

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

#### **SECRETARIAL STANDARDS**

During the year under review, your Company has complied with all the applicable secretarial standards. The same has also been confirmed by Secretarial Auditors of the Company.

#### **MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER CERTIFICATE**

In terms of the requirement of the Regulation 17(8) of the SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015, the certificate from Managing Director and Chief Financial Officer obtained and is attached in the said annual report. The said certificate is part of the annual report as "Annexure-VII".

#### **LISTING OF SHARES**

The equity shares of the Company are listed on the Bombay Stock Exchange Ltd (BSE). The listing fee for the year 2023-24 has been already paid to the stock exchange.

#### **INDUSTRIAL RELATION**

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

#### **DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016**

Neither application made nor any proceeding pending under IBC during the financial year. Hence this clause is not applicable.

#### **DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS**

The Company has never made any one-time settlement against the loans obtained from Banks and Financial Institution during the financial year. Hence this clause is not applicable.

#### **ACKNOWLEDGEMENTS**

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

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

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

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

**Place: New Delhi**

**Date: 3<sup>rd</sup> September, 2024**

## ANNEXURE - I

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

| Sl. No. | Requirements  | Disclosure   |
|---------|---|--|
| 1       | The ratio of the remuneration of each director to the median Remuneration of the employees for the financial year 2023-24.  | <b>EXECUTIVE DIRECTOR</b><br>1. Mr. Piyush Agrawal-Managing Director- 13.9:1<br>2. Mr. Chaitanya Agrawal- whole Time Director- 9.6:1   |
| 2       | The percentage increase in remuneration of each Director in the financial year  | MD: 16.67%<br>WTD: 25%   |
| 3       | The percentage increase in the median remuneration of employees in the financial year.  | 8.23%  |
| 4       | The number of permanent employees on the rolls of the Company.  | There were 126 permanent employees on the rolls of the Company, as on March 31, 2024.  |
| 5       | Average percentile increase already made in the salaries of employees other than the managerial personnel in the last year (2022-23) and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration. | The average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year is around 10%. The managerial remuneration is as per the approval accorded by the Nomination and Remuneration Committee of the Board and Shareholders.  |
| 6       | The key parameters for any variable component of Remuneration availed by the Directors.   | Any variable component of remuneration payable to the Directors is based on the parameters, as approved by the Board of Directors, on the basis of the recommendation of the Nomination & Remuneration Committee of the Board. The said parameters are set considering the provisions of applicable regulations, Nomination (including Boards 'Diversity'), Remuneration and Evaluation Policy of the Company and the respective resolution(s) of the Members of the Company, as applicable. |
| 7       | Affirmation that the remuneration is as per the remuneration policy of the Company.   | It is hereby affirmed that the remuneration is as per the Nomination and Remuneration Policy of the Company.   |

(B) **Particulars of employees pursuant to Section 134 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel), 2014 and forming part of the Board's Report for the financial year ended March 31, 2024.**(i) **TOP 10 employees in terms of salary drawn during the FY 2023-24:**

| Sl. No | Name of Employee      | Date of Joining (MM/DD/YY) | Gross Remuneration (Rs.) | Qualification                                 | Age (Yrs.) | Experience (Yrs.) | Last Employment                                 | Designation               | **% of Equity Shares held within the meaning of clause (iii) of sub-rule (2) of Rule 5 |
|--------|-----------------------|----------------------------|--------------------------|---|------------|-------------------|---|---------------------------|--|
| 1.     | Mr. Piyush Agrawal    | 01/10/2011                 | 19,50,000                | B. Tech.                                      | 71         | 47                | Nil   | Managing Director         | 35.72%   |
| 2.     | Mr. Chaitanya Agrawal | 01/10/2011                 | 13,50,000                | MBA Finance                                   | 41         | 14                | Batlivala & Karani Securities India Pvt. Ltd.   | Whole Time Director & CFO | 3.16%  |
| 3.     | Mr. Ajay Pradhan      | 12//12/1999                | 10,77,600                | BA, PGDCA                                     | 44         | 20                | R.G. Data                                       | General Manager           | 0.59%  |
| 4.     | Mr. Mohan Tiwari      | 10/01/2004                 | 10,77,600                | PGDCA/Diploma business accounting/ Mech. Engg | 45         | 20                | Products Pvt. Ltd. Tushar Electronics Pvt. Ltd. | General Manager           | 0.07%  |
| 5.     | Mr. Firoz Khan        | 12/12/2022                 | 7,57,511                 | B.E. Mechanical                               | 35         | 12                | Escon Elevators Pvt. Ltd.                       | Deputy Project Manager    | -  |
| 6.     | Mr. Manu Mahajan      | 01/02/2010                 | 5,28,460                 | B.Tech/MBA                                    | 37         | 15                | Nil   | Quality Engineer          | -  |

| Sl. No | Name of Employee              | Date of Joining (MM/DD/YY) | Gross Remuneration (Rs.) | Qualification                     | Age (Yrs.) | Experience (Yrs.) | Last Employment                  | Designation                       | *% of Equity Shares held within the meaning of clause (iii) of sub-rule (2) of Rule 5 |
|--------|-------------------------------|----------------------------|--------------------------|-----------------------------------|------------|-------------------|----------------------------------|-----------------------------------|---|
| 7.     | Mr. Mansuri Shamsul Aazam     | 02/01/2023                 | 5,13,460                 | B.TECH                            | 36         | 13                | Blue Pacific Elevators Pvt. Ltd. | Quality Control Manager           | -   |
| 8.     | Mr. Jayprakash Padmakr Mishra | 22/12/2023                 | 4,93,569                 | MBA Marketing                     | 49         | 25                | Consulting                       | Project Manager Engg. Groups Ltd. | -   |
| 9.     | Mr. Virendra Kumar            | 01/05/2019                 | 4,89,040                 | B. Tech.                          | 42         | 12                | Gloria Engg. Co. Lucknow         | Engineer -Tools                   | -   |
| 10.    | Mr. P. John Gold              | 20/06/2023                 | 4,57,872                 | Diploma Electronics & Electricals | 41         | 20                | Johnson Lift Pvt. Ltd.           | Maintenance Manager               | -   |

(ii) Employees drawing salary of 102 lakhs or above per annum: NIL

(iii) Employed for part of the year with an average salary of 8.5 lakh or above per month: NIL

**Note:**

- All the employees included in the table above are permanent employees of the Company and their appointments are non-contractual.
- In terms of proviso to Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, particulars of employees posted and working in a country outside India, not being Directors or their relatives, have not been included in the above statement.
- None of the employees named above were paid remuneration in excess of that drawn by the Managing director and Whole-time Director & CFO of the Company.
- Gross Remuneration includes salary, allowances, performance linked variable pay paid, other perquisites & benefits, leave encashment and Company's contribution to provident fund but excludes the Company's contribution to gratuity fund.
- The information regarding qualifications and last employment is based on the particulars furnished by the concerned employee.

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

Sd/-

Sd/-

Place: Sahibabad

Date: 3<sup>rd</sup> September, 2024

**Chaitanya Agrawal  
Whole Time Director  
DIN: 05108809**

**Piyush Agrawal  
Managing Director  
DIN: 01761004**

**ANNEXURE II**

**ANNUAL COMPLIANCE WITH THE CODE OF CONDUCT FOR THE FINANCIAL YEAR 2023-24**

I, Piyush Agrawal, Managing Director of the Company do hereby solemnly affirm to the best of my knowledge and belief that, I have fully complied with the provisions of the **CODE OF CONDUCT FOR BOARD MEMEBERS AND SENIOR MANAGEMENT PERSONNEL** during the financial year ending 31st March, 2024.

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

**Place: Sahibabad  
Date: 3<sup>rd</sup> September, 2024**

**Chaitanya Agrawal  
Whole Time Director  
DIN: 05108809**

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

**ANNEXURE - II**  
**SECRETARIAL AUDIT REPORT**  
**FORM NO. MR-3**

**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024**

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

To,

The Members,

**CRANEX LIMITED**

**9, DDA MARKET, KATWARIA SARAI,**

**NEW DELHI-110016**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practice by CRANEX LIMITED (hereinafter called the "Company") having CIN L74899DL1973PLC006503. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct / statutory compliances and expressing our opinion thereon.

Based on our verification of the Companies book, paper, minute book, form and return filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit.

We hereby report that in our opinion, the Company has during the audit period covering the financial year ended 31st March 2024 ('Audit Period') complied with the statutory provision listed hereunder and also that the Company has proper Board -processes and compliance -mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and return filed and other records maintained by the Company for the financial year ended on 31st March, 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment.

There was no External Commercial Borrowings;

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
  - (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 ['SEBI (LODR)'];
  - (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2018 (Not applicable to the Company during the Audit Period);
  - (c) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (d) The Securities and Exchange Board of India (Buyback of Securities) Regulation, 2018 (Not applicable to the Company during the Audit Period)
  - (e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (Not applicable to the Company during the Audit Period)
  - (f) The Securities and Exchange Board of India (Issue and listing of Debt Securities) Regulation, 2008 (Not applicable to the Company during the Audit Period)
  - (g) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (Not applicable to the Company during the Audit Period)
  - (h) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
  - (i) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (**Not applicable to the Company during the Audit Period**)
  - (j) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client to the extent of securities issued.



(vi) As informed to us, the following other Acts/laws specifically applicable to the company are as under:

1. Provident Fund Act, 1952
2. The Employees State Insurance Act, 1948
3. Labour Welfare Fund Act
4. Contract Labour (Regulation and Abolition) Act, 1970
5. Professional Tax Act
6. Payment of Gratuity Act, 1972
7. Payment of Bonus Act, 1965
8. Minimum Wages Act, 1948
9. Payment of Wages Act, 1936
10. Maternity Benefit Act, 1961
11. Equal Remuneration Act, 1976
12. Employee Compensation Act, 1923
13. Employee Exchange Act, 1959
14. Trade License Act
15. Goods & Service Tax Act
16. Income Tax Act, 1961
17. Companies (Auditors' Report) Order, 2016
28. Legal Metrology Act, 2009
19. The Factories Act, 1948
20. The Custom Act, 1962
21. The Sexual harassment of Women at Work Place (Prevention, Prohibition & Redressal) Act, 2013

We have also examined compliances with the applicable clauses / regulations of the following:

- (i) The Secretarial Standards, as amended from time to time, issued by the Institute of the Company Secretaries of India; and
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Listing Agreements entered into by the Company with BSE Limited.
- (iii) We have not examined compliance by the Company with applicable financial laws, like direct and indirect tax laws, since the same have been subject to review by statutory financial audit and other designated professionals.

During the period under review, the Company has complied with the applicable provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above subject to the following:

**We observed that:**

***During the Audit Period, there was Non-Compliance with provisions of Regulation 6 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. During the Audit Period, the Compliance Officer appointed was not a qualified Company Secretary pursuant to provisions of Regulation 6 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.***

**We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meetings.

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

**We further report that:**

There are adequate systems and processes in the Company commensurate with the size and its operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the Audit Period, the Company has following specific events/ actions having major bearings on the affairs of the Company in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.:

1. Re-appointment of Ms. Shilpy Chopra as Independent Director for a second term of 5 consecutive years.
2. Increase in remuneration of Mr. Piyush Agrawal, Managing Director of the Company.
3. Increase in remuneration of Mr. Chaitanya Agrawal, Whole-Time Director of the Company.

Please note that this decision has been made based on the information and representations provided by your side. It is of utmost importance that all information and documents submitted are accurate and comply with all relevant legal requirements.

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

Sd/-

**PARVEEN RASTOGI**

**C.P. No. 2883**

**M. No.: F4764**

**PR No.: 5486/2024**

**UDIN: F004764F001117403**

**Place: Delhi**

**Date: 3rd September, 2024**

Note : This report is to be read with my letter of even date which is annexed as "Annexure A" and forms an integral part of this report.

**ANNEXURE A**

**ANNEXURE TO THE SECRETARIAL AUDIT REPORT**

To  
The Members,  
**CRANEX LIMITED**  
**9, DDA MARKET, KATWARIA SARAI,**  
**NEW DELHI-110016**

Our report of event date is to be read along with this letter:

1. Maintenance of secretarial records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the content of the secretarial records. The verification was done on test basis to ensure that the correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test check basis.
4. Our Audit examination is restricted only up to legal compliances of the applicable laws to be done by the Company; we have not checked the practical aspects relating to the same.
5. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company as well as correctness of the values and figures reported in various disclosures and returns as required to be submitted by the Company under the specified laws, though we have relied to a certain extent on the information furnished in such returns.
6. The compliance by the Company of applicable financial laws such as direct and indirect tax laws has not been reviewed in this Audit since the same have been subject to review by Statutory Auditors and other designated professionals and the contents of this Report has to be read in conjunction with and not in isolation of the observations, if any, in the report(s) furnished/to be furnished by any other auditor(s)/agencies/authorities with respect to the Company.
7. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events, etc.
8. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

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

**Sd/-**

**PARVEEN RASTOGI**

**C.P. No. 2883**

**M. No.: F4764**

**PR No.: 5486/2024**

**UDIN: F004764F001117403**

**Place: Delhi**


**Date: 3rd September, 2024**

**ANNEXURE - IV**  
**FORM NO. AOC-2**


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

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

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

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

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

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

\*NOTE: The details of names, nature of relationship; nature of such contracts / arrangements / transactions are disclosed in Notes of the Financial Statements.

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

Place: Sahibabad  
Date: 3<sup>rd</sup> September, 2024

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

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

**AANNEXURE - V****Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures****Part "A": Subsidiaries**(Information in respect of each subsidiary to be presented with amounts in Rs.): **Not applicable since there are no subsidiaries**

| Sl. No. | PARTICULARS   | DETAILS |
|---------|---|---------|
| 1.      | Name of the subsidiary  | -       |
| 2.      | Reporting period for the subsidiary concerned, if different from the holding company's reporting period                     | -       |
| 3.      | Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries | -       |
| 4.      | Share capital   | -       |
| 5.      | Reserves & surplus  | -       |
| 6.      | Total assets  | -       |
| 7.      | Total Liabilities   | -       |
| 8.      | Investments   | -       |
| 9.      | Turnover  | -       |
| 10.     | Profit before taxation  | -       |
| 11.     | Provision for taxation  | -       |
| 12.     | Profit after taxation   | -       |
| 13.     | Proposed Dividend   | -       |
| 14.     | % of shareholding   | -       |

**Notes:** The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations
- Names of subsidiaries which have been liquidated or sold during the year.

**Part "B": Associates and Joint Ventures****Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Company and Joint Ventures**

| Name of associates/Joint Ventures   | IFE Cranex Elevators & Excavators India Private Limited<br>(Associate Company) | Shree Cranex JV<br>(Joint Venture)   |
|---|--|--|
| 1. Latest audited Balance Sheet Date                                      | 30/05/2024   | 18/09/2022   |
| 2. Shares of Associate/Joint Ventures held by the company on the year end |  | N.A.   |
| No.   | 1,82,000   | N.A.   |
| Amount of Investment in Associates/Joint Venture                          | 1,82,00,000/-  | 31,71,076/-  |
| Extend of Holding%  | 26%  | 26%  |
| 3. Description of how there is significant influence                      | By way of control of 26% of share capital                                      | By way of control of 26% of capital  |
| 4. Reason why the associate/joint venture is not consolidated             | Not applicable   | There will be a very insignificant impact on the Company from financial results of M/s Shree Cranex (JV). Further financials were not finalised till May, 2024. Hence it was not considered. |

|  |               |                                     |
|--|---------------|-------------------------------------|
| <b>5. Net worth attributable to shareholding as per latest audited Balance Sheet</b> | 1,60,475.92/- | By way of control of 20% of capital |
| <b>6. Profit/Loss for the year</b>   |               |                                     |
| i. Considered in Consolidation   | -2,043.32/-   | Not considered                      |
| ii. Not Considered in Consolidation  | -5815.6/-     |                                     |

1. Names of associates or joint ventures which are yet to commence operations.- None
2. Names of associates or joint ventures which have been liquidated or sold during the year.- None

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

Place: New Delhi  
Date: 3<sup>rd</sup> September, 2024

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

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

**ANNEXURE - VI**  
**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

➤ **INDUSTRY STRUCTURES AND DEVELOPMENTS**

• **GLOBAL ECONOMY**

The global economy has shown strong resilience to the shocks of the last year driven by strong macroeconomic fundamentals in most of the developed and emerging market economies and robust public and private spending. United States managed to tide over recessionary pressures, while Europe exhibited economic resilience surpassing earlier projections. China faced significant challenges in regaining its economic momentum. Inflation remains above target in many countries however it continues to soften in all the major economies. Asia is more nuanced, because inflation did not rise as much as in the west, and it is coming down faster. As a result, interest rates have not risen as much. Global Inflation is expected to decrease faster than anticipated, reaching 5.8% in 2024 and 4.4% in 2025, led by easing supply-side issues and tighter monetary policies.

The recovery in global economic growth is facing challenges due to multiple crises, including high debt levels, energy crisis and geopolitical tensions. The Red Sea crisis has disrupted global trade routes, leading to increased transit times, shipping costs, insurance premiums, etc. As per the International Monetary Fund (IMF) global economy is projected to grow at 3.1% and 3.2% for 2024 and 2025 respectively. This uptick in growth is attributed to the resilience of the United States and certain emerging markets, along with expected fiscal support in China. However, this growth remains below the historical average, primarily due to elevated central bank policy rates combating inflation, reduced fiscal support, and sluggish productivity growth.

Sources: <https://www.imf.org/en/Publications/WEO/Issues/2024/01/30/world-economic-outlook-update-january-2024>

<https://en.vietnamplus.vn/top-10-defining-events-of-globaleconomy-in-2023/275388.vnp>

• **INDIAN ECONOMY**

The Indian economy exhibited strong resilience amid uncertainty from adverse geopolitical developments and expansionary fiscal measures taken during the COVID-19 pandemic. Strong domestic demand driven by private consumption and public investment, along with Government's continued thrust on infrastructure spending has been the key growth driver in FY24. India is the fastest growing major economy in the world and is likely to become the third-largest economy in 2027 in USD terms. Estimates suggest that India's contribution to global growth will rise by 200 basis points in the next 5 years.

The IMF forecasts India's GDP to grow at 6.7% in 2024 and 6.5% in 2025, driven by robust domestic demand and government spending. Economic fundamentals are improving, with receding inflation, expanding financial ecosystem, prudent fiscal management, and increasing foreign reserves.

Capital expenditure in the past 4 years has gone up by 3x which has resulted in a huge multiplier effect on economic growth and employment generation. Make in India programme supported by government policies and initiatives have boosted growth in manufacturing sector while the services sector is adopting new technologies and techniques for global competitiveness.

Government and RBI's timely interventions aided India's quick recovery from recent global shocks. Reforms in taxation, banking, and ease of doing business, along with infrastructure investments will boost long-term economic growth potential.

Sources: <https://www.fortuneindia.com/macro/ahead-of-budget-imf-raises-indias-gdp-growth-projection-to-65-forfy25/115537>

<https://www.cnbctv18.com/economy/imf-raises-indiagrowth-world-economic-outlook-18925721.htm>

<https://www.ibef.org/economy/indian-economy-overview>

➤ **INDIAN CRANE MARKET**

In 2024, the Indian crane market is estimated to be valued at USD 1.39 billion, with expectations to soar to USD 1.92 billion by 2029, exhibiting a robust CAGR of 6.79% during the forecast period (2024-2029). This surge in the crane market can be largely attributed to India's rapid urbanization and extensive infrastructural development endeavours. Key government initiatives such as the construction of smart cities, highways, and metro projects have significantly bolstered the demand for cranes. Moreover, the burgeoning residential and commercial real estate sectors are also playing a pivotal role in driving this demand.

The construction sector stands out as the primary consumer extensively employing cranes for erecting high-rise buildings, bridges, and various other infrastructure projects. Similarly, the manufacturing and industrial sectors are harnessing the power of cranes for heavy lifting in plants and warehouses, while the transport and logistics sector relies on them for cargo operations in ports and transportation projects. Among the various types of cranes, mobile cranes are leading the market owing to their flexibility and ease of mobility, making them particularly well-suited for urban construction sites. Tower cranes are indispensable for constructing high-rise structures, whereas crawler cranes are sought after for projects requiring heavy lifting over softer terrains.

The crane industry presents ample opportunities for growth by embracing new technologies aimed at enhancing efficiency, safety, and environmental compliance. With a positive growth trajectory anticipated, the market is poised to adapt to technological innovations

and evolving market demands.

Sources: <https://www.mordorintelligence.com/market-analysis>

### ➤ **OPPORTUNITIES**

The FY25 interim budget in India presents significant opportunities for the Future growth of the Company. With a total Capex outlay of approximately Rs. 11.11 lakh crores, major allocations for roads (Rs. 2.72 lakh crore) and railways (Rs. 2.52 lakh crore) highlight a strong demand for construction machinery like earthmoving equipment, cranes and pavers. Initiatives such as the Urban Infrastructure Development Fund (UIDF) targeting Tier 2 and Tier 3 cities and expansions in metro rail networks under NAMO Bharat create opportunities for specialized urban construction equipment.

The emphasis on expanding national highways by 14,000 km and constructing new expressways under Bharatmala Pariyojana fuels demand for road construction equipment and materials handling machinery. Furthermore, with India's manufacturing sector aiming to reach US\$ 1 trillion by 2025 through initiatives like Production Linked Incentives (PLI) and the revival of the industrial Capex cycle, there is growing demand for heavy machinery in industrial construction, such as industrial cranes and material handling systems.

Leveraging these opportunities requires focusing on innovation, sustainability, and customer-centric solutions to meet the diverse needs of India's infrastructure projects. By aligning product offerings with these developments, Company can capitalize on the expanding market and contribute to India's ambitious infrastructure growth plans effectively.

### ➤ **THREATS**

- The Indian economy's growth could be badly impacted by a slowdown brought on by unfavourable macroeconomic and international trends. The slowdown in the economy may hurt the infrastructure and manufacturing sectors which in turn can cause a slowdown in the Company's growth;
- Inadequate project management, project risks might result in financial and legal difficulties, as well as disproportionate availability of workforce. Poor scheduling, planning, or inefficient resource allocation are just a few examples of how uneven project management can lead to risks that increase delays and increase costs for businesses;
- The risk of raw material price volatility translating into margin pressure due to a sharp rise in raw material prices, increase the cost of goods sold and affect the profitability of the industry;
- Environmental issues and strict laws may hinder the strong growth of the Company;
- Emergence of new foreign and domestic companies can cause the Company to face stiff competition;

### ➤ **RISK & CONCERNS**

The impact of the key risks, which are potentially significant are listed below has been identified through a formal process by the management. Your Company recognizes that every business has its inherent risks and the Company has been taking proactive approach to identify and mitigate them on a continuous basis. Some of the risks that are potentially significant in nature and need constant monitoring are listed below:"

- **Supply Chain:** Disruption in supply chain would lead to disruption in operations impacting our profitability and therefore sustainability. Our projects may face challenges around sourcing of raw materials for manufacturing.

**Mitigation:** Strong management team continues to work towards sustainable low cost of production, operational excellence and securing key raw material linkage. Continuous focus on cost optimisation projects to bring down fixed costs and optimise variable costs. Development of alternate suppliers and enhanced focus on localisation.

- **Technology innovation:** The Company manufactures different equipment that needs continuous technological up gradation.

**Mitigation:** The Company has been investing in R&D and it is upgrading its products continuously.

- **Global economic and geopolitical environment:** We are exposed to changes in the global economic and geopolitical environment, as well as other external factors, including but not limited to trade tensions, protectionism, wars, terrorism, natural disasters, humanitarian challenges and pandemics that may adversely impact our business. In the recent past, we have been witnessing increased geopolitical tensions globally.

**Mitigation:** We continue to closely monitor and risk assess global developments, implementing mitigation plans as necessary and we continue to maintain a balanced sales profile across our key sales regions. Our diverse global customer base gives us the flexibility to react to regional changes in demand by adjusting our sales mix, modifying product features or content in case of supply challenges, as informed through our enhanced supply chain risk management framework.

- **Financial Risk:** Foreign exchange rate fluctuation and changes in interest rate may likely to impact profitability.

**Mitigation:** Prudent hedging strategies and appropriate mix of financing to mitigate the risks.

- **Competitive Intensity:** Keeping in mind the high growth potential of the Indian Equipment market, all OEMs, homegrown as well as MNCs, have presence across all segments. Today, multinational OEMs are deeply entrenched in the Indian market with



local development centres, a strong local supplier base and good channel penetration.

**Mitigation:** The Company has a strong in house R&D division which is continuously adopting all the products to meet the latest technological needs. With the aim to remain competitive in the market and sustain its leadership position, our Company continues to invest in new product development, technology upgradations and increasing channel reach, while focussing on delivering customer centric products, services and brand building.

- **Regulatory Risk:** The business may be impacted due to non-compliance or delay in compliance with regulatory approvals or altered legislations may also have an adverse impact on the Company.

**Mitigation:** Continuous monitoring of the evolving regulations, impact assessment, implementation of statutory compliance, internal audit and external legal review. Liaisoning with regulatory bodies and industry associations to bring systematic changes for the benefit of industries.

#### ➤ **FINANCIAL PERFORMANCE REVIEW**

Financial statements have been prepared in accordance with Ind AS as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified Section 133 of the Companies Act, 2013 ("the Act") and other relevant provisions of the Act.

The key highlights of financial performance of standalone business are as under:

- Total revenue from operations increased to Rs. 6211.41 Lakhs as against Rs. 4137.75 Lakhs in the previous year an increase of 50.11%.
- Earnings before Interest, Depreciation, Amortization, Exceptional Items & Tax for the current year is Rs. 248.29 Lakhs against Rs. 156.7 Lakhs in the previous year-an increase of 58.44%.
- Profit before Tax (PBT) and Profit after Tax (PAT) for the current year are Rs. 216.83 Lakhs and Rs. 151.88 Lakhs respectively against Rs. 125.69 Lakhs and Rs. 61.95 Lakhs in the previous year - increase of 72.51% and 145.16% respectively.
- Earnings per share is Rs. 2.53 for the year under review.

#### ➤ **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

Your Company has in place adequate internal control system and procedures commensurate with its size and nature of operations. Internal control systems comprising of policies and procedures are designed to ensure sound management of your Company's operations, provide a reasonable assurance over reliability in financial reporting, ensure appropriate authorization of transactions, safeguarding the assets of the Company and prevent misuse/ losses and legal compliances.

The Company has instituted robust internal control systems and best in-class processes commensurate with its size and scale of operations. These comprise:

- Well-formulated policies and procedures that facilitate effective business operations with governance across all major activities.
- The Company conducts audits based on stringent standards to review the design effectiveness of internal control systems and procedures to manage risks, ensure monitoring control, comply with relevant policies and procedures, and recommend improvement measures.
- The Audit Committee of the Board of Directors regularly reviews the adequacy and effectiveness of internal audit systems. It monitors the implementation of internal audit recommendations.
- Timely and accurate financial reporting in accordance with applicable accounting standards;
- Optimum utilization and safety of assets;
- Compliance with applicable laws, regulations, listing applications and management policies; and
- An effective management information system and reviews of other systems.

#### ➤ **MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/INDUSTRIAL RELATIONS**

The Company strives to nurture the individual capabilities of its workforce to achieve the organisational goal of blending growth and achievement, ensuring everyone thrives while contributing to the Company's collective success. The Company has adopted guiding pillars to build a resilient, adaptive, and inclusive workplace where every team member is valued and uplifted.

- The Company focuses on taking various initiatives to make its workplace more engaging, collaborative, and fulfilling.
- The Company aims to empower its employees with userfriendly tools and ensure a digitally integrated and agile infrastructure.
- The Company is committed to an open-door policy and effective communication channels to maintain positive industrial relations. The Company addresses employee concerns through regular forums and committees, initiating dialogue and fostering a transparent and collaborative workplace.
- The Company has created a comprehensive diversity, equity, and inclusion policy to equal rights and respect for all individuals, regardless of gender, ethnicity, race, religion, marital status, or disability. ACE catalyses innovation, creativity, and collaboration by embracing varied perspectives. A diverse and inclusive workplace is a source of strength and essential for achieving the Company's business objectives.

The Number of permanent employees on the rolls of the Company as on March 31, 2024 is 126.

➤ **DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS:**

The Company has identified the key financial ratio as described in note no. 31 of the standalone financial statement that is the part of Annual Report.

➤ **RISK MANAGEMENT AND GOVERNANCE**

Risk is an intergral and unavoidable component of business and your company is committed to managing risk in a proactive manner. Though risks cannot be completely eliminated; an effective risk management plan ensures that risks are reduced, avoided, retained or shared.

The company recognizes that effective risk management is crucial to its continued profitability and long-term sustainability of its business. Given the challenging and dynamic environment of your Company's operations, strategies for mitigating the inherent risks in accomplishing the ambitious plans for your Company is imperative. The Key business risks identified by your Company are given in Risk and Concern section of this report.

The risk horizon considered includes long term strategic risks, short to medium risks as well as single events. The risks are analyzed considering likelihood and impact as a basis of determining their management. The Company is committed to adopt good corporate governance, which promotes the long-term interests of all stakeholders, creates self-accountability across its management and helps built trust in the Company.

➤ **DISCLAIMER**

Certain statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include raw material availability and prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, tax regimes, economic developments within India and the countries in which the Company conducts business and other incidental factors.

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

**Sd/-**

**Chaitanya Agrawal**

**Whole Time Director & CFO**

**DIN: 05108809**

**Sd/-**

**Piyush Agrawal**

**Managing Director**

**DIN: 01761004**

**Place: New Delhi**

**Date: 3<sup>rd</sup> September, 2024**

**ANNEXURE - VII**

**CERTIFICATE BY MANAGING DIRECTOR & CHIEF FINANCIAL OFFICER**

To,  
The Board of Directors  
CRANEX LIMITED  
New Delhi

We, the undersigned, in our respective capacities as Managing Director (MD) and Chief Financial Officer (CFO) of Cranex Limited ('the Company'), to the best of our knowledge and belief certify that:

1. We have reviewed the financial statements and cash flow statement for the year ended 31st March, 2024 and to the best of our knowledge and belief, we state that:
  - a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b) these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
2. We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware, have been disclosed to the auditors & Audit Committee and steps have been taken to rectify these deficiencies.
4. We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and Audit Committee:
  - a) Significant changes, in the internal control over financial reporting during the year;
  - b) Significant changes, in the accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
  - c) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

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

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

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

**Place: New Delhi**

**Date: 3<sup>rd</sup> September, 2024**

**INDEPENDENT AUDITOR'S REPORT**

To  
The Members of  
**CRANEX LIMITED**  
57/1, Industrial Area, Site - IV,  
Sahibabad, Ghaziabad,  
Uttar Pradesh - 201010

**Report on the Standalone Ind AS Financial Statements**

**Qualified Opinion**

We have audited the accompanying standalone Ind AS financial statements of **CRANEX LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows, and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as Ind AS Financial Statements).

In our opinion and to the best of our information and according to the explanation given to us, except for the effects of the matter described in the basis of Qualified Opinion section of our report, the aforesaid standalone Ind AS financial statements, give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, net profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis for Qualified Opinion**

- a) Property, Plant and Equipment (PPE) register has not been produced before us for verification. Depreciation of Property, Plant and Equipment has been provided on the basis of figures as certified by the management,
- b) Goods and Services tax (GST) balances are subject to audit and reconciliation with GST returns.
- c) Balances under Trade Receivables and Trade Payables, loans and advances given by the Company and parties from whom unsecured loans have been taken are subject to confirmations and adjustments, if any,
- d) The Financial Assets and Liabilities - Trade Receivables and long term borrowings taken from IFE Cranex Elevators and Escalators India Private Limited have not been measured at fair value as required by Ind AS-109 "Financial Instruments". Impairment provisions and fair value measurements have not been measured in accordance with Expected Credit Loss (ECL) method as per Ind AS-109.
- e) Inventory register has not been produced before us for verification. Inventory value has been provided on the basis of figures as certified by the management.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act 2013, as amended ("The Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Results" section of our report. We are independent of the Company in accordance with the code of Ethics issued by The Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statement under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our qualified opinion on the statement.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report

| S. No. | Key Audit Matter   | Auditor's Response  |
|--------|--|---|
| 1      | Revenue from the sale of goods (hereinafter referred to as "Revenue" is recognized when the Company performs its obligation to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of such recognition in the case of sale of goods is when the control over the same is transferred to the customer, which is mainly upon dispatch, delivery or upon formal customer acceptance depending on customer's terms. | <ul style="list-style-type: none"> <li>• Our procedures included:</li> <li>• Evaluating the design and implementation of Company's controls in respect of revenue recognition.</li> <li>• Testing the effectiveness of such controls over revenue cut off at year end.</li> <li>• Testing the supporting documentation for sales transactions recorded during the period closer to the year end and subsequent to the year end, including examination of credit notes issued after the year end to determine whether revenue was recognized in the correct period.</li> </ul> |

| S. No. | Key Audit Matter   | Auditor's Response  |
|--------|--|---|
| 1      | <p>The timing of revenue recognition is relevant to the reported performance of the Company. The management considers revenue as a key measure for evaluation of performance. There is a risk of revenue being recorded before control is transferred.</p> <p>Refer note no. 2.15 - Significant Accounting Policies; and note no. 21 - Revenue from Operations; of the Financial Statement.</p>  | <ul style="list-style-type: none"> <li>• Performing analytical procedures on current year revenue based on monthly trends and where appropriate, conducting further enquiries and testing.</li> <li>• Assessing the appropriateness of the Company's revenue recognition accounting policies in line with Ind AS 115 ("Revenue from Contracts with Customers" and testing thereof.</li> </ul>   |
| 3.     | <p><b>Evaluation of tax positions</b></p> <p>The Company operates in India and is subject to periodic challenges by local tax authorities on a range of tax matters during the normal course of business including direct tax, transfer pricing and indirect tax matters. These involve significant management judgment to determine the possible outcome of the tax litigations, consequently having an impact on related accounting and disclosures in the financial statements. Refer Note 30(A) to the standalone Ind AS financial statements.</p> | <ul style="list-style-type: none"> <li>• Our audit procedures include the following substantive procedures:</li> <li>• Obtained an understanding of key tax litigations and potential tax exposures</li> <li>• We along with our internal tax experts -</li> <li>• read and analyzed select key correspondence and consultations carried out by management with external tax experts for key tax litigations and potential tax exposures;</li> <li>• discussed with appropriate senior management and evaluated management's underlying key assumptions and grounds of appeal in estimating the tax provisions; and</li> <li>• evaluated the status of the recent and current tax assessments / inquiries, results of previous tax assessments and changes in the tax environment to assess management's estimate of the possible outcome of key tax litigations and potential tax exposures.</li> </ul>  |
| 4.     | <p><b>Taxation Significant</b> judgments are required in determining provision of income taxes, both current and deferred, as well as the assessment of provision for uncertain tax position including estimates where appropriate.</p>  | <p>We evaluated the design and implement of controls in respect of provision for current tax and the recognition and recoverability of deferred tax assets.</p> <p>We discussed with management the adequate implementation of policies and control regarding current and deferred tax.</p> <p>We examined the procedure in place for the current and deferred tax calculation for completeness and valuation and audited the related tax computation and estimates in light of our knowledge of the tax circumstances. Our work was conducted with our tax specialist.</p> <p>We performed the assessment of the material components impacting the tax expenses, balance and exposures. We reviewed and challenged the information reported by components with the support of our tax specialist, where appropriate.</p> <p>In respect of deferred tax assets and liabilities, we assess the appropriateness of management's assumption and</p> <p>Estimates to support deferred tax assets for tax losses carried forward and related disclosures in financial statements. Based on the procedure performed above, we obtain sufficient audit evidence to corroborate management's estimates regarding current and deferred tax balances.</p> |

**Information Other than the Standalone Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report but does not include the Ind AS financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this Auditor's Report. Our opinion on the Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of Management and Those Charges with Governance for the Standalone Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, the board of directors is responsible for the assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the company's financial reporting process.

**Auditor's Responsibility for the Audit of Ind AS Financial Statements**

Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation

Materiality is the magnitude of misstatements in the standalone Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Ind AS financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Ind AS financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure 'A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, the data backup of the books & accounts in electronic mode has been kept on server physically located inside India.
  - (c) The Balance Sheet, and the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, except for the effects/possible effects of the matters described in the Basis for Qualified Opinion paragraph above, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act and the rules prescribed there under.
  - (e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial control over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B" to this report.
  - (g) The qualifications relating to maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.
  - (h) The matter described in the Basis for Qualified opinion paragraph above, in our opinion, does not have any adverse effect on the functioning of the Company.
  - (i) In our opinion, the managerial remuneration for the year ended March 31, 2024 has been paid / provided by Company to its directors in accordance with the provision of section 197 read with schedule V to the Act;
- (j) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - (i) The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements. (Refer note no. 30(A))
  - (ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - (iv) (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether,

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- (v) As the Company has not declared any dividend during the year. Hence, reporting requirements under rule 11(f) of Companies (Audit and Auditors) Rules, 2014 are not applicable to the Company.
- (vi) (a) Based on our examination carried out in accordance with the implementation Guidance on Reporting on Audit Trail under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (Revised 2024 Edition issued by the Institute of Chartered Accountants of India, Which included test checks, we reports that the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year all relevant transaction recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.
- (b) Additionally, the audit trail has been preserved by the company as per the statutory requirements for record retention. Our examination of the audit trail was in the context of an audit of financial statements carried out in accordance with the standards of auditing and only to the extents required by Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014. We have not carried out any audit or examination of the audit trail beyond the matters required by the aforesaid Rule 11 (g) nor have we carried out any standalone audit or examination of the audit trail.

**For V.R.Bansal & Associates**  
**Chartered Accountants**  
**Firm Registration No. 016534N**

**(Rajan Bansal)**  
**Partner**

**Place: Delhi**  
**Dated: 30<sup>th</sup> May 2024**

**Membership No. 093591**  
**UDIN: 24093591BKFIRG2306**



**Annexure-A referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date**

Re: CRANEX LIMITED (the Company)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

1. 1. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
    - (a) **A.** The Company has not satisfactorily maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
    - B.** The company also has not maintained proper records showing full particulars of intangible assets.
  - (b) (b) In the absence of an updated fixed assets register and due to non-availability of records of physical verification we are unable to ascertain the appropriateness of the same.
  - (c) Based on our examination of the property tax receipts and lease agreement for land on which building is constructed, registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties, disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date
  - (d) According to the information & explanation given to us, The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
  - (e) According to the information & explanation given to us, No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
2. (a) According to the information and explanations given to us and on the basis of our examination of records of the Company, inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable, and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.
  - (b) The company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets; and the quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company except the following observations mentioned below: -

| S.No.            | Particulars       | As per Statement Submitted | As per Books | Difference |
|------------------|-------------------|----------------------------|--------------|------------|
| <b>Quarter-1</b> |                   |                            |              |            |
| 1.               | Inventory         | 1,725.81                   | 2030.81      | (305.00)   |
| 2.               | Trade Receivables | 1786.00                    | 1784.12      | 1.88       |
| 3.               | Trade Payables    | 1421.29                    | 1278.65      | 142.44     |
| <b>Quarter-2</b> |                   |                            |              |            |
| 1.               | Inventory         |                            |              | -          |
| 2.               | Trade Receivables |                            |              | -          |
| 3.               | Trade Payables    |                            |              | -          |
| <b>Quarter-3</b> |                   |                            |              |            |
| 1.               | Inventory         | 1,534.21                   | 1534.21      | -          |
| 2.               | Trade Receivables | 2698.79                    | 2694.88      | 3.91       |
| 3.               | Trade Payables    | 1162.66                    | 1173.52      | (10.86)    |
| <b>Quarter-4</b> |                   |                            |              |            |
| 1.               | Inventory         | 1131.13                    | 1131.13      | -          |
| 2.               | Trade Receivables | 2704.67                    | 2704.57      | 0.10       |
| 3.               | Trade Payables    | 1021.14                    | 1303.81      | (282.67)   |

\* Refer Note No 31(8) of Standalone Financial Statements.

3. (a) The Company has made investments in earlier years. The Company has not granted secured/ unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties. Therefore, the reporting under clause 3(iii), (iii)(a), (iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable to the Company.
- (b) In respect of the investments, the terms and conditions under which such investments were made are not prejudicial to the Company's interest.
4. According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of investment made, loan given, and guarantee provided by the Company, in our opinion the provisions of Section 185 and 186 of the Companies Act, 2013 ("the Act") have been complied. The Company has not given any security.
5. The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
6. As per information and explanation given by the management, maintenance of cost records has not been specified by the Central Government under sub -section (1) of section 148 of the Companies Act, 2013, and accordingly, the provisions of clause (vi) of the order is not applicable to the Company.
7. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:

| S. No. | Name of Statute  | Nature of Dues | Amount<br>(Rs. In lakhs ) | Financial Year | Forum where<br>dispute is pending           |
|--------|--|----------------|---------------------------|----------------|---|
| 1.     | Demand raised by the GST Department (Excluding Penalty) (Amount deposited Rs. 5.94 Lakh) | Demand         | Rs. 5.94                  | 2023-24        | Addl. Commissioner, Gr. 2(Appeal) Meerut -I |

8. In our opinion, based on audit procedures and according to the information and explanations given to us, the Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
9. (a) In our opinion, based on audit procedures and according to the information and explanations given to us, the Company is regular in repayment of loans and borrowing or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, term loans were applied for the purpose for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary/associate defined under the Act.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its associate/subsidiary.
10. (a) According to the information and explanations given to us and procedures performed by us the Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments). Accordingly, the

- requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and procedures performed by us the Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit. Accordingly, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
11. (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been led by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
12. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
13. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
14. (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
15. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
16. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi) (a) of the Order is not applicable.
- (b) The Company has not conducted any non-banking financial/housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) Based on the information and explanations provided by the management of the Company, the Group does not have any CICs, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
17. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
18. The previous statutory auditors of the Company have completed their term as defined under the Act. There are no issues, objections or concerns raised by the outgoing auditors.
19. According to the information and explanation given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company.
- We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due;
20. (a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project other than ongoing projects. Accordingly, clause 3(xx)(a) of the Order is not applicable.
- (b) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-

section (5) of Section 135 of the Act pursuant to any ongoing project. Accordingly, clause 3(xx)(b) of the Order is not applicable.

21. The reporting under Clause 3(xxi) of the Order is not applicable in respect of audit of the standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

**For V.R.Bansal & Associates**  
**Chartered Accountants**  
**Firm Registration No. 016534N**

**Place: Delhi**  
**Dated: 30<sup>th</sup> May 2024**

**(Rajan Bansal)**  
**Partner**  
**Membership No. 093591**  
**UDIN: 24093591BKFIRG2306**

## Annexure - B to the Auditors' Report

### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

To the Members of Cranex Limited

We have audited the internal financial controls over financial reporting of CRANEX LIMITED ("the Company") as of 31st March, 2024 in conjunction with our audit of the Standalone financial statements of the Company for the period ended on that date.

#### Management's Responsibility for Internal Financial Controls

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

#### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit.

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### Inherent Limitations of Internal Financial Controls over Financial Reporting

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

#### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2024, based on the internal control

over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For V.R. Bansal & Associates**  
**Chartered Accountants**  
**Firm Registration No. 016534N**

**(Rajan Bansal)**  
**Partner**

**Place: Delhi**  
**Dated: 30<sup>th</sup> May 2024**

**Membership No. 093591**  
**UDIN: 24093591BKFIRG2306**

**Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial**

| Statement on Impact of Audit Qualifications for the Year ended March 31, 2024<br>[Under Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016] |   |   |   |   |
|--|---|---|---|---|
| I.   | Sl.   | Particulars   | Audited Figures (as reported before adjusting for | Adjusted Figures (audited figures after adjusting for |
|  | 1   | Turnover / Total Income   | 6312.58   | 6312.58   |
|  | 2   | Total Expenditure   | 6160.69   | 6160.69   |
|  | 3   | Net Profit/ (Loss)  | 151.88  | 151.88  |
|  | 4   | Earnings Per Share  | 2.53  | 2.53  |
|  | 5   | Total Assets  | 5545.78   | 5545.78   |
|  | 6   | Total Liabilities   | 4443.89   | 4443.89   |
|  | 7   | Net Worth   | 1101.88   | 1101.88   |
|  | 8   | Net Profit before OCI   | 151.88  | 151.88  |
|  | 9   | Other Comprehensive Income  | 0.47  | 0.47  |
|  | 8   | Net Profit after OCI  | 152.35  | 152.35  |
| <b>II.</b>   | <b>Audit Qualification (each audit qualification separately):</b> |   |   |   |
|  | <b>a.</b>   | <b>Details of Audit Qualification:</b>  |   |   |
|  | <b>i.</b>   | Property, Plant and Equipment (PPE) register has not been produced before us for verification. Depreciation of Property, Plant and Equipment has been provided on the basis of figures as certified by the management.  |   |   |
|  | <b>ii.</b>  | Goods and Services tax (GST) balances are subject to audit and reconciliation with GST returns.   |   |   |
|  | <b>iii.</b>   | Balances under Trade Receivables and Trade Payables, loans and advances given by the Company and parties from whom unsecured loans have been taken are subject to confirmations and adjustments, if any.  |   |   |
|  | <b>iv.</b>  | The Financial Assets and Liabilities - Trade Receivables and long term borrowings taken from IFE Cranex Elevators and Escalators India Private Limited have not been measured at fair value as required by Ind AS-109 "Financial Instruments". Impairment provisions and fair value measurements have not been measured in accordance with Expected Credit Loss (ECL) method as per Ind AS-109. |   |   |
|  | <b>v.</b>   | Inventory register has not been produced before us for verification. Inventory value has been provided on the basis of figures as certified by the management.  |   |   |

|             |  |
|-------------|--|
|             | <b>b. Type of Audit Qualification : Qualified Opinion</b>  |
|             | <b>c. Frequency of qualification:</b><br>The qualification mentioned above in II (a) (i) to (iv) is repetitive and<br>The qualification mentioned in II (a) (v) is appeared first time |
|             | <b>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</b><br><i>As per attached annexure I</i>   |
|             | <b>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</b>  |
|             | <b>(i) Management's estimation on the impact of audit qualification: As per attached annexure I</b>  |
|             | <b>(ii) If management is unable to estimate the impact, reasons for the same: N.A.</b>   |
|             | <b>(iii) Auditors' Comments on (i) or (ii) above: N.A.</b>   |
| <b>III.</b> | Signatories  |
|             | <input type="checkbox"/> Piyush Agrawal, (Managing Director)   |
|             | <input type="checkbox"/> Chaitanya Agrawal, (CFO)  |
|             | <input type="checkbox"/> Ashwini Kumar Jindal, (Audit Committee Chairman)  |
|             | <input type="checkbox"/> Rajan Bansal, (Statutory Auditor)   |
|             | Place: Ghaziabad   |
|             | Date: 30.05.2024   |



## Annexure I

| Audit Qualification (each audit qualification separately):   | For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: | For Audit Qualification(s) where the impact is not quantified by the auditor  |
|--|---|---|
| (i) Property, Plant and Equipment (PPE) register has not been produced before us for verification. Depreciation of Property, Plant and Equipment has been provided on the basis of figures as certified by the management,   |   | The Company has calculated the Depreciation figures as per applicable rules. The detailed register is under preparation.  |
| (ii) Goods and Services tax (GST) balances are subject to audit and reconciliation with GST returns.   |   | Noted and confirmed   |
| (iii) Balances under Trade Receivables and Trade Payables, loans and advances given by the Company and parties from whom unsecured loans have been taken are subject to confirmations and adjustments, if any.   |   | Noted and confirmed   |
| (iv) The Financial Assets and Liabilities - Trade Receivables and long term borrowings taken from IFE Cranex Elevators and Escalators India Private Limited have not been measured at fair value as required by Ind AS-109 "Financial Instruments". Impairment provisions and fair value measurements have not been measured in accordance with Expected Credit Loss (ECL) method as per Ind AS-109. |   | The Company does not expect any change in the long term borrowings taken from IFE Cranex Elevators and Escalators India Private Limited.<br>There is no Expected Credit Loss (ECL). |
| (v) Inventory register has not been produced before us for verification. Inventory value has been provided on the basis of figures as certified by the management.   |   | Noted and confirmed   |
| Signatories  |   |   |
| <input type="checkbox"/> Piyush Agrawal, (Managing Director)   |   |   |
| <input type="checkbox"/> Chaitanya Agrawal, (CFO)  |   |   |
| <input type="checkbox"/> Ashwini Kumar Jindal,<br>(Audit Committee Chairman)   |   |   |
| <input type="checkbox"/> Rajan Bansal, (Statutory Auditor)   |   |   |
| Place: Ghaziabad   |   |   |
| Date: 30.05.2024   |   |   |

## BALANCE SHEET AS AT MARCH 31, 2024

(Amount in Lakhs)

| PARTICULARS  | Notes | As at March 31, 2024 | As at March 31, 2023 |
|--|-------|----------------------|----------------------|
| <b>ASSETS</b>  |       |                      |                      |
| <b>1 Non-current assets</b>  |       |                      |                      |
| Property, plant and equipment  | 3     | 600.10               | 579.01               |
| Investments in associates and Joint Ventures                               | 4     | 213.71               | 213.71               |
| Financial assets   | 5     |                      |                      |
| (i) Non-Current Investments  |       | 0.01                 | 0.01                 |
| (ii) Loans and advances  |       | -                    | -                    |
| (iii) Other Financial Assets   |       | 407.86               | 266.20               |
| Other non-current assets   | 7     | 2.58                 | 2.33                 |
|  |       | <b>1,224.25</b>      | <b>1,061.26</b>      |
| <b>2 Current assets</b>  |       |                      |                      |
| Inventories  | 8     | 1,131.14             | 1,609.74             |
| Financial assets   | 9     |                      |                      |
| (i) Trade receivables  |       | 2,704.57             | 2,103.34             |
| (ii) Cash and cash equivalents   |       | 1.34                 | 3.02                 |
| (iii) Other bank balances  |       | 145.68               | 242.40               |
| (iv) Loans and advances  |       | -                    | -                    |
| (v) Other Financial Assets   |       | 148.73               | 12.08                |
| Current tax assets (Net)   | 10    | -                    | 3.70                 |
| Other current assets   | 11    | 190.07               | 213.31               |
|  |       | <b>4,321.53</b>      | <b>4,187.59</b>      |
| <b>Total Assets</b>  |       | <b>5,545.78</b>      | <b>5,248.85</b>      |
| <b>EQUITY AND LIABILITIES</b>  |       |                      |                      |
| <b>1 EQUITY</b>  |       |                      |                      |
| Equity share capital   | 12    | 600.00               | 600.00               |
| Other equity   | 13    | 501.88               | 349.53               |
|  |       | <b>1,101.88</b>      | <b>949.53</b>        |
| <b>2 LIABILITIES</b>   |       |                      |                      |
| Non-current liabilities  |       |                      |                      |
| Financial liabilities  | 14    |                      |                      |
| (i) Borrowing  |       | 650.97               | 641.85               |
| (ii) Lease Liabilities   |       | -                    | -                    |
| Provisions   | 15    | 52.62                | 46.77                |
| Deferred tax liabilities (Net)   | 6     | 31.00                | 30.32                |
| Other non-current liabilities  | 16    | -                    | -                    |
|  |       | <b>734.58</b>        | <b>718.94</b>        |
| <b>Current liabilities</b>   |       |                      |                      |
| Financial liabilities  | 17    |                      |                      |
| (i) Short Term Borrowings  |       | 2,056.03             | 1,768.02             |
| (ii) Trade payable   |       |                      |                      |
| Total outstanding dues of micro and small enterprises                      |       | 129.96               | 13.96                |
| Total outstanding dues of creditors other than micro and small enterprises |       | 1,173.86             | 1,367.33             |
| (iii) Other financial liabilities  |       | 155.59               | 244.42               |
| Other current liabilities  | 18    | 171.69               | 174.31               |
| Provisions   | 19    | 17.26                | 12.34                |
| Current tax liabilities (Net)  | 20    | 4.94                 | -                    |
|  |       | <b>3,709.31</b>      | <b>3,580.38</b>      |
| <b>Total Equity and Liabilities</b>  |       | <b>5,545.78</b>      | <b>5,248.85</b>      |
|  |       | <b>718.94</b>        | <b>2,277.79</b>      |

## BALANCE SHEET AS AT MARCH 31, 2024

(Amount in Lakhs)

| PARTICULARS  | Notes | As at March 31, 2024 | As at March 31, 2023 |
|--|-------|----------------------|----------------------|
| <b>Current liabilities</b>   |       |                      |                      |
| Financial liabilities  | 17    |                      |                      |
| (i) Short Term Borrowings  |       | 1,768.02             | -                    |
| (ii) Trade payable   |       |                      |                      |
| Total outstanding dues of micro and small enterprises                      |       | 13.96                | -                    |
| Total outstanding dues of creditors other than micro and small enterprises |       | 1,367.33             | 1,030.10             |
| (iii) Other financial liabilities  |       | 244.42               | 34.61                |
| Other current liabilities  | 18    | 174.31               | 113.71               |
| Provisions   | 19    | 12.34                | -                    |
| Current tax liabilities (Net)  | 20    | -                    | 27.45                |
|  |       | <b>3,580.37</b>      | <b>1,205.87</b>      |
| <b>Total Equity and Liabilities</b>  |       | <b>5,248.84</b>      | <b>4,418.55</b>      |

|   |    |
|---|----|
| Summary of significant accounting policies          | 2  |
| Contingent liabilities, commitments and litigations | 30 |
| Other notes on accounts                             | 31 |

The accompanying notes are an integral part of the financial statements.

**As per our report of even date**

**For V.R. Bansal & Associates**

Chartered Accountants

ICAI Firm Registration No.: 016534N

**For and on behalf of the Board of Directors**

**Sd/-**  
**Rajan Bansal**  
Partner  
M. No.: 093591

**Sd/-**  
**(Piyush Agrawal)**  
Managing Director  
DIN - 01761004

**Sd/-**  
**(Chaitanya Agrawal)**  
Whole-Time Director & CFO  
DIN - 05108809

**Sd/-**  
**Heena Sharma**  
Company Secretary  
M. No.: A-65512

Place: Sahibabad  
Date: 30<sup>th</sup> May 2024

## STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED MARCH 31, 2024

(Amount in Lakhs)

| PARTICULARS   | Notes | As at March 31, 2024 | As at March 31, 2023 |
|---|-------|----------------------|----------------------|
| <b>I INCOME</b>   |       |                      |                      |
| Revenue from operations   | 21    | 6,211.41             | 4,137.75             |
| Other income  | 22    | 101.17               | 46.90                |
| <b>Total Income</b>   |       | <b>6,312.58</b>      | <b>4,184.66</b>      |
| <b>II EXPENSES</b>  |       |                      |                      |
| Cost of materials consumed  | 23    | 3,982.01             | 2,513.73             |
| Purchase of traded goods  | 24    | 57.93                | 9.50                 |
| Change in inventories of FG, Traded Goods and WIP   | 25    | 295.48               | 47.54                |
| Employee benefits expenses  | 26    | 448.11               | 526.66               |
| Finance costs   | 27    | 144.65               | 115.72               |
| Depreciation and amortisation expenses  | 28    | 31.46                | 31.01                |
| Other expenses  | 29    | 1,136.11             | 814.81               |
| <b>Total Expenses</b>   |       | <b>6,095.74</b>      | <b>4,058.97</b>      |
| <b>III Profit before exceptional items and tax</b>  |       | <b>216.83</b>        | <b>125.69</b>        |
| Add : Exceptional items   |       | -                    | -                    |
| <b>IV Profit before tax</b>   |       | <b>216.83</b>        | <b>125.69</b>        |
| <b>V Tax expenses</b>   |       |                      |                      |
| Current tax   |       | 50.95                | 23.50                |
| Income tax for earlier year   |       | 13.49                | 3.57                 |
| Deferred tax  |       | 0.51                 | 36.66                |
| <b>Income tax expense</b>   |       | <b>64.95</b>         | <b>63.73</b>         |
| <b>VI Profit/ (loss) for the year</b>   |       | <b>151.88</b>        | <b>61.95</b>         |
| <b>VII Other comprehensive income</b>   |       |                      |                      |
| Other comprehensive income not to be reclassified to profit or loss in subsequent periods |       |                      |                      |
| i) Re-measurement gains on defined benefit plans  |       | 0.63                 | 3.48                 |
| ii) Income tax effect   |       | (0.16)               | (0.88)               |
| <b>Other comprehensive income for the year, net of tax</b>                                |       | <b>0.47</b>          | <b>2.60</b>          |
| <b>VIII Total comprehensive income/ (loss) for the year, net of tax</b>                   |       | <b>152.35</b>        | <b>64.56</b>         |
| <b>IX Earnings per equity share (nominal value of share Rs.10/-)</b>                      |       |                      |                      |
| Basic (Rs.)   |       | 2.53                 | 1.03                 |
| Diluted (Rs.)   |       | 2.53                 | 1.03                 |

|   |    |
|---|----|
| Summary of significant accounting policies          | 2  |
| Contingent liabilities, commitments and litigations | 30 |
| Other notes on accounts                             | 31 |

The accompanying notes are an integral part of the financial statements.

**As per our report of even date**
**For V.R. Bansal & Associates**

Chartered Accountants

ICAI Firm Registration No.: 016534N

**For and on behalf of the Board of Directors**

Sd/-  
**Rajan Bansal**  
 Partner  
 M. No.: 093591

Sd/-  
**(Piyush Agrawal)**  
 Managing Director  
 DIN - 01761004

Sd/-  
**(Chaitanya Agrawal)**  
 Whole-Time Director & CFO  
 DIN - 05108809

Sd/-  
**Heena Sharma**  
 Company Secretary  
 M. No.: A-65512

Place: Sahibabad  
 Date: 30<sup>th</sup> May 2024

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2024

(Amount in Lakhs)

| PARTICULARS   | As at March 31, 2024 | As at March 31, 2023 |
|---|----------------------|----------------------|
| <b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>  |                      |                      |
| Profit/ (loss) before income tax  | 216.83               | 125.69               |
| Adjustments to reconcile profit before tax to net cash flows  |                      |                      |
| Depreciation and amortisation expense   | 31.46                | 31.01                |
| Finance cost  | 144.65               | 115.72               |
| Interest income   | (31.74)              | (39.23)              |
| <b>Operating Profit before working capital changes</b>  | <b>361.21</b>        | <b>233.18</b>        |
| Movement in working capital   |                      |                      |
| (Increase)/ Decrease in financial assets loans and advances   | (23.96)              | 127.25               |
| (Increase)/ Decrease in inventories   | 478.60               | (362.03)             |
| (Increase)/ Decrease in trade receivables   | (601.24)             | (514.15)             |
| (Increase)/ Decrease in other financial assets  | (136.65)             | (12.08)              |
| (Increase)/ Decrease in other non-financial assets  | 23.24                | 23.13                |
| Increase/ (Decrease) in trade payables  | (77.48)              | 351.19               |
| Increase/ (Decrease) in other financial liabilities   | (88.83)              | 244.42               |
| Increase/ (Decrease) in other financial liabilities   | (2.62)               | 25.99                |
| Increase/ (Decrease) in other non current asset   | (0.25)               | (2.33)               |
| Increase/ (Decrease) in current Tax liability   |                      | (31.15)              |
| Increase/ (Decrease) in provisions  | 11.40                | 12.68                |
| <b>Cash generated from operations</b>   | <b>(56.58)</b>       | <b>96.10</b>         |
| Income tax paid (net of refunds)  | (55.80)              | (27.07)              |
| <b>Net Cash flow from Operating Activities (A)</b>  | <b>(112.38)</b>      | <b>69.02</b>         |
| <b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>  |                      |                      |
| Purchase of property, plant and equipment and CWIP (net of creditor for capital goods and capital advances) | (52.55)              | (4.61)               |
| Proceeds from fixed deposits (Net)  | (20.98)              | (133.20)             |
| Proceeds from sale of property, plant and equipment   | -                    |                      |
| Interest Received   | 31.74                | 39.23                |
| <b>Net Cash flow from/(used) in Investing Activities (B)</b>  | <b>(41.79)</b>       | <b>(98.57)</b>       |
| <b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>  |                      |                      |
| Proceeds/(Repayment) of Long term borrowings  | 297.13               | 132.07               |
| Interest Paid   | (144.65)             | (115.72)             |
| <b>Net Cash Flow from/(used) in Financing Activities (C)</b>  | <b>152.48</b>        | <b>16.36</b>         |
| <b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>                                       | <b>(1.69)</b>        | <b>(13.20)</b>       |
| Cash and cash equivalents at the beginning of the year  | 3.02                 | 16.22                |
| <b>Cash and Cash Equivalents at the end of the year</b>   | <b>1.34</b>          | <b>3.02</b>          |

## Notes :

- The above Cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard-7, "Statement of Cash Flows".
- Components of cash and cash equivalents :-

|                                  | As at March 31, 2024 | As at March 31, 2023 |
|----------------------------------|----------------------|----------------------|
| <b>Cash and cash equivalents</b> |                      |                      |
| Balances with banks              |                      |                      |
| Current accounts                 | 0.93                 | 0.28                 |
| Cash on hand                     | 0.41                 | 2.74                 |
|                                  | <b>1.34</b>          | <b>3.02</b>          |

As per our report of even date

**For V.R. Bansal & Associates**

Chartered Accountants

ICAI Firm Registration No.: 016534N

**For and on behalf of the Board of Directors**

**Sd/-**

**Rajan Bansal**

Partner

M. No.: 093591

**Sd/-**

**(Piyush Agrawal)**

Managing Director

DIN - 01761004

**Sd/-**

**(Chaitanya Agrawal)**

Whole-Time Director & CFO

DIN - 05108809

**Sd/-**

**Heena Sharma**

Company Secretary

M. No.: A-65512

Place: Sahibabad

Date: 30<sup>th</sup> May 2024

## STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED MARCH 31, 2024

## (A) Equity Share Capital

| Particulars          | Nos.      | Amount in Lakhs |
|----------------------|-----------|-----------------|
| As at March 31, 2022 | 6,000,000 | 600.00          |
| As at March 31, 2023 | 6,000,000 | 600.00          |
| As at March 31, 2024 | 6,000,000 | 600.00          |

## (B) Other Equity

(Amount in Lakhs)

| Particulars  | Reserves and surplus | Total         |
|--|----------------------|---------------|
|  | Retained Earnings    |               |
| <b>As at April 1, 2022</b>                                 | <b>334.89</b>        | <b>334.89</b> |
| Net profit /(loss) for the year                            | 61.95                | 61.95         |
| a) Gratuity Provision Adjustment (Refer note 31(3))        | (49.91)              | (49.91)       |
| <b>Other comprehensive income for the year</b>             |                      |               |
| Re-measurement gains on defined benefit plans (net of tax) | 2.60                 | 2.60          |
| <b>As at March 31, 2023</b>                                | <b>349.53</b>        | <b>349.53</b> |
| Net profit /(loss) for the year                            | 151.88               | 151.88        |
| <b>Other comprehensive income for the year</b>             |                      |               |
| Re-measurement gains on defined benefit plans (net of tax) | 0.47                 | 0.47          |
| <b>As at March 31, 2024</b>                                | <b>501.88</b>        | <b>501.88</b> |

|   |    |
|---|----|
| Summary of significant accounting policies          | 2  |
| Contingent liabilities, commitments and litigations | 30 |
| Other notes on accounts                             | 31 |

The accompanying notes are an integral part of the financial statements.

**As per our report of even date****For V.R. Bansal & Associates**

Chartered Accountants

ICAI Firm Registration No.: 016534N

**For and on behalf of the Board of Directors**

**Sd/-**  
**Rajan Bansal**  
Partner  
M. No.: 093591

**Sd/-**  
**(Piyush Agrawal)**  
Managing Director  
DIN - 01761004

**Sd/-**  
**(Chaitanya Agrawal)**  
Whole-Time Director & CFO  
DIN - 05108809

**Sd/-**  
**Heena Sharma**  
Company Secretary  
M. No.: A-65512

Place: Sahibabad  
Date: 30<sup>th</sup> May 2024

## Notes to Financial Statements for the period ended March 31, 2024

## 3. Property, Plant and Equipment

(Amount in Lakhs)

| Particulars                  | Land  | Factory Building | Plant and Equipments | Vehicles | Office Equipments | Furniture & Fixtures | Air Conditioners | Computer | Total    |
|------------------------------|-------|------------------|----------------------|----------|-------------------|----------------------|------------------|----------|----------|
| <b>Gross Block (At cost)</b> |       |                  |                      |          |                   |                      |                  |          |          |
| <b>At April 01, 2022</b>     | 18.35 | 236.47           | 577.01               | 69.76    | 42.41             | 11.29                | 7.28             |          | 962.57   |
| Additions -                  | -     | -                | -                    | 2.97     | 0.66              | -                    | 0.97             | 4.61     | -        |
| Disposals                    | -     | -                | -                    | -        | -                 | -                    | -                | -        | -        |
| <b>At March 31, 2023</b>     | 18.35 | 236.47           | 577.01               | 69.76    | 45.38             | 11.95                | 7.28             | 0.97     | 967.17   |
| Additions -                  | -     | 3.65             | 45.55                | 1.32     | -                 | -                    | 2.03             | 52.55    | -        |
| Disposals                    | -     | -                | -                    | -        | -                 | -                    | -                | -        | -        |
| <b>At March 31, 2024</b>     | 18.35 | 236.47           | 580.67               | 115.31   | 46.70             | 11.95                | 7.28             | 3.01     | 1,019.73 |
| <b>Depreciation</b>          |       |                  |                      |          |                   |                      |                  |          |          |
| <b>At April 01, 2022</b>     | -     | 19.55            | 259.11               | 43.43    | 21.13             | 9.74                 | 4.19             | -        | 357.15   |
| Charge for the year          | -     | 11.29            | 16.55                | 1.37     | 1.34              | 0.14                 | 0.16             | 0.17     | 31.01    |
| Disposals                    | -     | -                | -                    | -        | -                 | -                    | -                | -        | -        |
| <b>At March 31, 2023</b>     | -     | 30.84            | 275.66               | 44.80    | 22.47             | 9.88                 | 4.35             | 0.17     | 388.16   |
| Charge for the year          | -     | 3.74             | 13.07                | 10.39    | 2.67              | 0.58                 | 0.35             | 0.67     | 31.46    |
| Disposals                    | -     | -                | -                    | -        | -                 | -                    | -                | -        | -        |
| <b>At March 31, 2024</b>     | -     | 34.58            | 288.72               | 55.19    | 25.14             | 10.46                | 4.70             | 0.84     | 419.62   |
| <b>Net carrying amount</b>   |       |                  |                      |          |                   |                      |                  |          |          |
| <b>At March 31, 2023</b>     | 18.35 | 205.63           | 301.35               | 24.96    | 22.91             | 2.07                 | 2.93             | 0.80     | 579.01   |
| <b>At March 31, 2024</b>     | 18.35 | 201.89           | 291.94               | 60.13    | 21.56             | 1.49                 | 2.58             | 2.16     | 600.10   |

Notes: -

- (i) Depreciation has been provided prorata basis on straight line method using the useful lives and in the manner as prescribed under Schedule II of the Companies Act, 2013. (Refer Accounting Policies No. 2.6)
- (ii) The Company has not revalued its Property, Plant and Equipment.
- (iii) Interest during construction paid during the year amounting to Rs.Nil/(March 31;2023: Rs. Nil/-) has been capitalised.
- (iv) The title in respect of self -constructed buildings and title deeds of all other immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as the balance sheet date.
- (v) Vehicles taken on finance lease are financed from Yes Bank Limited, Kotak Mahindra Prlme Limited and HDFC Bank Limited (Refer Note No. 14.1)
- (vi) Property, Plant and equipment pledged as security towards liabilities as on March 31,2024 and March 31, 2023 are as under (refer note no 14.1):

First and Exclusive Charge on Immovable Property Plot No. 57/1 and 57/1/19, industrial area site IV , Sahibabad, Ghaziabad in the name of the Company.



## Notes to Financial Statements for the period ended March 31, 2024

(Amount in Lakhs)

As at March 31, 2024 As at March 31, 2023

**4 INVESTMENTS IN ASSOCIATES****Investments in equity instruments (unquoted) non-trade, (valued at cost)****Investments in Associate Company**

|  |        |        |
|--|--------|--------|
| IFE Cranex Elevators & Escalators India Pvt. Ltd.  | 182.00 | 182.00 |
| 1,82,000 (26%) (March 31, 2023: 1,82,000 (26%)) equity shares of Rs.100/- each fully paid up |        |        |

**Other Investments****Investments in Joint Ventures**

|  |       |       |
|--|-------|-------|
| Shree Cranex (JV) [Refer Note (b) Below] | 31.71 | 31.71 |
|--|-------|-------|

**Aggregate amount of unquoted investments in associates**

|               |               |
|---------------|---------------|
| <b>213.71</b> | <b>213.71</b> |
|---------------|---------------|

**Aggregate amount of impairment on value of investments**

|   |   |
|---|---|
| - | - |
|---|---|

Notes: -

(a) Management is of the opinion that the fair value of the unquoted equity share of IFE Cranex Elevators & Escalators India Private Limited exceed the amount of investment made and hence there is no impairment in the value of investment.

(b) During the financial year 2021-22, the Company has invested an amount of Rs. 31.71 Lakhs in Shree Cranex (JV), a joint venture with Shree Construction. The share of the company as a designated partner in the total capital of the Joint Venture (JV) is 26 % which amounts to a capital contribution of Rs. 31.71Lakhs. The name and share of other designated partner of the Joint Venture (JV) are IFE Elevators Company Limited with a share of 74% which amounts to capital contribution of Rs. 124.55Lakhs.

**5 NON-CURRENT FINANCIAL ASSETS****5.1 INVESTMENTS****(a) Investments in equity instruments (unquoted), non trade  
Valued at Fair Value through Other Comprehensive Income [FVTOCI]**

|  |      |      |
|--|------|------|
| Saraswat Co-operative Bank Ltd.                                      | 0.01 | 0.01 |
| 50 (March 31, 2023: 50 ) equity shares of Rs.10/- each fully paid up |      |      |

**Aggregate amount of unquoted investments (At fair Value)**

|             |             |
|-------------|-------------|
| <b>0.01</b> | <b>0.01</b> |
|-------------|-------------|

**Aggregate amount of unquoted investments (At Cost)**

|             |             |
|-------------|-------------|
| <b>0.01</b> | <b>0.01</b> |
|-------------|-------------|

**5.2 LONG TERM LOANS AND ADVANCES****(Valued at amortised cost)  
(Unsecured, considered good)**

|                          |   |   |
|--------------------------|---|---|
| Other Loans and Advances | - | - |
|                          | - | - |

No loans and advances are due from firms or private companies respectively in which any director is a partner, a director or a member or other officers of the company either severally or jointly with any other person.

**5.2 OTHER NON-CURRENT FINANCIAL ASSETS**

(Valued at amortised cost)  
(Unsecured, considered good)

|   |        |        |
|---|--------|--------|
| Security deposits   | 52.55  | 28.59  |
| Fixed deposits held as margin money against bank guarantees having remaining maturity period of more than twelve months | 355.30 | 237.60 |
|   | 407.86 | 266.20 |

Notes:

- (i) Security deposits includes deposits against electricity, telephone, shipping lines, vendors, etc.
- (ii) The deposits maintained by the Company with banks comprise of time deposits of varying periods of more than twelve months and earn interest at the respective deposit rates.

Notes to Financial Statements for the period ended March 31, 2024

(Amount in Lakhs)

As at March 31, 2024 As at March 31, 2023

**6 DEFERRED TAX ASSETS (NET)**

(a) Income tax expense in the statement of profit and loss comprises :

|   |              |              |
|---|--------------|--------------|
| Current income tax charge   | 50.95        | 23.50        |
| Income Tax for earlier years  | 13.49        | 3.57         |
| Deferred Tax  |              |              |
| Relating to origination and reversal of temporary differences         | 0.51         | 36.66        |
| <b>Income tax expense reported in the statement of profit or loss</b> | <b>64.95</b> | <b>63.73</b> |

(b) Other Comprehensive Income

|   |               |               |
|---|---------------|---------------|
| Re-measurement (gains)/losses on defined benefit plans                |               |               |
| <b>Tax expense related to items recognized in OCI during the year</b> | <b>(0.16)</b> | <b>(0.88)</b> |

(c) Reconciliation of tax expense and the accounting profit

multiplied by India's domestic tax rate:

|  |              |              |
|--|--------------|--------------|
| Accounting Profit before tax   | 216.83       | 125.69       |
| Applicable tax rate  | 25.17%       | 25.17%       |
| <b>Computed Tax Expense</b>  | <b>54.58</b> | <b>31.64</b> |
| Income not considered for tax purpose  | -            | 32.10        |
| Expense not allowed for tax purpose  | 10.37        |              |
| <b>Income tax charged to Statement of Profit and Loss at effective rate of 29.96% (March 31, 2023: 50.71%)</b> | <b>64.95</b> | <b>63.73</b> |

**Balance Sheet**
**Statement of profit & loss**

|                |                |                |                |
|----------------|----------------|----------------|----------------|
| As at          | As at          | As at          | As at          |
| March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 |

(d) Deferred tax assets comprises:

|   |                |                |               |                |
|---|----------------|----------------|---------------|----------------|
| Accelerated Depreciation for Tax purposes                                     | (51.17)        | (45.20)        | (5.97)        | (52.42)        |
| Expenses allowable on payment basis   | 20.18          | 14.88          | 5.30          | 14.88          |
| For loss and unabsorbed depreciation carried forward under the Income Tax Act | -              | -              | -             | -              |
|   | <b>(31.00)</b> | <b>(30.32)</b> | <b>(0.67)</b> | <b>(37.54)</b> |

(e) Reconciliation of deferred tax assets (net)

|  |        |        |                |                |
|--|--------|--------|----------------|----------------|
| Opening balance  |        |        | (30.32)        | 7.21           |
| Tax expense recognised in the statement of profit and loss during the year |        |        | (0.51)         | (36.66)        |
| Tax expense recognised in other comprehensive income during the year       | (0.16) | (0.88) |                |                |
| <b>Closing balance</b>   |        |        | <b>(31.00)</b> | <b>(30.32)</b> |

**Notes:**

- (i) Effective tax rate has been calculated on profit before tax and exceptional items.
- (ii) The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

(Amount in Lakhs)

|                                     | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|-------------------------------------|-------------------------|-------------------------|
| <b>7 OTHER NON CURRENT ASSETS</b>   |                         |                         |
| <b>(Unsecured, considered good)</b> |                         |                         |
| Others                              |                         |                         |
| Prepaid expenses                    | 2.58                    | 2.33                    |
|                                     | <u>2.58</u>             | <u>2.33</u>             |

**Notes:**

- (i) Prepaid expenses includes expenses related to License Fees & Insurance.

|   |                 |                 |
|---|-----------------|-----------------|
| <b>8 INVENTORIES</b>  |                 |                 |
| <b>(Valued at lower of cost and net realisable value unless otherwise stated)</b> |                 |                 |
| Raw materials   | 545.39          | 728.52          |
| Work in progress.   | 178.86          | 461.20          |
| Finished goods  | 406.89          | 420.02          |
|   | <u>1,131.14</u> | <u>1,609.74</u> |

**Notes:**

- (i) Inventories are hypothecated with the bankers against working capital limits. (refer note no. 17.1(i))
- (ii) Refer accounting policy no. 2.11 for mode of valuation of Inventories.

**9 CURRENT FINANCIAL ASSETS****9.1 TRADE RECEIVABLES**

|  |                 |                 |
|--|-----------------|-----------------|
| (a) Trade Receivables considered good-Secured                        | -               | -               |
| (b) Trade Receivables considered good-Unsecured                      | 2,704.57        | 2,103.34        |
| (c) Trade Receivables which have significant increase in Credit Risk | -               | -               |
| (d) Trade Receivables -Credit impaired                               | -               | -               |
|  | <u>2,704.57</u> | <u>2,103.34</u> |
| Less: Impairment allowance for trade receivables                     | -               | -               |
|  | <u>2,704.57</u> | <u>2,103.34</u> |

**Notes:**

- (i) Trade receivables are usually on trade terms based on credit worthiness of customers as per the terms of contract with customers.
- (ii) No trade receivables are due from directors or other officers of the company either severally or jointly with any other person. Trade receivables due from firms or private companies respectively in which any director or partner is having a substantial interest are as under:

|                  |               |               |
|------------------|---------------|---------------|
| Shree Cranex -JV | 313.32        | 330.69        |
|                  | <u>313.32</u> | <u>330.69</u> |

## 1 CORPORATE INFORMATION

Cranex Limited (the Company) was incorporated on 27th February 1973. The Company is a public limited Company incorporated and domiciled in India and has its registered office at Delhi, India. The Company is listed on Bombay Stock Exchange (BSE). The CIN of the Company is L74899DL1973PLC006503.

The Company is primarily engaged in the business of manufacturing and selling cranes and its parts. The Company's corporate office and manufacturing unit are located at 57/1, Industrial Area, Site-IV, Sahibabad, 201010 in Uttar Pradesh.

## 2 SIGNIFICANT ACCOUNTING POLICIES

### 2.1 Statement of Compliance

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (IND AS) notified under Companies (Indian Accounting Standards) Rules, 2015. For all periods including the year ended 31 March 2017, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). The financial statements were authorised for issue by the Company's Board of Directors on 30th May, 2024.

### 2.2 Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (IND AS) notified under Companies (Indian Accounting Standards) Rules, 2015. These standalone financial statements are presented in INR and all values are rounded to the nearest Lakhs (INR 00,000), except when otherwise indicated.

These financial statements have been prepared on accrual basis and under historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- (a) Certain financial assets and liabilities that is measured at fair value.
- (b) Assets held for sale-measured at fair value less cost to sell.
- (c) Defined benefit plans-plan assets measured at fair value.

### 2.3 Use of estimates and judgments

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

### 2.4 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- (a) Expected to be realized or intended to be sold or consumed in normal operating cycle
- (c) Held primarily for purpose of trading
- (d) Expected to be realized within twelve months after the reporting period, or
- (e) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- (a) It is expected to be settled in normal operating cycle
- (b) It is held primarily for purpose of trading
- (c) It is due to be settled within twelve months after the reporting period, or
- (d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non current.

Deferred tax assets and deferred tax liabilities are classified as non- current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

## 2.5 Property, plant and equipment

Property, Plant and equipment including capital work in progress are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. The cost comprises of purchase price, taxes, duties, freight and other incidental expenses directly attributable and related to acquisition and installation of the concerned assets and are further adjusted by the amount of input tax credit availed wherever applicable. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their respective useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

Capital work- in- progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

Depreciation on property, plant and equipment is provided on prorata basis on straight-line method using the useful lives of the assets estimated by management and in the manner prescribed in Schedule II of the Companies Act 2013. The useful lives are as follows:

| <b>Assets</b>                 | <b>Useful life (in years)</b>                                       |
|-------------------------------|---|
| Property, Plant and Equipment | Over its useful life considered as 30 years as technically assessed |
| Computer Software             | Over a period of 5 years  |
| Other                         | Over the period of agreement of right to use                        |

Components relevant to fixed assets, where significant, are separately depreciated on straight line basis in terms of their life span assessed by technical evaluation in item specified context.

Lease hold improvements are depreciated on straight line basis over their initial agreement period.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

## 2.6 (i) Goodwill

No self-generated goodwill is recognized. Goodwill arises during the course of acquisition of an entity in terms of accounting treatment provided in IND AS-103 dealing with "Business Combination". Goodwill represents the excess of consideration money over the fair value of net assets of the entity under acquisition. Such goodwill is construed to have indefinite life and as such is not subject to annual amortization but annual test of impairment under IND AS - 36. Any shortfall in consideration money vis-a-vis fair value of net assets on account of bargain purchase is recognized in OCI at acquisition point and subsequently transferred to capital reserve.

## (ii) Intangible assets

Intangible assets including software license of enduring nature and contractual rights acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangibles, excluding capitalized development cost, are not capitalized and the related expenditure is reflected in statement of Profit and Loss in the period in which the expenditure is incurred. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life is reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss in the expense category consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from disposal of the intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the assets are disposed off.

Intangible assets are amortized on a straight line basis over the estimated useful economic life which generally does not exceed 6 years.

| <b>Type of assets</b>  | <b>Basis</b>                                    |
|------------------------|---|
| ERP and other Software | Straight line basis over a period of six years. |

**(iii) Research and Development Costs (Product Development)**

Research costs are expensed as incurred. Development expenditure on an individual project is recognised as an intangible asset when the Company can demonstrate:

- (a) The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- (b) Its intention to complete and its ability and intention to use or sell the asset
- (c) How the asset will generate future economic benefits
- (d) The availability of resources to complete the asset
- (e) The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

During the period of development, the asset is tested for impairment annually.

**2.7 Investment in Subsidiaries, associates and joint ventures**

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The investment in subsidiary, associate and Joint venture are carried at cost as per IND AS 27. Investment accounted for at cost is accounted for in accordance with IND AS 105 when they are classified as held for sale and Investment carried at cost is tested for impairment as per IND AS 36. An investor, regardless of the nature of its involvement with an entity (the investee), shall determine whether it is a parent by assessing whether it controls the investee. An investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Thus, an investor controls an investee if and only if the investor has all the following:

- (a) power over the investee;
- (b) exposure, or rights, to variable returns from its involvement with the investee and
- (c) the ability to use its power over the investee to affect the amount of the investor's returns.

On disposal of investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

**2.8 Investment Properties**

Property that is held for long term rental yields or for capital appreciation or for both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction cost and where applicable borrowing costs. Subsequent expenditure is capitalised to assets carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance cost are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Investment property consist of land which is Carried at Cost.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of property is recognised in the Statement of Profit and Loss in the same period.

**2.9 Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**I Financial Assets**

The Company classifies its financial assets in the following measurement categories:

- (a) Those to be measured subsequently at fair value (either through other comprehensive income, or through profit & loss).
- (b) Those measured at amortised cost.

#### Initial recognition and measurement

Financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit and loss, transaction costs that are directly attributable to the acquisition of financial assets. Purchase or sale of financial asset that require delivery of assets within a time frame established by regulation or conversion in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase and sell the assets.

#### Subsequent measurement

For purposes of subsequent measurement financial assets are classified in following categories:

- (a) Debt instruments at amortized cost
- (b) Debt instruments at fair value through other comprehensive income (FVTOCI)
- (c) Debt instruments at fair value through profit and loss (FVTPL)
- (d) Equity instruments measured at fair value through other comprehensive income (FVTOCI)
- (e) Equity instruments measured at fair value through profit and loss (FVTPL)

Where assets are measured at fair value, gains and losses are either recognized entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognized in other comprehensive income (i.e. fair value through other comprehensive income). For investment in debt instruments, this will depend on the business model in which the investment is held. For investment in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for equity instruments at FVTOCI.

#### Debt instruments at amortized cost

A Debt instrument is measured at amortized cost if both the following conditions are met:

- (i) **Business Model Test:** The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- (ii) **Cashflow Characteristics Test:** Contractual terms of asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. The EIR amortization is included in finance income in statement of profit or loss. The losses arising from impairment are recognized in the statement of profit or loss. This category generally applies to trade, other receivables, loans and other financial assets.

#### Debt instruments at fair value through OCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- (i) **Business Model Test:** The objective of the business model is achieved by both collecting contractual cash flows and selling financial assets, and
- (ii) **Cashflow Characteristics Test:** The asset's contractual cash flows represent SPPI.

Debt instrument included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognises interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to statement of profit & loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

#### Debt instruments at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

**Equity investments of other entities**

All equity investments in scope of IND AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income all subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

In case of equity instruments classified as FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and loss.

**Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of group of similar financial assets) is primarily derecognised when:

- (a) The right to receive cash flows from the assets have expired, or
- (b) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass through" arrangement and either:
  - (i) the Company has transferred substantially all the risks and rewards of the asset, or
  - (ii) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the Company has transferred its rights to receive cash flows from an asset or has entered into a passthrough arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. Where it has neither transferred nor retained substantially all of the risks and rewards of the assets, nor transferred control of the assets, the Company continues to recognise the transferred assets to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the risks and obligations that the Company has retained.

**Impairment of financial assets**

In accordance with IND AS 109, the Company applies expected credit losses (ECL) model for measurement and recognition of impairment loss on the following financial asset and credit risk exposure:

- (a) Financial assets measured at amortized cost e.g. loans, debt securities, deposits, trade receivables and bank balance;
- (b) Financial assets measured at fair value through other comprehensive income(FVTOCI);
- (c) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18
- (d) Financial guarantee contracts which are not measured at FVTPL

The Company follows "simplified approach" for recognition of impairment loss allowance on:

- (a) Trade receivables or contract revenue receivables;
- (b) All lease receivables resulting from the transactions within the scope of IND AS 116

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12- months ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:



- (a) **Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables:** ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- (b) **Debt instruments measured at FVTOCI:** Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

## II Financial liabilities:

### Initial recognition and measurement

Financial liabilities are classified at initial recognition as financial liabilities at fair value through statement of profit or loss, loans and borrowings, and payables, as appropriate.

All financial liabilities are recognised initially at fair value and in case of loans, borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

### Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

#### Trade Payables

These amounts represents liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 120 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at fair value and subsequently measured at amortized cost using EIR method.

#### Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through statement of profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through statement of profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through statement of profit or loss are designated as such at the initial date of recognition, and only if the criteria in IND AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

#### Loans and borrowings

Borrowings are initially recognised at fair value, net of transaction cost incurred. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in statement of profit or loss when the liabilities are derecognised as well as through the EIR amortization process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

#### Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of IND AS 109 and the amount recognized less cumulative amortization.

#### Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and

the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

**Reclassification of financial assets:**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

| Original classification | Revised classification | Accounting treatment   |
|-------------------------|------------------------|--|
| Amortised cost          | FVTPL                  | Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in statement of profit and loss.  |
| FVTPL                   | Amortised cost         | Fair value at reclassification date become its new gross carrying amount. EIR is calculated based on the new gross carrying amount.  |
| Amortised cost          | FVTOCI                 | Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.   |
| FVTOCI                  | Amortised cost         | Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost. |
| FVTPL                   | FVTOCI                 | Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.  |
| FVTOCI                  | FVTPL                  | Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to statement of profit and loss at the reclassification date.   |

**Offsetting of financial instruments:**

Financials assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

**2.10 Inventories**

**(a) Basis of valuation**

- (i) Raw Materials, Packing Materials and Stores and Spare parts are valued at lower of cost and net realizable value. Materials and other items held for use in the production of inventories are not written down below cost, if the finished products in which they will be incorporated are expected to be sold at or above cost. Raw Material, Packing Materials, Stores and Spares & and Raw Material contents of work in progress are valued by using the first in first out (FIFO) method.
- (ii) Finished goods, traded goods and work in progress are valued at cost or net realizable value whichever is lower.

**(b) Method of Valuation**

- (i) Cost of raw materials has been determined by using FIFO (first-in-first-out) method and comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.
- (ii) Cost of finished goods and work-in-progress includes direct labour and an appropriate share of fixed and variable production overheads. Fixed production overheads are allocated on the basis of normal capacity of production facilities. Cost is determined on weighted average basis.
- (iii) Cost of traded goods has been determined by using FIFO (first-in-first-out) method and comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the

inventories to their present location and condition.

- (iv) Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

## 2.11 Business Combinations

Common control business combinations includes transactions, such as transfer of subsidiaries or businesses, between entities within a group.

Business combinations involving entities or businesses under common control shall be accounted for using the pooling of interests method.

The pooling of interest method is considered to involve the following:

- (a) The assets and liabilities of the combining entities are reflected at their carrying amounts.
- (b) No adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonise accounting policies.
- (c) The financial information in the financial statements in respect of prior periods should be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior period information shall be restated only from that date.
- (d) The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee.

## 2.12 Provisions and Contingent Liabilities

### Provisions

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

If the effect of time value of money is material, provisions are discounted using a current pre - tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is use, the increase in the provision due to the passage of time is recognised as a finance cost.

### Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases, where there is a liability that cannot be recognized because it cannot be measured reliably. the Company does not recognize a contingent liability but discloses its existence in the financial statements unless the probability of outflow of resources is remote.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

## 2.13 Taxes

Tax expense for the year comprises of direct tax and indirect tax.

### Direct Tax

#### (a) Current Tax

- i) Current income tax, assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income Tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in India as per Income Computation and Disclosure Standards (ICDS) where the Company operates and generates taxable income.
- ii) Current income tax relating to item recognized outside the statement of profit and loss is recognized outside profit or loss (either in other comprehensive income or equity). Current tax items are recognized in correlation to the underlying transactions either in statement of profit and loss or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### (b) Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities

and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets and liabilities are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

- (a) When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- (b) In respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside the statement of profit and loss is recognized outside the statement of profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or direct in equity.

Deferred Tax includes Minimum Alternate Tax (MAT) recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e. the period for which MAT credit is allowed to be carried forward. The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

#### **Indirect Tax**

Goods and Service Tax has been accounted for in respect of the goods cleared. The Company is providing Goods and Service tax liability in respect of finished goods. GST has been also accounted for in respect of services rendered. (w.e.f. 1st July, 2017 GST has been implemented. All the taxes like Excise Duty, Value Added Tax, etc. are subsummed in Goods and Service Tax.)

#### **2.14 Revenue From Contracts with Customers**

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Amounts disclosed are inclusive of Goods and service tax and net of returns, trade discounts, rebates and amount collected on behalf of third parties. (w.e.f. 1st July, 2017 GST has been implemented. All the taxes like Excise Duty, Value Added Tax, etc. are subsummed in Goods and Service Tax.)

The Company assesses its revenue arrangements against specific criteria in order to determine if it is acting as principal or agent. the Company has concluded that it is acting as a principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks. The specific recognition criteria described below must also be met before revenue is recognised:

##### **(a) Sale of goods**

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods and is measured at fair value consideration received/receivable, net of returns and allowances, discounts, volume rebates and cash discounts.

Revenue is usually recognised when it is probable that economic benefits associated with the transaction will flow to the entity, amount of revenue can be measured reliably and entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.

##### **i) Variable Consideration:**

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it

will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts for the sale of electronics equipment provide customers with a right of return and volume rebates. The rights of return and volume rebates give rise to variable consideration.

#### **ii) Contract Assets:**

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

#### **(b) Rendering of Services**

Revenue from service related activities is recognised as and when services are rendered and on the basis of contractual terms with the parties.

#### **(c) Interest Income**

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

#### **(d) Dividend from investment in Shares**

Dividend Income is recognized when the right to receive the payment is established which is generally when shareholders approve the dividend.

#### **(e) Claims**

Claims are recognised when there exists reasonable certainty with regard to the amounts to be realised and the ultimate collection thereof.

### **2.15 Retirement and other Employee benefits**

#### **Short-term employee benefits and defined contribution plans**

All employee benefits payable/ available within twelve months of rendering the services are classified as short-term employee benefits. Benefits such as salaries, wages and bonus etc. are recognised in the Statement of Profit and Loss in the period in which the employee renders the related services.

#### **Provident fund**

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related services. If the contribution payable to scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excesses recognized as an asset to the extent that the prepayment will lead to, for example, a reduction in future payment or a cash refund.

#### **Gratuity (Unfunded)**

Gratuity is a defined benefit scheme. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

The Company recognises termination benefit as a liability and an expense when the Company has present obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the termination benefits fall due more than 12 months after the balance sheet date, they are measured at present value of future cash flows using the discount rate determined by reference to market yields at the balance sheet date on governments bonds.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on the planned assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to

retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of :

- (a) The date of the plan amendment or curtailment, and
- (b) The date that the Company recognises related restructuring cost

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Company recognises the following changes in the net defined benefit obligation as an expense in the Statement of Profit and Loss:

- (a) Service costs comprising current service costs, past service costs, gains and losses on curtailments and
- (b) Net interest expenses or income

### **Compensated Absences**

Accumulated leave, which is expected to be utilised within next 12 months, is treated as short term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond 12 months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the period end. Re-measurement, comprising of actuarial gains and losses, are immediately taken to the Statement of Profit and Loss and are not deferred. The Company presents the leave as a current liability in the balance sheet to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

### **2.16 Borrowing Costs**

Borrowing cost includes interest and other costs incurred in connection with the borrowing of funds and charged to Statement of Profit & Loss on the basis of effective, interest rate (EIR) method. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset. All other borrowing costs are recognised as expense in the period in which they occur.

### **2.17 Government Grants**

Government Grants are recognized at their fair value when there is reasonable assurance that the grant will be received and all the attached conditions will be complied with.

When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset.

### **2.18 Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all potentially dilutive equity shares.

### **2.19 Impairment of non- financial assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company's of assets. Where the carrying amount of an asset or CGU

exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses including impairment on inventories, are recognized in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss.

## 2.20 Segment accounting:

Based on "Management Approach" as defined in Ind AS 108- Operating Segments, the executive Management Committee evaluates the Company's performance and allocates the resources based on an analysis of various performance indicators by business segments.

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

## 2.21 Foreign currencies

The Company's financial statements are presented in Indian rupee (INR) which is also the Company's functional and presentation currency. Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ( 'the functional currency').

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate prevailing at the date of transaction.

### Measurement of foreign currency items at the balance sheet date

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

### Exchange differences

Exchange differences arising on settlement or translation of monetary items are recognized as income or expense in the statement of profit and loss in the period in which they arise.

### Bank Guarantee and Letter of Credit

Bank Guarantee and Letter of Credits are recognised at the point of negotiation with Banks and covered at the rates prevailing on the date of Negotiation. However, outstanding at the period end are recognised at the rate prevailing as on that date and total sum is considered as contingent liability.

## 2.22 Dividend Distributions

The Company recognizes a liability to make payment of dividend to owners of equity when the distribution is authorized and is no longer at the discretion of the Company and is declared by the shareholders. A corresponding amount is recognized directly in equity.

## 2.23 Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (i) In the principal market for asset or liability, or
- (ii) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 -** Quoted(unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 -** Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 -** Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to fair value measurement as a whole ) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

## 2.24 Leases

The company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

### The Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

#### (a) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the building (i.e. 30 and 60 years)

If ownership of the leased asset transfers to the company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 'Impairment of non-financial assets'.

#### (b) Lease Liabilities

At the commencement date of the lease, the company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the company and payments of penalties for terminating the lease, if the lease term reflects the company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of



lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

**(c) Short-term leases and leases of low-value assets**

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

**The Company as a lessor**

Leases for which the company is a lessor is classified as finance or operating lease. Leases in which the company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

**2.25 Significant accounting judgements, estimates and assumptions**

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

**Judgments**

In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the financial statements.

**(a) Operating lease commitments — Company as lessee**

The Company has taken various commercial properties on leases. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a substantial portion of the economic life of the commercial property, and that it does not retain all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

**(b) Assessment of lease contracts**

Significant judgment is required to apply lease accounting rules under Appendix C to IND AS 116 : determining whether an Arrangement contains a Lease. In assessing the applicability to arrangements entered into by the Company, management has exercised judgment to evaluate the right to use the underlying assets, substance of the transaction including legally enforced arrangements and other significant terms and conditions of the arrangement to conclude whether the arrangements meet the criteria under Appendix C to IND AS 116.

**Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

**a) Revenue from contracts with customers**

The Company applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

**Determining method to estimate variable consideration and assessing the constraint**

In estimating the variable consideration, the Company is required to use either the expected value method or the most likely amount method based on which method better predicts the amount of consideration to which it will be entitled. The Company determined that the expected value method is the appropriate method to use in estimating the variable consideration for revenue from operation, given the large number of customer contracts that have similar characteristics. Before including any amount of variable consideration in the transaction price, the Company considers whether the amount of variable consideration is constrained. The Company determined that the estimates of variable consideration are not constrained based on its historical experience, business forecast and the current economic conditions. In addition, the uncertainty on the variable consideration will be resolved within a short time frame.

**(b) Taxes**

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the companies.

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

**(c) Defined Benefit Plans**

The cost of defined benefit plans (i.e. Gratuity benefit) and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for the plans operated in India, management considers the interest rates of long term government bonds with extrapolated maturity corresponding to the expected duration of the defined benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and pension increases are based on expected future inflation rates for the respective countries.

Further details about the assumptions used, including a sensitivity analysis, are given in note no. 31(2).

**(d) Fair value measurement of financial instrument**

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See note no. 31(11) for further disclosures.

**(e) Impairment of financial assets**

The impairment provisions of financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

**(f) Impairment of non-financial assets**

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's CGU'S fair value less cost of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company's of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, or other fair value indicators.

**(g) Expected Credit Loss**

The Company has used a practical expedient by computing the expected credit loss allowances for trade receivables

based on a provision matrix takes into accounts historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the day of the receivables are due and the rates are given in the provision matrix.

**31 OTHER NOTES ON ACCOUNTS**

- 1 a) In the opinion of the Board, assets have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.
- b) Balance of unsecured short term borrowings from others, trade payables, other current liabilities, long and short term advances, other non-current and current assets and trade receivables are subject to reconciliation and confirmations.
- 2 Disclosures pursuant to Ind AS - 19 "Employee Benefits" (specified under section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules, 2015 ) are given below:

**Defined Contribution Plan**

Contribution to Defined Contribution Plan, recognised as expense for the year is as under:

|  | (Amount In Lakhs)       |                         |
|--|-------------------------|-------------------------|
|  | As at March<br>31, 2024 | As at March<br>31, 2023 |
| Contribution to Defined Contribution Plan, recognised during the year are as under:-   |                         |                         |
| Employer's Contribution towards Provident Fund (PF) (including Administration Charges) | 21.24                   | 24.94                   |
| Employer's Contribution towards Employee State Insurance (ESI)                         | 4.22                    | 4.54                    |
|  | <b>25.46</b>            | <b>29.48</b>            |

**Defined Benefit Plan**

Gratuity (Unfunded)

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of services as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

|  | (Amount In Lakhs)       |                         |
|--|-------------------------|-------------------------|
|  | As at March<br>31, 2024 | As at March<br>31, 2023 |
| <b>a) Reconciliation of opening and closing balances of Defined Benefit obligation</b> |                         |                         |
| <u>Present value of obligation at the beginning of the year</u>                        | 59.11                   | 49.91                   |
| Current Service Cost   | 9.40                    | 9.58                    |
| Interest Cost  | 4.35                    | 3.58                    |
| Actuarial (gain) /loss arising during the year   | (0.63)                  | (3.48)                  |
| Past Service Cost  |                         |                         |
| Benefit paid   | (2.35)                  | (0.48)                  |
| Present value of obligation at the end of the year                                     | 69.88                   | 59.11                   |
| Current Liability (Short Term)   | 17.26                   | 12.34                   |
| Non-current Liability (Long Term)  | 52.62                   | 46.77                   |
| <b>b) Reconciliation of opening and closing balances of fair value of plan assets</b>  |                         |                         |
| Fair value of plan assets at beginning of the year                                     | -                       | -                       |
| Expected return on plan assets   | -                       | -                       |
| Employer contribution  | -                       | -                       |
| Remeasurement of (Gain)/loss in other comprehensive income                             | -                       | -                       |
| Return on plan assets excluding interest income  | -                       | -                       |
| Benefits paid  | -                       | -                       |
| Fair value of plan assets at year end  | -                       | -                       |
| <b>c) Net Asset/ (Liability) recognised in the balance sheet</b>                       |                         |                         |
| Fair value of plan assets  | -                       | -                       |
| Present value of defined benefit obligation  | 69.88                   | 59.11                   |
| Amount recognised in Balance Sheet- Asset / (Liability)                                | 69.88                   | 59.11                   |
| <b>d) Expense recognised in the Statement of profit and loss during the year</b>       |                         |                         |

|   |              |              |
|---|--------------|--------------|
| Current Service Cost  | 9.40         | 9.58         |
| Interest Cost   | 4.35         | 3.58         |
| Past Service Cost   |              |              |
|   | 13.75        | 13.16        |
| <b>e) Actuarial (Gain)/ Loss recognised in other comprehensive income during the year</b>   |              |              |
| - changes in demographic assumptions  |              |              |
| - changes in financial assumptions  | 0.65         | (0.75)       |
| - changes in experience adjustments   | (1.28)       | (2.73)       |
| Recognised in other comprehensive income  | (0.63)       | (3.48)       |
| <b>f) Broad categories of plan assets as a percentage of total assets</b>   |              |              |
| Insurer managed funds   | Nil          | Nil          |
| <b>g) Actuarial Assumptions</b>   |              |              |
| Mortality Table (LIC)   | 100% of IALM | 100% of IALM |
|   | 2012-14      | 2012-14      |
| Discount Rate (per annum)   | 7.44%        | 7.18%        |
| Rate of escalation in salary (per annum)  | 8.00%        | 8.00%        |
| <b>h) Quantitative sensitivity analysis for significant assumptions is as below:</b>  |              |              |
| Increase / (decrease) on present value of defined benefits obligations at the end of the year   |              |              |
| <b>Impact of change in discount rate</b>  |              |              |
| Impact due to increase by 0.5 %   | (2.30)       | (2.03)       |
| Impact due to decrease by 0.5 %   | 2.47         | 2.18         |
| <b>Impact of change in salary</b>   |              |              |
| Impact due to increase by 0.5 %   | 2.23         | 2.16         |
| Impact due to decrease by 0.5 %   | (2.11)       | (2.03)       |
| <b>i) Maturity profile of defined benefit obligation</b>  |              |              |
| 0 to 1 Year   | 17.26        | 12.34        |
| 1 to 2 Year   | 6.45         | 4.68         |
| 2 to 3 Year   | 6.05         | 5.24         |
| 3 to 4 Year   | 4.49         | 5.50         |
| 4 to 5 Year   | 2.69         | 3.49         |
| 5 to 6 Year   | 2.39         | 2.13         |
| 6 Year onwards  | 30.55        | 25.73        |
| Total expected payments   | 69.88        | 59.11        |
| <b>j) The average duration of the defined benefit plan obligation at the end of the reporting period is 8.09 years.(Previous Year-8.18 years)</b>   |              |              |
| <b>k) The estimates of rate of escalation in salary considered in actuarial valuation are after taking into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is as certified by the Actuary.</b>  |              |              |
| <b>l) Discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.</b>  |              |              |
| <b>m) The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.</b>   |              |              |
| <b>3 The company has provided gratuity liability with retrospective effect in accordance with actuarial valuation norms to comply with the requirements of Ind AS 19. Accordingly, a sum of Rs. 69.88 Lakhs pertaining to gratuity liability as on 01/04/2024 has been adjusted against retained earnings. Disclosures as required in Ind AS 19 have been made in note no. 31(2).</b> |              |              |
| <b>4 Related party transactions</b>   |              |              |
| The related parties as per the terms of Ind AS-24,"Related Party Disclosures", (specified under section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules, 2015) are disclosed below:  |              |              |
| <b>A Names of related parties and description of relationship:</b>  |              |              |
| Key Managerial Personnel  |              |              |

|                                    |                           |
|------------------------------------|---------------------------|
| Piyush Agrawal                     | Managing Director         |
| Chaitanya Agrawal                  | Whole Time Director & CFO |
| Ashwani Kumar Jindal               | Independent Director      |
| Shilpy Chopra                      | Independent Director      |
| Shalini Rahul                      | Independent Director      |
| Renu Singh (Upto 12 December 2023) | Company Secretary         |
| Heena Sharma (w.e.f 4 April 2024)  | Company Secretary         |

**Relatives of Key Managerial Personnel**

Amitabh Agrawal  
Ritu Agrawal

**B Associates and Joint Ventures**

|  |                   |
|--|-------------------|
| IFE Cranex Elevators and Excalators India Pvt. Ltd | Associate Company |
| Shree Cranex (JV)                                  | Joint Ventures    |

|   | As at March<br>31, 2024 | As at March<br>31, 2023 |
|---|-------------------------|-------------------------|
| <b>D Transactions during the year:</b>  |                         |                         |
| <b>(i) Loans taken from</b>   |                         |                         |
| <b>Enterprises in which directors and relative of such directors are interested</b> |                         |                         |
| IFE Cranex Elevators and Excalators India Pvt. Ltd                                  | -                       | 94.42                   |
| Skylark Associates Pvt. Limited   | -                       | 0.10                    |
|   | <u>-</u>                | <u>94.52</u>            |
| <b>Key Management Personnel</b>   |                         |                         |
| Piyush Agrawal - Managing Director  | 209.45                  | 42.30                   |
| Chaitanya Agrawal - Whole Time Director & CFO                                       | 81.94                   | 60.35                   |
|   | <u>291.39</u>           | <u>102.65</u>           |
| <b>Relatives of Key Managerial Personnel</b>  |                         |                         |
| Ritu Agrawal  | -                       | 4.00                    |
|   | <u>-</u>                | <u>4.00</u>             |
| <b>(ii) Loans repaid</b>  |                         |                         |
| <b>Enterprises in which directors and relative of such directors are interested</b> |                         |                         |
| IFE Cranex Elevators and Excalators India Pvt. Ltd                                  | 6.00                    | 13.05                   |
| Amitabh Agrawal (HUF)   | 85.00                   | 26.00                   |
| Skylark Associates Pvt. Limited   | -                       | 0.10                    |
|   | <u>91.00</u>            | <u>39.15</u>            |
| <b>Key Management Personnel</b>   |                         |                         |
| Piyush Agrawal - Managing Director  | 151.05                  | 45.53                   |
| Chaitanya Agrawal - Whole Time Director & CFO                                       | 61.50                   | 47.68                   |
|   | <u>212.55</u>           | <u>93.20</u>            |
| <b>Relatives of Key Managerial Personnel</b>  |                         |                         |
| Ritu Agrawal  | -                       | 4.00                    |
|   | <u>-</u>                | <u>255.65</u>           |
| <b>(ix) Rent Paid</b>   |                         |                         |
| <b>Enterprises in which directors and relative of such directors are interested</b> |                         |                         |
| Piyush Agrawal (HUF)  | 0.6                     | 0.60                    |
|   | <u>0.60</u>             | <u>0.60</u>             |

|   |               |                 |
|---|---------------|-----------------|
| <b>(x) Sale of Goods and Services</b>   |               |                 |
| <b>Enterprises in which directors and relative of such directors are interested</b> |               |                 |
| Shree Cranex (JV)   | 233.00        | 462.70          |
|   | <b>233.00</b> | <b>462.70</b>   |
| <b>(xi) Remuneration</b>  |               |                 |
| <b>Key Management Personnel</b>   |               |                 |
| Piyush Agrawal - Managing Director  | 19.50         | 18.00           |
| Chaitanya Agrawal - Whole Time Director & CFO                                       | 13.50         | 12.00           |
| Preeti Bhatia   | -             | 0.62            |
| Renu Singh - Company Secretary  | 3.41          | 3.26            |
|   | <b>36.41</b>  | <b>33.88</b>    |
| <b>Relatives of Key Management personnel</b>  |               |                 |
| Payal Agrawal   | 0.30          | 4.03            |
|   | <b>0.30</b>   | <b>4.03</b>     |
| <b>(xii) Director Sitting Fees</b>  |               |                 |
| <b>Key Management Personnel</b>   |               |                 |
| Shilpy Chopra   | 0.30          | 0.30            |
|   | <b>0.30</b>   | <b>0.30</b>     |
| <b>D Balances at the year end</b>   |               |                 |
| <b>(i) Amount Receivables</b>   |               |                 |
| <b>Enterprises in which directors and relative of such directors are interested</b> |               |                 |
| Shree Cranex (JV)   | 313.32        | 330.69          |
|   | <b>313.32</b> | <b>330.69</b>   |
| <b>(ii) Amount Payables</b>   |               |                 |
| <b>Enterprises in which directors and relative of such directors are interested</b> |               |                 |
| IFE Cranex Elevators and Excalators India Pvt. Ltd                                  | 616.63        | 622.62          |
| Piyush Agrawal (HUF)  | 0.05          | 0.30            |
|   | <b>616.68</b> | <b>622.92</b>   |
| <b>Key Management Personnel</b>   |               |                 |
| <b>Loan Payable</b>   |               |                 |
| Piyush Agrawal - Managing Director  | 550.93        | 492.53          |
| Chaitanya Agrawal - Whole Time Director & CFO                                       | 275.15        | 254.70          |
| Amitabh Aggarwal (HUF)  | 146.72        | 231.72          |
| S.C. Agrawal  | -             | 70.67           |
|   | <b>972.80</b> | <b>1,049.62</b> |
| <b>Salary &amp; Other Payable</b>   |               |                 |
| Piyush Agrawal - Managing Director  | 1.19          | 1.50            |
| Chaitanya Agrawal - Whole Time Director & CFO                                       | 0.84          | 0.98            |
| Shilpy Chopra   | 0.03          | 0.15            |
| Renu Singh - Company Secretary  | -             | 0.35            |
| Payal Agrawal   |               | 0.30            |
|   | <b>2.06</b>   | <b>3.28</b>     |

| Particulars   | Type of Asset  | Nature of charge                   | Source & Date of Valuation   | Value(Rs. in Lakhs) |
|---|--|------------------------------------|--|---------------------|
|   | dated 01.04.2023<br>(Presently mortgaged with Kotak Mahindra Bank)   |                                    | 06.07.2023<br>2nd Valuation,<br>FMVRs. 2413 Lakhs,<br>RV Rs.2172 Lakhs,<br>Dv Rs. 1809 Lakhs.<br>Done by Ajay Kumar<br>Sharma<br>dated, 21.07.2023 |                     |
|   | Fresh EMT of Factory / Industrial Land and Building bearing survey number Plot No. 57/1, Site IV Industrial Area, Sahibabad, Ghaziabad, U.P.- 201010 admeasuring 925.25.00 sq mt in name of M/s Cranex Limited vide lease deed no. 5306 sr. no 98 dated 05.02.2025<br>(Presently mortgaged with Kotak Mahindra Bank) | Exclusive 1st charge<br>(proposed) | 1st Valuation: FMV Rs.2592 Lakhs, RV Rs. 2203 Lakhs DV Rs.1944 Lakhs<br>Done by M/S p&A Valuetech Private Limited Dated                            | 927                 |
| <b>Total (In Rs. Lakhs)</b>   |  |                                    |  | <b>3519</b>         |
| <p>However collateral securities i.e EMT of above Land and Buildings was not executed in favour of Canara Bank due to technical issues and therefore the Company has continued with Kotak Mahindra Bank in respect of it's working capital facilities vide revised sanction letter of Kotak Mahindra Bank dated 25.02.2024. As on 31.03.2024, the Company has utilised non fund based limit (for issue of Bank Guarantees), amounting to Rs 562.01 and fund based limit amounting Rs 2.73 Lakhs from Canara Bank. The Company is pursuing for satisfaction of charges created in favour of Canara Bank.</p> |  |                                    |  |                     |

## 7 Corporate Social Responsibility

Pursuant to the provisions of Section 135 of the Companies Act, 2013, Every company having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year is required to incur at least 2% of the average net profits of the preceding three financial years towards Corporate Social Responsibility (CSR).

Based on last audited balance sheet dated 31 March, 2024, the company does not meet any of the threshold prescribed by law. Hence, the provisions of Companies Act, 2013 regarding CSR would not be applicable



- 8 The Company has borrowings from banks on the basis of current assets. The Company has complied with the requirement of filing of quarterly returns/statements of security of current assets with the banks or financial institutions, as applicable, and these returns were in agreement with the books of accounts except as under:

(Amount in Lakhs)

| S.No.            | Particulars       | As per Submitted Statement | As Per Books | Difference | Reasons   |
|------------------|-------------------|----------------------------|--------------|------------|---|
| <b>Quarter-1</b> |                   |                            |              |            |   |
| 1                | Inventory         | 1,725.81                   | 2,030.81     | (305.00)   | Due to filing of unaudited/provisional figures with banks.  |
| 2                | Trade Receivables | 1,786.00                   | 1,784.12     | 1.88       |   |
| 3                | Trade Payables    | 1,421.29                   | 1,278.85     | 142.44     |   |
| <b>Quarter-2</b> |                   |                            |              |            |   |
| 1                | Inventory         |                            |              | -          | Not Submitted any Statement to Bank   |
| 2                | Trade Receivables |                            |              | -          |   |
| 3                | Trade Payables    |                            |              | -          |   |
| <b>Quarter-3</b> |                   |                            |              |            |   |
| 1                | Inventory         | 1,534.21                   | 1,534.21     | -          | Due to filing of unaudited/provisional figures with banks.  |
| 2                | Trade Receivables | 2,698.79                   | 2,694.88     | 3.91       |   |
| 3                | Trade Payables    | 1,162.66                   | 1,173.52     | (10.86)    |   |
| <b>Quarter-4</b> |                   |                            |              |            |   |
| 1                | Inventory         | 1,131.13                   | 1,131.13     | -          | The Figures reported to bank in trade payables not includes the figures of amount payable for services, due to that difference is arise |
| 2                | Trade Receivables | 2,704.67                   | 2,704.57     | 0.10       |   |
| 3                | Trade Payables    | 1,021.14                   | 1,303.81     | (282.67)   |   |

## 9 Segment Reporting

Segment information is presented in respect of the Company's key operating segments. The operating segments are based on the Company's management and internal reporting structure.

### Operating Segments

The Company's Managing Director and CFO has been identified as the Chief Operating Decision Maker ('CODM'), since Managing Director and CFO are responsible for all major decision w.r.t. the preparation and execution of business plan, preparation of budget and other key decisions.

Managing director reviews the operating results at the Company level to make decisions about the Company's performance. Accordingly, management has identified the business as single operating segment i.e. "Manufacturing of EOT cranes and installation of escalators". Accordingly, there is only one Reportable Segment for the Company i.e. "Manufacturing of EOT cranes and installation of escalators", hence no specific disclosures have been made.

#### a) Information about products and services

Please refer to note 21 of the financial statements

#### b) Revenue as per Geographical Markets

|                 | (Amount in Lakhs)       |                         |
|-----------------|-------------------------|-------------------------|
|                 | As at March<br>31, 2024 | As at March<br>31, 2023 |
| Domestic Market | 6,174.21                | 4040.91                 |
| Overseas Market | 37.20                   | 96.84                   |
| <b>Total</b>    | <b>6,211.41</b>         | <b>4,137.75</b>         |

#### c) Non-current assets (other than deferred tax assets and financial instruments) in Geographical Market

|              |        |        |
|--------------|--------|--------|
| Within India | 816.38 | 795.05 |
|--------------|--------|--------|

**Trade Receivables aging schedule as at 31st March, 2024**

| Particulars  | Outstanding for following periods from due date of payment |                 |               |              |                   | Total           |
|--|--|-----------------|---------------|--------------|-------------------|-----------------|
|  | Less Than 6 Months   | 6 months 1 year | 1 - 2 years   | 2 - 3 years  | more than 3 years |                 |
| (i) Undisputed Trade receivables – considered good                                 | 1,637.10   | 493.48          | 515.89        |              |                   | 2,646.48        |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | -  | -               | -             | -            | -                 | -               |
| (iii) Undisputed Trade Receivables – credit impaired                               | -  | -               | -             | -            | -                 | -               |
| (iv) Disputed Trade Receivables – considered good                                  | -  | -               |               | 58.10        | -                 | 58.10           |
| (v) Disputed Trade Receivables – which have significant increase in credit risk    | -  | -               | -             | -            | -                 | -               |
| (vi) Disputed Trade Receivables – credit impaired                                  | -  | -               | -             | -            | -                 | -               |
| <b>Total</b>   | <b>1,637.10</b>  | <b>493.48</b>   | <b>515.89</b> | <b>58.10</b> | <b>-</b>          | <b>2,704.57</b> |
| Less: Allowance for Trade Receivable   | -  | -               | -             | -            | -                 | -               |
| <b>Total</b>   | <b>1,637.10</b>  | <b>493.48</b>   | <b>515.89</b> | <b>58.10</b> | <b>-</b>          | <b>2,704.57</b> |

**Trade Receivables aging schedule as at 31st March, 2023**

| Particulars  | Outstanding for following periods from due date of payment |                 |               |              |                   | Total             |
|--|--|-----------------|---------------|--------------|-------------------|-------------------|
|  | Less Than 6 Months   | 6 months 1 year | 1 - 2 years   | 2 - 3 years  | more than 3 years |                   |
| (i) Undisputed Trade receivables – considered good                                 | 1,162.79   | 556.78          | 271.87        | 30.51        | 23.30             | 2,045.24          |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | -  | -               | -             | -            | -                 | -                 |
| (iii) Undisputed Trade Receivables – credit impaired                               | -  | -               | -             | -            | -                 | -                 |
| (iv) Disputed Trade Receivables – considered good                                  | -  | -               | 58.10         | -            | -                 | 58.10             |
| (v) Disputed Trade Receivables – which have significant increase in credit risk    | -  | -               | -             | -            | -                 | -                 |
| (vi) Disputed Trade Receivables – credit impaired                                  | -  | -               | -             | -            | -                 | -                 |
| <b>Total</b>   | <b>1,162.79</b>  | <b>556.78</b>   | <b>329.96</b> | <b>30.51</b> | <b>23.30</b>      | <b>- 2,103.34</b> |
| Less: Allowance for Trade Receivable   | -  | -               | -             | -            | -                 | -                 |
| <b>Total</b>   | <b>1,162.79</b>  | <b>556.78</b>   | <b>329.96</b> | <b>30.51</b> | <b>23.30</b>      | <b>- 2,103.34</b> |

**9.2 CASH AND CASH EQUIVALENTS**

Balances with banks:

|                  |             |             |
|------------------|-------------|-------------|
| Current accounts | 0.93        | 0.28        |
| Cash on hand     | 0.41        | 2.74        |
|                  | <b>1.34</b> | <b>3.02</b> |

**Notes:**

There are no restrictions with regard to cash and cash equivalents as at the end of the reporting period.

**9.3 OTHER BANK BALANCES**

Fixed deposits pledged with government departments having a original maturity period of more than three months but less than twelve months

|               |               |
|---------------|---------------|
| <b>145.68</b> | <b>242.40</b> |
| <b>145.68</b> | <b>242.40</b> |

**Notes:**

- (i) The deposits maintained by the Company with banks comprise of time deposits made of varying periods between three months to twelve months and earn interest at the respective short term deposit rates.
- (ii) Fixed deposit with original maturity of more than twelve months but remaining maturity of less than twelve months have been disclosed under other bank balances. (refer note no.5.3)

**9.4 SHORT TERM LOANS AND ADVANCES**

(Valued at amortised cost)

(Unsecured, considered good)

|   |   |
|---|---|
| - | - |
|---|---|

**9.5 OTHER CURRENT FINANCIAL ASSETS**

(Valued at amortised cost)

(Unsecured, considered good, unless otherwise stated)

Security deposits

13.88

12.08

Contract Assets\*

134.85

-

|               |              |
|---------------|--------------|
| <b>148.73</b> | <b>12.08</b> |
|---------------|--------------|

**Notes:**

- (i) Security deposits include deposits with material suppliers.
- (ii) No amounts are due to directors or other officers of the Company or any of them either severally or jointly with any other person.
- \* Contract Assets represents unbilled portion of contract , which are not due for payment.

**10 CURRENT TAX ASSETS (NET)**

Advance Tax and TDS (net of provision for tax of Rs.23.50 Lakhs)

|   |             |
|---|-------------|
| - | 3.70        |
| - | <b>3.70</b> |

**11 OTHER CURRENT ASSETS**

(Unsecured, considered good, unless otherwise stated)

Advances against materials and services

106.14

140.70

Balance with Statutory/ Government authorities

23.07

0.74

Pre-deposits with Government departments under protest

23.20

-

Income Tax Refund

29.71

31.00

Prepaid Expenses

4.46

7.62

Other advances

3.49

33.24

|               |               |
|---------------|---------------|
| <b>190.07</b> | <b>213.31</b> |
|---------------|---------------|

**Notes:**

- (i) Prepaid expenses includes expenses related to License Fees & Insurance.
- (ii) Other advance include outstanding balance in staff imprest accounts, Staff loans & Advances.

|  | Amount in Lakhs         |                         |
|--|-------------------------|-------------------------|
|  | As at March<br>31, 2023 | As at March<br>31, 2022 |
| <b>12 EQUITY SHARE CAPITAL</b>   |                         |                         |
| <b>a) Authorized</b>   |                         |                         |
| 100,00,000 equity shares of Rs.10/- each<br>(March 31,2023:100,00,000 equity shares of Rs.10/- each) | 1,000.00                | 1,000.00                |

**Issued, subscribed and fully paid up**

|  |        |        |
|--|--------|--------|
| 60,00,000 equity shares of Rs.10/- each<br>(March 31, 2023: 60,00,000 equity shares of Rs.10/- each) | 600.00 | 600.00 |
|--|--------|--------|

**b) Reconciliation of the shares outstanding at the beginning and at the end of the year**

|                                      | As at March 31, 2024 |                    | As at March 31, 2023 |                    |
|--------------------------------------|----------------------|--------------------|----------------------|--------------------|
|                                      | No. of<br>shares     | Amount in<br>Lakhs | No. of<br>shares     | Amount in<br>Lakhs |
| At the beginning of the year         | 6,000,000            | 600.00             | 6,000,000            | 600.00             |
| Add: Equity shares issued under ESPP | -                    | -                  | -                    | -                  |
| At the end of the year               | 6,000,000            | 600.00             | 6,000,000            | 600.00             |

**c) Terms/rights attached to equity shares**

The Company has only one class of equity shares having a par value of Rs.10/- per share (March 31,2023 : Rs.10/- per share). Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**d) Details of shareholders holding more than 5% shares in the Company is set out below (representing legal and beneficial ownership):**

| Name of Shareholders       | As at March 31, 2024 |           | As at March 31, 2023 |           |
|----------------------------|----------------------|-----------|----------------------|-----------|
|                            | No. of<br>shares     | % holding | No. of<br>shares     | % holding |
| Mr. Piyush Agrawal         | 2,143,000            | 35.71%    | 1,668,200            | 27.80%    |
| Mr. Suresh Chandra Agrawal | -                    | -         | 474,800              | 7.91%     |

As per the records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

**e) Aggregate number of shares bought back, or issued as fully paid up pursuant to contract without payment being received in cash or by way of bonus shares during the period of five years immediately preceding the date of Balance Sheet:**

|   | As at March<br>31, 2024 | As at March<br>31, 2023 |
|---|-------------------------|-------------------------|
|   | No. of shares           | No. of shares           |
| Equity shares allotted as fully paid-up pursuant to contracts for consideration other than cash.                          | Nil                     | Nil                     |
| Equity shares allotted as fully paid up bonus shares by capitalisation of securities premium account and general reserve. | Nil                     | Nil                     |
| Equity shares bought back   | Nil                     | Nil                     |

**f) Details of Shareholding of promoters in the company :  
Shares Held by the Promoters at the end of the year**

| Name of the Promoter         | No. of Shares Held |                  | % of Total Shares |         | % change during the year |
|------------------------------|--------------------|------------------|-------------------|---------|--------------------------|
|                              | 2023-24            | 2022-23          | 2023-24           | 2022-23 |                          |
| 1 Mr. Piyush Agrawal         | 2,143,000          | 1,668,200        | 35.71%            | 27.80%  | 7.91%                    |
| 2 Mr. Suresh Chandra Agrawal | -                  | 474,800          | 0.00%             | 7.91%   | -7.91%                   |
| 3 Mrs. Ritu Agrawal          | 242,345            | 242,345          | 4.04%             | 4.04%   | 0.00%                    |
| 4 Chaitanya Agrawal          | 190,000            | 190,000          | 3.17%             | 3.17%   | 0.00%                    |
| Total                        | <u>2,575,345</u>   | <u>2,575,345</u> | 42.92%            | 42.92%  |                          |

|                        | (Amount in Lakhs)    |                      |
|------------------------|----------------------|----------------------|
|                        | As at March 31, 2024 | As at March 31, 2023 |
| <b>13 OTHER EQUITY</b> |                      |                      |
| Retained earnings      | 501.88               | 349.53               |
|                        | <b>501.88</b>        | <b>349.53</b>        |

**Notes:****(a) Retained earnings**

|  |               |               |
|--|---------------|---------------|
| As per the last balance sheet  | 349.53        | 334.89        |
| Net profit /(loss) for the year  | 151.88        | 61.95         |
| Gratuity Liability as on 01/04/2023 (refer note no. 31(3))                   | -             | (49.91)       |
| Items of other comprehensive income recognised directly in retained earnings |               |               |
| Re-measurement gains /(losses) on defined benefit plans (net of tax)         | 0.47          | 2.60          |
|  | <b>501.88</b> | <b>349.53</b> |

**(b) Nature & Purpose of Reserves**

## Retained earnings

Retained Earnings are profit the company has earned till date less transfer to General Reserve, dividend or other distribution or transaction with shareholders.

**14 NON CURRENT FINANCIAL LIABILITIES****14.1 BORROWINGS****Term Loan from Banks (Secured)**

|  |              |              |
|--|--------------|--------------|
| Kotak Mahindra Bank Limited                    | 19.23        | 50.16        |
|  | <b>19.23</b> | <b>50.16</b> |
| Less : Current Maturity of Long Term Borrowing | 19.23        | 30.94        |
| Non-Current Portion                            | -            | 19.23        |

**Finance Lease Obligations From Banks**

|                              |              |             |
|------------------------------|--------------|-------------|
| Yes Bank Limited             | -            | 1.41        |
| HDFC Bank Limited            | 41.55        |             |
| <b>From Others</b>           |              |             |
| Kotak Mahindra Prime Limited | -            | 1.38        |
|                              | <b>41.55</b> | <b>2.79</b> |

|  |              |      |
|--|--------------|------|
| Less : Current Maturity of Finance lease obligations | 7.21         | 2.79 |
| Non-Current Portion                                  | <b>34.33</b> | -    |

|  |               |               |
|--|---------------|---------------|
| Term Loan from Others                                  |               |               |
| IFE Cranex Elevators & Esclators India Private Limited | 616.63        | 622.62        |
|  | <b>616.63</b> | <b>622.62</b> |
|  | <b>650.97</b> | <b>641.85</b> |

**Notes:**

**A) Term Loan from Kotak Mahindra Bank**

- I Working capital term loan from Kotak Mahindra Bank Limited is taken for a sum of Rs. 90 Lakhs ( Outstanding Balance as on 31.03.2024 Rs. 19.23 Lakhs) under WCCTL Guranteed Emergency Credit Line (GECL) to provide liquidity support and build up current asset and meet operational liabilities affected due to Covid 19 Pandemic
- II The Term loan is secured by way of second exclusive hypothecation charge on all existing and future current assets, movable fixed assets.
- III The Term loan is furthur secured by second exclusive equitable mortgage charge on immovable property Plot No. 57/1 and 57/1/19, industrial area site IV, Sahibabad, Ghaziabad in the name of Cranex Ltd.
- IV Terms of Repayment:

Term Loan of Rs. 90 Lakhs :- Commencing from 15th Nov. 2020 repayable in total of 48 installments which are as follows:

|                      |                  |                                   |
|----------------------|------------------|-----------------------------------|
| 1st Installment      | Rs. 60,983.60/-  | Interest Component Only           |
| 2nd Installment      | Rs. 59,016.39/-  | Interest Component Only           |
| 3rd Installment      | Rs. 61,059.06/-  | Interest Component Only           |
| 4th Installment      | Rs. 61,150.68/-  | Interest Component Only           |
| 5th Installment      | Rs. 55,232.88/-  | Interest Component Only           |
| 6th Installment      | Rs. 61,150.68/-  | Interest Component Only           |
| 7th Installment      | Rs. 59,178.08/-  | Interest Component Only           |
| 8th Installment      | Rs. 61,150.68/-  | Interest Component Only           |
| 9th Installment      | Rs. 59,178.08/-  | Interest Component Only           |
| 10th Installment     | Rs. 61,150.68/-  | Interest Component Only           |
| 11th Installment     | Rs. 61,150.68/-  | Interest Component Only           |
| 12th Installment     | Rs. 59,178.08/-  | Interest Component Only           |
| Next 35 Installments | Rs. 282,027.00/- | Principal Component Plus Interest |
| Last Installment     | Rs. 282,189.76/- | Principal Component Plus Interest |

- V The Company has borrowings from banks on the basis of current assets. The Company has complied with the requirement of filing of quarterly returns/statements of security of current assets with the banks or financial institutions, as applicable, and these returns were in agreement with the books of accounts except as shown in note no. 31(8).  
The differences are due to unaudited/provisional figures filed with banks
- VI The borrowings obtained by the Company from banks have been applied for the purposes for which such loans were taken. In respect of term loans which were taken in the previous year, those were applied in the respective year for the purpose for which the loan were obtained.
- VII There are no charges or satisfaction which are yet to be registered with the registered with the Registrar of Companies beyond the statutory period.

**B) Finance Lease Obligations**

Long term maturities of finance lease obligations secured against hypothecation of respective vehicles under finance lease are as under:-

| Name of Lendor           | Nature of Lease | Terms of repayments (Including Interest)   |
|--------------------------|-----------------|--|
| Kotak Mahindra Prime Ltd | Finance Lease   | Repayable in total 60 monthly equal instalments Rs.20,708/- all including interest, commencing from 05th Oct 2018.       |
| Kotak Mahindra Prime Ltd | Finance Lease   | Repayable in total 60 monthly equal instalments Rs.30,345/- all including interest, commencing from 05th Jan 2018.       |
| Kotak Mahindra Prime Ltd | Finance Lease   | Repayable in total 60 monthly equal instalments Rs.14,900/- all including interest, commencing from 05th Jan 2018.       |
| Yes Bank Limited         | Finance Lease   | Repayable in total 60 monthly equal instalments Rs.14,480/- all including interest, commencing from 15th September 2018. |
| Yes Bank Limited         | Finance Lease   | Repayable in total 60 monthly equal instalments Rs.17,732/- all including interest, commencing from 15th August 2018.    |
| Yes Bank Limited         | Finance Lease   | Repayable in total 60 monthly equal instalments Rs.15,952/- all including interest, commencing from 02nd Jan 2018.       |
| HDFC Bank                | Finance Lease   | Repayable in total 60 monthly equal instalments Rs.41,741/- all including interest, commencing from 07th Mar 2024.       |
| HDFC Bank                | Finance Lease   | Repayable in total 60 monthly equal instalments Rs.44,554/- all including interest, commencing from 05th Apr 2024.       |

## C) Unsecured Loan IFE Cranex Elevators &amp; Escalators India Private Limited- An Associate Company.

The said loan has been granted in lieu of bank guarantees given by the Company for projects. The Loan is interest free and is repayable on extinguishment of bank guarantees as and when it occurs. There are no amount due for repayment in F.Y 2024-25.

## D) The Company has not defaulted in repayment of principal amount and interest during the year and complied with loan covenants of the lenders.

|   | (Amount in Lakhs)       |                         |
|---|-------------------------|-------------------------|
|   | As at March<br>31, 2024 | As at March<br>31, 2023 |
| <b>15 NON CURRENT PROVISIONS</b>                                    |                         |                         |
| Provision for employee benefits                                     |                         |                         |
| Gratuity (refer note no.31(2))                                      | 52.62                   | 46.77                   |
|   | <u>52.62</u>            | <u>46.77</u>            |
| <b>16 OTHER NON-CURRENT LIABILITIES</b>                             | -                       | -                       |
|   | <u>-</u>                | <u>-</u>                |
| <b>17 CURRENT FINANCIAL LIABILITIES</b>                             |                         |                         |
| <b>17.1 SHORT TERM BORROWINGS</b>                                   |                         |                         |
| <b>SECURED (at Amortised Cost)</b>                                  |                         |                         |
| <b>Repayable on Demand</b>  |                         |                         |
| Cash Credit facility - Kotak Mahindra Bank Limited ( See Note i)    | 806.38                  | 446.05                  |
| Cash Credit facility - Canara Bank Limited (refer note no. 31(6B) ) | 2.73                    | -                       |
| Current maturities of long-term borrowings                          | 19.23                   | 30.94                   |
| Current maturities of finance lease obligation                      | 7.21                    | 2.79                    |
|   | <u>835.54</u>           | <u>479.77</u>           |
| <b>UNSECURED (at Amortised Cost)</b>                                |                         |                         |
| <b>(a) Loan from Related Parties</b>                                |                         |                         |
| Loans and advances from related parties ( See Note ii)              | 972.80                  | 1,049.62                |
|   | <u>972.80</u>           | <u>1,049.62</u>         |
| <b>(b) Others</b>   |                         |                         |
| National Small Industries Corporation Limited                       | 247.69                  | 238.63                  |
|   | <u>247.69</u>           | <u>238.63</u>           |
|   | <b>1,220.49</b>         | <b>1,288.24</b>         |
|   | <b>2,056.03</b>         | <b>1,768.02</b>         |

**Notes:**

- (i) The Company has availed working capital limits of Rs.3185 Lakhs (Previous Year Rs.285 Lakhs) from Kotak Mahindra Bank which is secured by way of first charge on Book Debts of the Company. In the given working capital limit, fund based limit is of Rs. 1327 Lakhs and Non Fund based limit is to the extent of Rs. 1885 Lakhs.

The Working Capital Limit is secured by way of first and exclusive hypothecation charge on all existing and future and current assets, movable fixed assets or any interest therein.

The Working Capital limit is further secured by Exclusive Equitable Charge on Immovable Property Plot No. 57/1 and 57/1/19, industrial area site IV, Sahibabad, Ghaziabad in the name of the company

The Company has borrowings from banks on the basis of current assets. The Company has complied with the requirement of filing of quarterly returns/statements of security of current assets with the banks or financial institutions, as applicable, and these returns were in agreement with the books of accounts except as shown in note no. 31(8).

The differences are due to unaudited/provisional figures filed with banks

Aggregate amount of Working Capital Limits secured by way of personal guarantees of Mr. Piyush Aggarwal (Director) and Mr. Chaitanya Aggarwal (Director)

809.10                      446.05

- (ii) The Company has been sanctioned an unsecured loan of Rs. 300 lakhs by National Small Industries Corporation Limited (NSICL) for its business needs. The Company has not furnished any security. However, Bank Gurantee equivalent to the value of limit sanctioned from Kotak Mahindra Bank been charged against the said loan.
- (iii) The effective rate of interest on short term borrowings ranges between 9.75% p.a. to 10.30% p.a. during the year, depending upon the prime lending rate of the banks and financial institutions at the time of borrowing, wherever applicable, and interest rate spread agreed with the banks.
- (iv) Loan from related parties contains Interest free loan from directors which are repayable on demand.

Amounts due to Directors & Related Parties are as under:

|                        |               |                 |
|------------------------|---------------|-----------------|
| Amitabh Aggarwal (HUF) | 146.72        | 231.72          |
| Chaitanya Agrawal      | 275.15        | 254.70          |
| Piyush Agrawal         | 550.93        | 492.53          |
| S.C. Agrawal           | -             | 70.67           |
|                        | <b>972.80</b> | <b>1,049.62</b> |

- (v) There are no default in the repayment of borowings and interests as on the date of the balance sheet.

#### 17.2 TRADE PAYABLES

|  |                 |                 |
|--|-----------------|-----------------|
| Total outstanding dues of micro and small enterprises                      | 129.96          | 13.96           |
| Total outstanding dues of creditors other than micro and small enterprises | 1,173.86        | 1,367.33        |
|  | <b>1,303.81</b> | <b>1,381.29</b> |

Trade payables ageing schedule for the year ended as on March 31, 2024 :

| Particulars                 | Outstanding for following periods from due date of payment |                   |               |              |                   | Total           |
|-----------------------------|--|-------------------|---------------|--------------|-------------------|-----------------|
|                             | Not due  | Less than 1 Years | 1 - 2 years   | 2 - 3 years  | more than 3 years |                 |
| (i) MSME                    | 8.75   | 109.24            | 8.09          | 0.71         | 3.17              | 129.96          |
| (ii) Others                 | 39.06  | 669.61            | 443.17        | 13.61        | 0.44              | 1,165.90        |
| (iii) Disputed dues – MSME  | -  | -                 | -             | -            | -                 | -               |
| (iv) Disputed dues - Others | -  | -                 | -             | -            | 7.96              | 7.96            |
| <b>Total</b>                | <b>47.81</b>   | <b>778.85</b>     | <b>451.26</b> | <b>14.32</b> | <b>11.57</b>      | <b>1,303.81</b> |

Trade payables ageing schedule for the year ended as on March 31, 2023:

| Particulars                 | Outstanding for following periods from due date of payment |                   |               |             |                   | Total           |
|-----------------------------|--|-------------------|---------------|-------------|-------------------|-----------------|
|                             | Not due  | Less than 1 Years | 1 - 2 years   | 2 - 3 years | more than 3 years |                 |
| (i) MSME                    | -  | 13.96             |               |             |                   | 13.96           |
| (ii) Others                 | -  | 1,213.53          | 146.69        | 0.08        |                   | 1,360.30        |
| (iii) Disputed dues – MSME  | -  | -                 | -             | -           | -                 | -               |
| (iv) Disputed dues - Others | -  |                   | 7.03          | -           | -                 | 7.03            |
| <b>Total</b>                |  | <b>1,227.49</b>   | <b>153.72</b> | <b>0.08</b> | -                 | <b>1,381.29</b> |

#### Notes:

- \* Trade payables includes due to related parties Rs. Nil/- (March 31, 2023: Nil/-)
  - \* The amounts are unsecured and are usually paid within 120 days of recognition.
  - \* Trade payables are usually non- interest bearing .In few cases ,where the trade payables are interest bearing, the interest is settled on quarterly basis.
- (i) Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for the year ended March 31, 2024 is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the Company.



|       |  |        |       |
|-------|--|--------|-------|
| (i)   | Principal amount and interest due thereon remaining unpaid to any supplier covered under MSMED Act:  |        |       |
|       | Principal  | 129.95 | 13.96 |
|       | Interest   | Nil    | Nil   |
| (ii)  | The amount of interest paid by the buyer in terms of section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.   | Nil    | Nil   |
| (iii) | The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act.  | Nil    | Nil   |
| (iv)  | The amount of interest accrued and remaining unpaid at the end of each accounting year.  | Nil    | Nil   |
| (v)   | The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006 | Nil    | Nil   |

(ii) The information in respect of party determined under the MSMED Act 2006, has been identified on the basis of information available with the Company.

### 17.3 OTHER FINANCIAL LIABILITIES

|                           |               |               |
|---------------------------|---------------|---------------|
| Employee Benefit Expenses | 84.74         | 89.12         |
| Other payables            | 70.85         | 155.30        |
|                           | <b>155.59</b> | <b>244.42</b> |

#### Notes:

(i) Employees benefit expenses include payable to directors and other related parties are as under:

|                                  |      |      |
|----------------------------------|------|------|
| Chaitanya Agrawal (Remuneration) | 0.84 | 0.98 |
| Piyush Agrawal                   | 1.19 | 1.50 |
| Shilpy Chopra                    | 0.03 | 0.15 |

(ii) Other payables are in respect of audit fee, payable against letter of credits and provision for other expenses.

### 18 OTHER CURRENT LIABILITIES

|  |               |               |
|--|---------------|---------------|
| Revenue received in advance              |               |               |
| Advance from customers                   | 87.23         | 131.81        |
| Statutory dues                           |               |               |
| Goods and Service Tax (GST)              | 77.19         | 28.57         |
| Others statutory dues                    |               |               |
| PF Payable                               | 3.62          | 3.62          |
| ESI Payable                              | 0.46          | 0.45          |
| TDS Payable                              | 3.19          | 4.16          |
| Other liabilities (refer note (i) below) | -             | 5.70          |
|  | <b>171.69</b> | <b>174.31</b> |

#### Notes:

(i) Other liabilities are in respect of miscellaneous liabilities payable.

**19 CURRENT PROVISIONS**

|                                 |              |              |
|---------------------------------|--------------|--------------|
| Provision for employee benefits |              |              |
| Gratuity (refer note no.31(2))  | 17.26        | 12.34        |
|                                 | <b>17.26</b> | <b>12.34</b> |

**Notes:**

- (i) Provisions are recognized for Gratuity. The provisions are recognized on the basis of past events and probable settlements of the present obligations as a result of the past events, in accordance with Indian Accounting Standard-37 issued by the Institute of Chartered Accountants of India.

**The movement of provisions are as under:-**
**At the beginning of the year**

|                                       |       |       |
|---------------------------------------|-------|-------|
| Gratuity (Non-current Rs 46.77 Lakhs) | 59.11 | 49.91 |
| Income Tax                            | 23.50 | 15.45 |

**Arising during the year**

|                                  |       |       |
|----------------------------------|-------|-------|
| Gratuity (Includes items of OCI) | 13.12 | 9.68  |
| Income Tax                       | 50.95 | 23.50 |

**Utilised during the year**

|            |       |       |
|------------|-------|-------|
| Gratuity   | 2.35  | 0.48  |
| Income Tax | 23.50 | 15.45 |

**At the end of the year**

|  |       |       |
|--|-------|-------|
| Gratuity (Non-Current Rs. 46.77 Lakhs) | 69.88 | 59.11 |
| Income Tax                             | 50.95 | 23.50 |

**20 CURRENT TAX LIABILITIES (NET)**

|            |             |   |
|------------|-------------|---|
| Income Tax | 4.94        | - |
|            | <b>4.94</b> | - |

(Amount in Lakhs)

**21 REVENUE FROM OPERATIONS**

|                         | As at March<br>31, 2024 | As at March<br>31, 2023 |
|-------------------------|-------------------------|-------------------------|
| <b>Sale of Products</b> | 4,841.76                | 3,104.04                |
| <b>Sale of services</b> | 1,369.65                | 1,033.72                |
|                         | <b>6,211.41</b>         | <b>4,137.75</b>         |

**(i) Timing of Revenue Recognition**

|                                      |                 |                 |
|--------------------------------------|-----------------|-----------------|
| Goods transferred at a point in time | 4,841.76        | 3,104.04        |
| Services transferred over the time   | 1,369.65        | 1,033.72        |
|                                      | <b>6,211.41</b> | <b>4,137.75</b> |

**(ii) Disaggregation of revenue based on product or service**

|                         |                 |                 |
|-------------------------|-----------------|-----------------|
| Cranes                  | 4,711.24        | 2,626.84        |
| Accessories             | 8.90            | 448.39          |
| Erection & Installation | 1,368.68        | 929.18          |
| Freight                 | 0.97            | 104.54          |
| Test Rig                | 84.42           | -               |
| Grocery Items           | 37.20           | 28.81           |
|                         | <b>6,211.41</b> | <b>4,137.76</b> |

|   | (Amount in Lakhs)       |                         |
|---|-------------------------|-------------------------|
|   | As at March<br>31, 2024 | As at March<br>31, 2023 |
| <b>(iii) Revenue by location of customers</b>   |                         |                         |
| India   | 6,174.21                | 4,040.91                |
| Outside India   | 37.20                   | 96.84                   |
|   | <u>6,211.41</u>         | <u>4,137.75</u>         |
| <b>(iv) Reconciliation of revenue recognised in statement of profit and loss with contracted price</b>  |                         |                         |
| Revenue as per contracted price   | 6,211.41                | 4,137.75                |
| Less: Cash Discount   | -                       | -                       |
|   | <u>6,211.41</u>         | <u>4,137.75</u>         |
| <b>(v) Performance Obligation</b>   |                         |                         |
| <b>Sale of products:</b> Performance obligation in respect of sale of goods is satisfied when control of the goods is transferred to the customer, generally on delivery of the goods and payment is generally due as per the terms of contract with customers  |                         |                         |
| <b>Sales of services:</b> The performance obligation in respect of maintenance services is satisfied over a period of time and acceptance of the customer. In respect of these services, payment is generally due upon completion of maintenance period based on time elapsed and acceptance of the customer. |                         |                         |
| <b>22 OTHER INCOME</b>  |                         |                         |
| <b>a) Interest received on financial assets carried at amortised cost:</b>  |                         |                         |
| Interest Income from Banks  | 31.74                   | 36.40                   |
| Interest Income from others   | -                       | 2.83                    |
| <b>b) Other non-operating income</b>  |                         |                         |
| Foreign Currency Exchange Fluctuations (Net)  | 30.28                   | -                       |
| Miscellaneous income  | 39.15                   | 7.67                    |
|   | <u>101.17</u>           | <u>46.90</u>            |
| <b>23 COST OF MATERIALS CONSUMED</b>  |                         |                         |
| MS Plate and Pipe   | 1,119.83                | 794.09                  |
| Motor   | 316.06                  | 111.15                  |
| Control Panel   | 83.84                   | 87.04                   |
| Forging Items   | 125.11                  | 41.76                   |
| Control Gear  | 45.62                   | 61.75                   |
| Cable   | 91.52                   | 60.56                   |
| Gear Box  | 162.95                  | 76.26                   |
| MS Profile  | 94.55                   | 31.00                   |
| Brake   | 73.20                   | 48.44                   |
| Consumable Stores   | 1,869.32                | 1,201.68                |
|   | <u>3,982.01</u>         | <u>2,513.73</u>         |
| <b>24 PURCHASE OF STOCK IN TRADE (TRADED GOODS)</b>   |                         |                         |
| Purchase Traded Goods (Grocery Items)   | 57.93                   | 9.50                    |
|   | <u>57.93</u>            | <u>9.50</u>             |



|   | (Amount in Lakhs)       |                         |
|---|-------------------------|-------------------------|
|   | As at March<br>31, 2023 | As at March<br>31, 2022 |
| <b>29 OTHER EXPENSES</b>                    |                         |                         |
| Consumption of Stores and Spares            | 1.95                    | 1.97                    |
| Power and Fuel                              | 32.94                   | 27.99                   |
| Job Work and Erection Charges               | 342.49                  | 268.20                  |
| Hire Charges                                | 5.69                    | 6.01                    |
| Project Site Expenses                       | 108.49                  | 54.69                   |
| Testing Charges                             | 16.17                   | 4.70                    |
| Rent  | 5.15                    | 4.84                    |
| Repairs to Machinery                        | 14.96                   | 17.80                   |
| Repairs Others                              | 0.38                    | 0.67                    |
| Security Charges                            | 65.86                   | 20.94                   |
| Insurance                                   | 11.73                   | 19.85                   |
| Rates and Taxes                             | 2.99                    | 1.86                    |
| Legal & Professional Charges                | 38.24                   | 26.96                   |
| Travel, Conveyance and Vehicle Maintenance  | 37.03                   | 27.27                   |
| Telephone, Internet, Postage & Courier      | 6.12                    | 4.94                    |
| Pattern & Drawing Charges                   | 0.76                    | 3.32                    |
| Bad debts and sundry balances written off   | 111.08                  | 56.29                   |
| Payment to Auditors                         |                         |                         |
| Audit fee                                   | 4.50                    | 4.50                    |
| Tax audit fee                               | 0.50                    | 0.50                    |
| Certificate & Other Charges                 | 0.35                    | 0.05                    |
| Exchange Fluctuation                        | -                       | 24.21                   |
| Transportation expenses and Export Expenses | 299.08                  | 199.59                  |
| Business Promotion and Marketing Expenses   | 1.34                    | 4.52                    |
| Miscellaneous expenses                      | 28.32                   | 33.13                   |
|   | <b>1,136.11</b>         | <b>814.81</b>           |

|   |                 |               |
|---|-----------------|---------------|
| Outside India   | -               | -             |
| <b>Total</b>  | <b>816.38</b>   | <b>795.05</b> |
| <b>d) Information about major customers</b>                                       |                 |               |
| Customers contributing more than 10% of the Company's total revenue are as under: |                 |               |
| a) Shree Cranex (JV)  | -               | 462.70        |
| b) Bharat Aluminium Company Limited   | 1,409.06        | -             |
| c) Mumbai Metro Rail Corporation Limited  | 907.85          | -             |
|   | <b>2,316.91</b> | <b>462.70</b> |
| <b>e) Geographical Capital Expenditure</b>  |                 |               |
| Domestic Market   | 52.55           | 4.61          |
| Overseas Market   | -               | -             |
|   | <b>52.55</b>    | <b>4.61</b>   |

### 10 Fair value measurements

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

| Financial instruments by category              | Carrying Value       |                      | Fair Value           |                      |
|--|----------------------|----------------------|----------------------|----------------------|
|  | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2024 | As at March 31, 2023 |
|  | (Amount in Lakhs)    |                      |                      |                      |
| <b>Financial assets at amortized cost</b>      |                      |                      |                      |                      |
| Investments (non-current)                      | 0.01                 | 31.72                | 0.01                 | 31.72                |
| Loans and advances (non current)               | -                    | -                    | -                    | -                    |
| Other financial assets (non-current)           | 407.86               | 266.20               | 407.86               | 266.20               |
| Trade receivables (current)                    | 2,704.57             | 2,103.34             | 2,704.57             | 2,103.34             |
| Cash and cash equivalents                      | 1.34                 | 3.02                 | 1.34                 | 3.02                 |
| Other bank balances                            | 145.68               | 242.40               | 145.68               | 242.40               |
| Other financial assets (current)               | 148.73               | 12.08                | 148.73               | 12.08                |
|  | <u>3,408.19</u>      | <u>2,658.76</u>      | <u>3,408.19</u>      | <u>2,658.76</u>      |
| <b>Financial Liabilities at amortized cost</b> |                      |                      |                      |                      |
| Borrowings (non-current)                       | 650.97               | 641.85               | 650.97               | 641.85               |
| Borrowings (current)                           | 2,056.03             | 1,768.02             | 2,056.03             | 1,768.02             |
| Trade payables (current)                       | 1,303.82             | 1,381.29             | 1,303.82             | 1,381.29             |
| Other financial liabilities (current)          | 155.59               | 244.42               | 155.59               | 244.42               |
|  | <u>4,166.41</u>      | <u>4,035.57</u>      | <u>4,166.41</u>      | <u>4,035.58</u>      |

(\*excluding investments in associates)

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- 1) The fair value of unquoted instruments, loans from banks and other financial liabilities, as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. In addition to being sensitive to a reasonably possible change in the forecast cash flows or the discount rate, the fair value of the equity instruments is also sensitive to a reasonably possible change in the growth rates. The valuation requires management to use unobservable inputs in the model, of which the significant unobservable inputs are disclosed in the tables below. Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.
- 2) The fair values of the Company's interest-bearing borrowings and loans are determined by using Discounted cash flow method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at 31 March 2023 was assessed to be insignificant.
- 3) Long-term receivables/ payables are evaluated by the Company based on parameters such as interest rates, risk factors, individual creditworthiness of the counterparty and the risk characteristics of the financed project. Based on this evaluation, allowances are

taken into account for the expected credit losses of these receivables.

- 4) The significant unobservable inputs used in the fair value measurement categorized within Level 1 and Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at end of each year, are as shown below:

#### Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

**Level 1:** quoted (unadjusted) prices in active markets for identical assets or liabilities

**Level 2:** other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly

**Level 3:** techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data

#### Quantitative disclosures of fair value measurement hierarchy for assets as on March 31, 2024

(Amount In Lakhs)

|   | Carrying Value  | Fair Value |          |                 |
|---|-----------------|------------|----------|-----------------|
|   |                 | Level 1    | Level 2  | Level 3         |
| <b>Assets carried at amortized cost for which fair value are disclosed</b>      |                 |            |          |                 |
| Investments (non-current)   | 0.01            | -          | -        | 0.01            |
| Loans and advances (non current)  | -               | -          | -        | -               |
| Other financial assets (non-current)  | 407.86          | -          | -        | 407.86          |
| Trade receivables (current)   | 2,704.57        | -          | -        | 2,704.57        |
| Cash and cash equivalents   | 1.34            | -          | -        | 1.34            |
| Other bank balances   | 145.68          | -          | -        | 145.68          |
| Other financial assets (current)  | 148.73          | -          | -        | 148.73          |
|   | <u>3,408.19</u> | <u>-</u>   | <u>-</u> | <u>3,408.19</u> |
| <b>Liabilities carried at amortized cost for which fair value are disclosed</b> |                 |            |          |                 |
| Borrowings (non-current)  | 650.97          | -          | -        | 650.97          |
| Borrowings (current)  | 2,056.03        | -          | -        | 2,056.03        |
| Trade payables (current)  | 1,303.82        | -          | -        | 1,303.82        |
| Other financial liabilities (current)   | 155.59          | -          | -        | 155.59          |
|   | <u>4,166.41</u> | <u>-</u>   | <u>-</u> | <u>4,166.41</u> |

#### Quantitative disclosures of fair value measurement hierarchy for assets as on March 31, 2023

(Amount In Lakhs)

|   | Carrying Value  | Fair Value |          |                 |
|---|-----------------|------------|----------|-----------------|
|   |                 | Level 1    | Level 2  | Level 3         |
| <b>Assets carried at amortized cost for which fair value are disclosed</b>      |                 |            |          |                 |
| Investments (non-current)   | 31.72           | -          | -        | 31.72           |
| Loans and advances (non current)  | -               | -          | -        | -               |
| Other financial assets (non-current)  | 266.20          | -          | -        | 266.20          |
| Trade receivables (current)   | 2,103.34        | -          | -        | 2,103.34        |
| Cash and cash equivalents   | 3.02            | -          | -        | 3.02            |
| other bank balances   | 242.40          | -          | -        | 242.40          |
| Other financial assets (current)  | 12.08           | -          | -        | 12.08           |
|   | <u>2,658.76</u> | <u>-</u>   | <u>-</u> | <u>2,658.76</u> |
| <b>Liabilities carried at amortized cost for which fair value are disclosed</b> |                 |            |          |                 |
| Borrowings (non-current)  | 641.85          | -          | -        | 641.85          |
| Borrowings (current)  | 1,768.02        | -          | -        | 1,768.02        |
| Trade payables (current)  | 1,381.29        | -          | -        | 1,381.29        |

|                                       | Carrying Value | Fair Value |         |          |
|---------------------------------------|----------------|------------|---------|----------|
|                                       |                | Level 1    | Level 2 | Level 3  |
| Other financial liabilities (current) | 244.42         | -          | -       | 244.42   |
|                                       | 4,035.57       | -          | -       | 4,035.58 |

**Note:**

The management assessed that cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

**11 Financial risk management objectives and policies**

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that are derived directly from its operations.

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company is exposed to market risk, credit risk and liquidity risk.

The Company's senior management oversees the management of these risks. The senior professionals working to manage the financial risks and the appropriate financial risk governance framework for the Company are accountable to the Board of Directors and Audit Committee. This process provides assurance to Company's senior management that the Company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risk are identified, measured and managed in accordance with Company policies and Company risk objective.

The Board of Directors reviews and agrees policies for managing each of these risks which are summarized as below:

**(a) Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprises three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk. Financial instruments affected by market risks include loans and borrowings, deposits, investments, and foreign currency receivables and payables. The sensitivity analysis in the following sections relate to the position as at March 31, 2024. The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities. The sensitivity of the relevant Profit and Loss item is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as of March 31, 2024.

**(i) Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in foreign currency). Foreign currency exchange rate exposure is partly balanced by purchasing of goods from the respective countries. The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies.

**Foreign currency risk sensitivity**

The following tables demonstrate the sensitivity to a reasonably possible change in USD, AED & Euro exchange rates, with all other variables held constant. The impact on the Company profit before tax is due to changes in the fair value of monetary assets and liabilities. Foreign currency exposures recognised by the Company that have not been hedged by a derivative instrument or otherwise are as under:

(Fig. In Lakhs)

| Currency                               | Currency Symbol | March 31, 2024   |               | Gain/ (loss) Impact on profit/ (loss) before tax and equity |             |
|--|-----------------|------------------|---------------|---|-------------|
|  |                 | Foreign Currency | Indian Rupees | 1% increase   | 1% decrease |
| Change in United States Dollar Rate    | \$              |                  |               |   |             |
| Export trade receivables               |                 | -                | -             | -   | -           |
| Other receivables                      |                 | -                | -             | -   | -           |
| Capital Advances                       |                 | -                | -             | -   | -           |
| Advances against material and services |                 | -                | -             | -   | -           |
| Trade payables                         |                 | 4.73             | 393.99        | 3.94  | (3.94)      |



| Currency                               | Currency Symbol | March 31, 2023   |               | Gain/ (loss) Impact on profit/ (loss) before tax and equity |             |
|--|-----------------|------------------|---------------|---|-------------|
|  |                 | Foreign Currency | Indian Rupees | 1% increase   | 1% decrease |
| Change in United States Dollar Rate    | \$              |                  |               |   |             |
| Export trade receivables               |                 | -                | -             | -   | -           |
| Other receivables                      |                 | -                | -             | -   | -           |
| Capital Advances                       |                 | -                | -             | -   | -           |
| Advances against material and services |                 | -                | -             | -   | -           |
| Trade payables                         |                 | 5.30             | 462.00        | 4.62  | (4.62)      |

### (ii) Commodity Price Risk

The Company is exposed to the risk of price fluctuation of raw material as well as finished goods. The Company manages its commodity price risk by maintaining adequate inventory of raw materials and finished goods considering future price movement. To counter raw material risk, the Company works with various suppliers working in domestic and international market with the objective to moderate raw material cost, enhance application flexibility and increased product functionality and also invests in product development and innovation. To counter finished goods risk, the Company deals with wide range of vendors and manages these risks through inventory management and proactive vendor development practices. The Company also passes on the Commodity price hike in case of several customers when Company have fixed price contracts. Fixed price contracts are entered into after due consideration of the Commodity price volatility during the delivery / contract period.

### (b) Credit Risk

Credit Risk is the risk that the counter party will not meet its obligation under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

#### (i) Trade Receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored. Out of that, the Company has 10 customers that owed the Company approx. Rs. 2687.41 lakhs (March 31, 2023: Rs. 1510.98 lakhs) and accounted for 68.40 % (March 31, 2023: 45.88%) of total trade receivables.

An impairment analysis is performed at each reporting date on trade receivables by lifetime expected credit loss method based on provision matrix. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets..

#### (ii) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made in bank deposits and other risk free securities. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Company's maximum exposure to credit risk for the components of the balance sheet at 31 March 2024 is the carrying amounts. The Company's maximum exposure relating to financial instrument is noted in liquidity table below.

Trade Receivables and other financial assets are written off when there is no reasonable expectation of recovery, such as debtor failing to engage in the repayment plan with the Company.

|   | (Amount In Lakhs)       |                         |
|---|-------------------------|-------------------------|
|   | As at March<br>31, 2024 | As at March<br>31, 2023 |
| <b>Financial assets for which allowance is measured using 12 months Expected Credit Loss Method (ECL)</b> |                         |                         |
| Loans and advances (non current)  | -                       | -                       |
| Other financial assets (non-current)  | 407.86                  | 266.20                  |
| Cash and cash equivalents   | 1.34                    | 3.02                    |
| Other bank balances   | 145.68                  | 242.40                  |
| Other financial assets (current)  | 148.73                  | 12.08                   |
|   | <u>703.61</u>           | <u>523.70</u>           |
| <b>Financial assets for which allowance is measured using Life time Expected Credit Loss Method (ECL)</b> |                         |                         |
| Trade receivables (current)   | -                       | -                       |
|   | <u>-</u>                | <u>-</u>                |

Balances with banks is subject to low credit risks due to good credit ratings assigned to these banks

|   | (Amount In Lakhs)       |                         |
|---|-------------------------|-------------------------|
|   | As at March<br>31, 2024 | As at March<br>31, 2023 |
| <b>(i) The ageing analysis of trade receivables has been considered from the date the invoice falls due</b> |                         |                         |
| <b>Particulars</b>  |                         |                         |
| 0 to 365 days due past due date   | 2130.58                 | 1,719.56                |
| More than 365 days past due date  | 573.99                  | 383.77                  |
| Total Trade Receivables   | <u>2,704.57</u>         | <u>2,103.34</u>         |

**The following table summarises the change in loss allowance measured using the life time expected credit loss model:**

| Particulars  |          |          |
|--|----------|----------|
| As at the beginning of year  | -        | -        |
| Provision during the year  | -        | -        |
| Reversal of earlier provision credited to other Income (Excess Provision written back) | -        | -        |
| As at the end of year  | <u>-</u> | <u>-</u> |

**(c) Liquidity risk**

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and liquidity requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate source of financing through the use of short term bank deposits and cash credit facility. Processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows. The Company assessed the concentration of risk with respect to its debt and concluded it to below:

**Maturity profile of financial liabilities**

The table below provides the details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

|                                       | (Amount In Lakhs)   |                     |          |
|---------------------------------------|---------------------|---------------------|----------|
| As at March 31, 2024                  | Less than 1<br>year | More than 1<br>year | Total    |
| Borrowings (non-current)              | -                   | 650.97              | 650.97   |
| Borrowings (current)                  | 2,056.03            | -                   | 2,056.03 |
| Trade payables (current)              | 1,303.82            | -                   | 1,303.82 |
| Other financial liabilities (current) | 155.59              | -                   | 155.59   |

(Amount In Lakhs)

| As at March 31, 2023                  | Less than 1 year | More than 1 year | Total    |
|---------------------------------------|------------------|------------------|----------|
| Borrowings (non-current)              | -                | 641.85           | 641.85   |
| Borrowings (current)                  | 1,768.02         | -                | 1,768.02 |
| Trade payables (current)              | 1,381.29         | -                | 1,381.29 |
| Other financial liabilities (current) | 244.42           | -                | 244.42   |

**(d) Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's short-term borrowings obligations in the form of cash credit carrying floating interest rates.

(Amount In Lakhs)

|                         | As at March 31, 2024 | As at March 31, 2023 |
|-------------------------|----------------------|----------------------|
| Fixed rate borrowing    | 44.72                | 52.58                |
| Variable rate borrowing | 57.20                | 29.22                |
|                         | <u>101.92</u>        | <u>81.80</u>         |

**Sensitivity analysis:** For floating rates liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year.

**Sensitivity on variable rate borrowings****Impact on statement of profit and loss**

|                                 |        |        |
|---------------------------------|--------|--------|
| Interest rate increase by 0.25% | 2.12   | 1.70   |
| Interest rate decrease by 0.25% | (2.12) | (1.70) |

**(e) Equity Price Risk**

The Company's listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. At the reporting date, the exposure to unlisted equity securities at fair value was Rs. 2,389.20 lakhs as on 31 March 2024 (March 31, 2023: Rs. 2,389.20 lakhs).

**12 The Following Table summarises movement in indebtedness as on the reporting date :****Change in Liabilities arising from financing activities**

(Amount In Lakhs)

| Particulars                       | As on April 1, 2023 | Net Cashflow | Foreign Exchange Management | Transfer | Change in fair values | As on March 31, 2024 |
|-----------------------------------|---------------------|--------------|-----------------------------|----------|-----------------------|----------------------|
| <b>LONG TERM BORROWINGS</b>       |                     |              |                             |          |                       |                      |
| <b>Secured</b>                    |                     |              |                             |          |                       |                      |
| Term loan from Bank               | 50.16               | 30.93        | -                           | -        | -                     | 19.23                |
| Finance Lease Obligations         |                     |              |                             |          |                       |                      |
| From Banks                        | 1.41                | (40.14)      | -                           | -        | -                     | 41.55                |
| From Others                       | 1.38                | 1.38         | -                           | -        | -                     | -                    |
| <b>Unsecured</b>                  |                     |              |                             |          |                       |                      |
| Term loans from others parties    | 622.62              | 5.99         | -                           | -        | -                     | 616.63               |
| <b>SHORT TERM BORROWINGS</b>      |                     |              |                             |          |                       |                      |
| <b>Secured</b>                    |                     |              |                             |          |                       |                      |
| Cash credit facility from bank    | 446.05              | (363.06)     | -                           | -        | -                     | 809.11               |
| Buyer's credit facility from bank | -                   | -            | -                           | -        | -                     | -                    |
| <b>Unsecured</b>                  |                     |              |                             |          |                       |                      |
| Loan from Related Parties         | 1,049.62            | 76.82        | -                           | -        | -                     | 972.80               |
| Loan from others                  | 238.63              | (9.06)       | -                           | -        | -                     | 247.69               |
|                                   | <u>2,409.87</u>     |              | <u>-</u>                    | <u>-</u> | <u>-</u>              | <u>2,707.01</u>      |

### 13 Capital Management

For the purposes of Company's capital management, Capital includes equity attributable to the equity holders of the Company and all other equity reserves. The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and maximize shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders or issue new shares. The Company is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2023 and March 31, 2024.

| Particulars                                      | (Amount In Lakhs)       |                         |
|--|-------------------------|-------------------------|
|  | As at March<br>31, 2024 | As at March<br>31, 2023 |
| Borrowings                                       | 650.9                   | 641.85                  |
| Cash and cash equivalents                        | 1.34                    | 3.02                    |
| <b>Net Debt</b>                                  | <b>652.31</b>           | <b>644.87</b>           |
| Equity share capital                             | 600.00                  | 600.00                  |
| Other equity                                     | 501.88                  | 349.53                  |
| <b>Total Capital</b>                             | <b>1,101.88</b>         | <b>949.53</b>           |
| <b>Capital and Net Debt</b>                      | <b>1,754.19</b>         | <b>1,594.40</b>         |
| <b>Gearing Ratio (Net Debt/Capital and Debt)</b> | <b>37.19%</b>           | <b>40.45%</b>           |

|  | (Amount In Lakhs)       |                         |
|--|-------------------------|-------------------------|
|  | As at March<br>31, 2024 | As at March<br>31, 2023 |
| <b>14 Earnings per share</b>                                 |                         |                         |
| <b>a) Basic Earnings per share</b>                           |                         |                         |
| Numerator for earnings per share                             |                         |                         |
| Profit/ (loss) after taxation                                | (Rs.) 151.88            | 61.95                   |
| Denominator for earnings per share                           |                         |                         |
| Weighted number of equity shares outstanding during the year | (Nos.) 6,000,000        | 6,000,000               |
| Earnings per share-Basic (one equity share of Rs.10/- each)  | (Rs.) 2.53              | 1.03                    |
| <b>b) Diluted Earnings per share</b>                         |                         |                         |
| Numerator for earnings per share                             |                         |                         |
| Profit/ (loss) after taxation                                | (Rs.) 151.88            | 61.95                   |
| Denominator for earnings per share                           |                         |                         |
| Weighted number of equity shares outstanding during the year | (Nos.) 6,000,000        | 6,000,000               |
| Earnings per share-Basic (one equity share of Rs.10/- each)  | (Rs.) 2.53              | 1.03                    |

Note: There are no instruments issued by the Company which have effect of dilution of basic earning per share.

### 15 Disclosures pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 186 of the Companies Act, 2013:

#### (i) Particulars of Investments made:

(Amount In Lakhs)

| Sr. No | Name of the Investee                             | Opening Balance | Investment Made | Impact of fair value | Investment Sold | Outstanding Balance |
|--------|--|-----------------|-----------------|----------------------|-----------------|---------------------|
| 1      | Shree Cranex(JV)                                 | 31.71           | -               | -                    | -               | 31.71               |
| 2      | IFE Cranex Elevators & Excalators India Pvt. Ltd | 182.00          | -               | -                    | -               | 182.00              |

**16 Pending of Registration or satisfaction of charge :****Pending satisfaction of charge :**

| Sr. No | ID        | Original Charge Date | Last Modified Date | Amount Secured | Charge Holder | Adress  |
|--------|-----------|----------------------|--------------------|----------------|---------------|---|
| 1      | 100780902 | 28/08/2023           | -                  | 3,192.00       | Canara Bank   | MSME Sulabh, Ghaziabad, Uttar Pradesh, , 201001 |

**17 Additional regulatory information required by Schedule III of Companies Act,2013**

- (i) Details of Benami Properties: No proceedings have been initiated or are pending against the company for holding any Benami property under the Benami Transactions (prohibition) Act,1988 (45 of 1988) and the rules made thereunder.
- (ii) Utilization of borrowed funds and share premium:  
The Company has not advanced or loaned or invested funds to any person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the shall:  
(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or;  
(b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.  
The Company has not received any fund from any person(s) or entity(ies) , including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise ) that the company shall:  
(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding Party (Ultimate Beneficiaries) or  
(b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- (iii) Compliance with number of layers of Companies: The Company has complied with the number of layers as prescribed under the Companies Act,2013.
- (iv) Undisclosed Income: There is no income undisclosed or surrendered as income during the current or previous year in the tax assessments under the Income Tax Act,1961, that has not recorded in the books of accounts.
- (v) Crypto Currency or Virtual Currency: The company has not traded or invested in crypto currency or virtual currency during the current or previous year.
- (vi) Valuations of PPE, Intangible assets :The company has not revalued its property, plant and equipment or intangible assets or both during the current or previous year.
- (vii) The Company has not granted any loans or advances in the nature of loans repayable on demand.
- 18 Amounts in the financial statements are presented in Indian Rupees in lacs rounded off to two decimal places as permitted by Schedule III to the Companies Act, 2013. Per share data are presented in Indian Rupees to two decimals places.
- 19 Note No. 1 to 31 form integral part of the balance sheet and statement of profit and loss.

The accompanying notes are an integral part of the financial statements.  
As per our report of even date

**For V.R. Bansal & Associates**

Chartered Accountants  
ICAI Firm Registration No.: 016534N

**Sd/-**  
**Rajan Bansal**  
Partner  
M. No.: 093591

Place: Sahibabad  
Date: 30th May 2024

**For and on behalf of the Board of Directors**

**Sd/-**  
**(Piyush Agrawal)**  
Managing Director  
DIN - 01761004

**Sd/-**  
**(Chaitanya Agrawal)**  
Whole-Time Director & CFO  
DIN - 05108809

**Sd/-**  
**Heena Sharma**  
Company Secretary  
M. No.: A65512

**INDEPENDENT AUDITOR'S REPORT**

To  
The Members of  
**CRANEX LIMITED**  
57/1, Industrial Area, Site - IV,  
Sahibabad, Ghaziabad,  
Uttar Pradesh - 201010

**Report on the Consolidated Ind AS Financial Statements****Qualified Opinion**

We have audited the accompanying consolidated Ind AS financial statements of **CRANEX LIMITED** ("The Parent"), and its associate Company (the Parent Company and its associate are together referred to as "the group") which comprise the consolidated Balance Sheet as at March 31, 2024, the consolidated Statement of Profit and Loss (including other comprehensive income), the consolidated Statement of Cash Flows, and the consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the consolidated Ind AS Financial Statements).

In our opinion and to the best of our information and according to the explanation given to us, except for the effects of the matter described in the basis of Qualified Opinion section of our report, the aforesaid consolidated Ind AS financial statements, give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, consolidated net profit and total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

**Basis for Qualified Opinion**

- a) The Parent Company has produced a Joint Venture agreement which it has entered into with M/s Shree Construction on 23/09/2021, whereby the parties have entered into a Joint Venture agreement and a Joint Venture entity namely M/s Shree-Cranex (JV) has been formed. However, the parent company has not applied Equity method of accounting in respect of the investment in the Joint Venture and hence not complied with the provisions of Ind AS 28 (Investment in Associates and Joint Ventures) with respect to accounting Joint Ventures in consolidated financial statements.
- b) Property, Plant and Equipment (PPE) registered has not been produced before us for the verification. Depreciation of Property, Plant and Equipment has been provided on the basis of figures as certified by the management.
- c) Goods and Services tax (GST) balances are subject to audit and reconciliation with GST Returns.
- d) Balances under Trade Receivables and Trade Payables, loans and advances given by the Company and parties from whom unsecured loans have been taken are subject to confirmations and adjustments, if any.
- e) The Financial Assets and Liabilities - Trade Receivables and long term borrowings taken from IFE Cranex Elevators and Escalators India Private Limited have not been measured at fair value as required by Ind AS-109 "Financial Instruments". Impairment provisions and fair value measurements have not been measured in accordance with Expected Credit Loss (ECL) method as per Ind AS-109.
- f) Inventory register has not been produced before us for verification by the Parent Company. Inventory value has been provided on the basis of figures as certified by the management.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act 2013, as amended ("The Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Results" section of our report. We are independent of the Company in accordance with the code of Ethics issued by The Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statement under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our qualified opinion on the statement.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

| S. No. | Key Audit Matter   | Auditor's Response  |
|--------|--|---|
| 1.     | <p>Revenue from the sale of goods (hereinafter referred to as "Revenue" is recognized when the Parent Company performs its obligation to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of such recognition in the case of sale of goods is when the control over the same is transferred to the customer, which is mainly upon dispatch, delivery or upon formal customer acceptance depending on customer's terms.</p>   | <p><b>Our procedures included:</b></p> <ul style="list-style-type: none"> <li>• Evaluating the design and implementation of Company's controls in respect of revenue recognition.</li> <li>• Testing the effectiveness of such controls over revenue cut off at year end.</li> <li>• Testing the supporting documentation for sales transactions recorded during the period closer to the year end and subsequent to the year end, including examination of credit notes issued after the year end to determine whether revenue was recognized in the correct period.</li> </ul>  |
| 2.     | <p>The timing of revenue recognition is relevant to the reported performance of the Parent Company. The management considers revenue as a key measure for evaluation of performance. There is a risk of revenue being recorded before control is transferred.</p> <p>Refer note no. 2.14 - Significant Accounting Policies; and note no. 22 - Revenue from Operations; of the Financial Statement.</p>   | <ul style="list-style-type: none"> <li>• Performing analytical procedures on current year revenue based on monthly trends and where appropriate, conducting further enquiries and testing.</li> <li>• Assessing the appropriateness of the Parent Company's revenue recognition accounting policies in line with Ind AS 115 ("Revenue from Contracts with Customers" and testing thereof.</li> </ul>  |
| 3.     | <p><b>Evaluation of tax positions</b></p> <p>The Parent Company operates in India and is subject to periodic challenges by local tax authorities on a range of tax matters during the normal course of business including direct tax, transfer pricing and indirect tax matters.</p> <p>These involve significant management judgment to determine the possible outcome of the tax litigations, consequently having an impact on related accounting and disclosures in the financial statements. Refer Note 30(A) to the standalone Ind AS financial statements.</p> | <ul style="list-style-type: none"> <li>• Our audit procedures include the following substantive procedures:</li> <li>• Obtained an understanding of key tax litigations and potential tax exposures</li> <li>• We along with our internal tax experts -</li> <li>• read and analyzed select key correspondence and consultations carried out by management with external tax experts for key tax litigations and potential tax exposures;</li> <li>• discussed with appropriate senior management and evaluated management's underlying key assumptions and grounds of appeal in estimating the tax provisions; and</li> <li>• evaluated the status of the recent and current tax assessments / inquiries, results of previous tax assessments and changes in the tax environment to assess management's estimate of the possible outcome of key tax litigations and potential tax exposures.</li> </ul>                                  |
| 4.     | <p><b>Judgments</b> are required in determining provision of income taxes, both current and deferred, as well as the assessment of provision for uncertain tax position including estimates where appropriate.</p>   | <p>We evaluated the design and implement of controls in respect of provision for current tax and the recognition and recoverability of deferred tax assets. We discussed with management the adequate implementation of policies and control regarding current and deferred tax.</p> <p>We examined the procedure in place for the current and deferred tax calculation for completeness and valuation and audited the related tax computation and estimates in light of our knowledge of the tax circumstances. Our work has conducted with our tax specialist.</p> <p>We performed the assessment of the material components impacting the tax expenses, balance and exposures. We reviewed and challenged the information reported by components with the support of our tax specialist, where appropriate.</p> <p>In respect of deferred tax assets and liabilities, we assess the appropriateness of management's assumption and</p> |

| S. No. | Key Audit Matter | Auditor's Response  |
|--------|------------------|---|
|        |                  | Estimates to support deferred tax assets for tax losses carried forward and related disclosures in financial statements. Based on the procedure performed above, we obtain sufficient audit evidence to corroborate management's estimates regarding current and deferred tax balances. |

**Information Other than the Consolidated Financial Statements and Auditor's Report Thereon**

The Parent Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report but does not include the Ind AS financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this Auditor's Report. Our opinion on the Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially in consistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of Management and Those Charges with Governance for the Consolidated Ind AS Financial Statements**

The Parent Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Parent Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the board of directors of the companies included in the Group are responsible for the assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the company's financial reporting process of the Group.

**Auditor's Responsibility for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Parent Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the consolidated Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Ind AS financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Ind AS financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Other Matter**

We did not audit the financial statements and other financial information of the associate company included in these consolidated financial statements, whose financial statements include share in loss (net of tax) of Rs. 2.04 Lakhs for the year ended on that date. These financial statements and other financial information have been audited by other auditors. Our opinion on the consolidated Ind AS financial results, in so far as it relates to the amounts and disclosures included in respect of the associate and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid associate are based solely on the reports of such other auditors.

Our opinion on the consolidated Ind AS financial results report on Other Legal and Regulatory Requirements below is not modified in respect of this matter with respect to our reliance on the work done and the reports of the other auditors.

#### **Report on Other Legal and Regulatory Requirements**

1. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are qualifications or adverse remarks in these CARO reports, as stated in "Annexure A" of this report.

In respect of the Associate Company, "IFE CRANEX ELEVATORS AND ESCALATORS INDIA PRIVATE LIMITED" CARO report as required under paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2020 (the "order" / "CARO"), is not applicable as reported by their auditors.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of associates, as noted in the 'other matter' paragraph we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive

Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements

- (d) In our opinion, except for the effects/possible effects of the matters described in the Basis for Qualified Opinion paragraph above, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015, as amended.
- (e) (e) On the basis of the written representations received from the directors of the Parent Company as on 31st March, 2024 taken on record by the Board of Directors of the Parent Company, and on the basis of written representation received from the Directors of Associate Company as on March 31, 2024 and taken on report by the Board of Directors of Associate Company, none of the Directors of the Parent Company and its Associate Company are disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Parent Company, refer to our separate Report in "Annexure B" to this report.
- (g) The qualifications relating to maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.
- (h) The matters described in the Basis for Qualified opinion paragraph above, in our opinion, does not have any adverse effect on the functioning of the Group.
- (i) In our opinion, the managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Parent Company to its directors in accordance with the provision of section 197 read with schedule V to the Act;  
No managerial remuneration has been paid / provided by the Associate Company;
- (j) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Consolidated financial statement has disclosed the impact of pending litigations on its financial position in its financial statements. (Refer note no. 30(A))
- (ii) The Group has made provision in the consolidated financial statements as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- (iv) (a) The Management of the Parent Company has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management of the Parent Company has represented to us, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- (v) As the Parent Company has not declared any dividend during the year. Hence, reporting requirements under rule 11(f) of Companies (Audit and Auditors) Rules, 2014 are not applicable to the Company.
- (vi) (a) Based on our examination carried out in accordance with the Implementation Guidance on Reporting on Audit Trail under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (Revised 2024 Edition issued by the Institute of Chartered Accountants of India, Which included test checks, we report that the Parent company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has

operated throughout the year all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

(b) Additionally, the audit trail has been preserved by the Parent company as per the statutory requirements for record retention. Our examination of the audit trail was in the context of an audit of financial statements carried out in accordance with the standards of auditing and only to the extents required by Rule 11 (g) of the Companies(Audit and Auditors) Rules, 2014. We have not carried out any audit or examination of the audit trail beyond the matters required by the aforesaid Rule 11 (g) nor have we carried out any standalone audit or examination of the audit trail.

(c) In case of the Associate Company, the auditor of the Associate Company has commented as under:-

In our examination carried out in accordance with the Implementation Guidance on Reporting on Audit Trail under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (Revised 2024 Edition) issued by the Institute of Chartered Accountants of India, it was observed that the company has not implemented an accounting software with the feature of recording audit trail (edit log) facility. Consequently, we were unable to perform the audit procedures related to the audit trail feature as required by Rule 11(g). We have not carried out any audit or examination of the audit trail beyond the matters required by the aforesaid Rule 11(g) nor have we carried out any standalone audit of the audit trail."

**For V.R. Bansal & Associates**  
**Chartered Accountants**  
**Firm Registration No. 016534N**

**Sd/-**  
**(Rajan Bansal)**  
**Partner**

**Membership No. 093591**  
**UDIN: 24093591BKFIRI8117**

**Place: Delhi**  
**Dated: 30th May 2024**

**Annexure - A to the Auditors' Report**

**Report on the matters specified in paragraph 3 and 4 of the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013 ("the Act") as referred to in paragraph 1 of 'Report on Other Legal and Regulatory Requirements' section.**

In our opinion and according to the information and explanations given to us, following companies incorporated in India and included in the consolidated financial statements, have unfavourable remarks, qualification or adverse remarks given by the respective auditors in their reports under the Companies (Auditor's Report) Order, 2020 (CARO), details are given below:

| <b>S. No.</b> | <b>Name of Entities</b> | <b>CIN</b>            | <b>Holding Company/ Associate</b> | <b>Clause number of the CARO report which is unfavourable or qualified or adverse</b> |
|---------------|-------------------------|-----------------------|-----------------------------------|---|
| 1.            | Cranex Limited          | L74899DL1973PLC006503 | Holding Company                   | Clause (1)(a)   |
| 2.            | Cranex Limited          | L74899DL1973PLC006503 | Holding Company                   | Clause (1)(b)   |
| 3.            | Cranex Limited          | L74899DL1973PLC006503 | Holding Company                   | Clause (2)(b)   |

In respect of the Associate Company, "IFE CRANEX ELEVATORS AND ESCALATORS INDIA PRIVATE LIMITED" CARO report as required under paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2020 (the "order"/ "CARO"), has not been made available to us, therefore we are unable to comment on the same.

**For V.R. Bansal & Associates  
Chartered Accountants  
Firm Registration No. 016534N**

**Place: Delhi  
Dated: 30<sup>th</sup> May 2024**

**(Rajan Bansal)  
Partner  
Membership No. 093591  
UDIN: 24093591BKFIRI8117**

**Annexure - B to the Auditors' Report****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

To the Members of Cranex Limited

We have audited the internal financial controls over financial reporting of CRANEX LIMITED ("the Parent Company") as of 31st March, 2024 in conjunction with our audit of the Consolidated financial statements of the Parent Company for the period ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Parent Company's internal financial controls over financial reporting based on our audit.

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Parent Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

**Opinion**

In our opinion, the Parent Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of

India.

For V.R. Bansal & Associates  
Chartered Accountants  
Firm Registration No. 016534N

Place: Delhi  
Dated: 30<sup>th</sup> May 2024

(Rajan Bansal)  
Partner  
Membership No. 093591  
UDIN: 24093591BKFIR18117

**Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results - (Standalone)**

| Statement on Impact of Audit Qualifications for the Year ended March 31, 2024<br>[Under Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016] |  |                            |   |   |
|--|--|----------------------------|---|---|
| I.   | Sl. No.  | Particulars                | Audited Figures (as reported before adjusting for qualifications) | Adjusted Figures (audited figures after adjusting for qualifications) |
|  | 1  | Turnover / Total Income    | 6312.58   | 6312.58   |
|  | 2  | Total Expenditure          | 6162.73   | 6162.73   |
|  | 3  | Net Profit/ (Loss)         | 149.84  | 149.84  |
|  | 4  | Earnings Per Share         | 2.49  | 2.49  |
|  | 5  | Total Assets               | 5524.28   | 5524.28   |
|  | 6  | Total Liabilities          | 4443.92   | 4443.92   |
|  | 7  | Net Worth                  | 1080.36   | 1080.36   |
|  | 8  | Net Profit before OCI      | 149.84  | 149.84  |
|  | 9  | Other Comprehensive Income | 0.47  | 0.47  |
|  | 8  | Net Profit after OCI       | 150.31  | 150.31  |
| <b>II.</b>   | <b>Audit Qualification (each audit qualification separately):</b>  |                            |   |   |
|  | <b>a. Details of Audit Qualification:</b>  |                            |   |   |
|  | <p>i. The Parent Company has produced a Joint Venture agreement which it has entered into with M/s Shree Construction on 23/09/2021, whereby the parties have entered into a Joint Venture agreement and a Joint Venture entity namely M/s Shree-Cranex (JV) has been formed. However the parent company has not applied Equity method of accounting in respect of the investment in the Joint Venture and hence not complied with the provisions of Ind AS 28 (Investment in Associates and Joint Ventures) with respect to accounting Joint Ventures in consolidated financial statements.ii. Property, Plant and Equipment (PPE) register has not been produced before us for verification. Depreciation of Property, Plant and Equipment has been provided on the basis of figures as certified by the management.</p> <p>iii. Goods and Services tax (GST) balances are subject to audit and reconciliation with GST returns.</p> <p>iv. Balances under Trade Receivables and Trade Payables, loans and advances given by the Company and parties from whom unsecured loans have been taken are subject to confirmations and adjustments, if any.</p> <p>v. The Financial Assets and Liabilities - Trade Receivables and long term borrowings taken from IFE Cranex Elevators and Escalators India Private Limited have not been measured at fair value as required by Ind AS-109 "Financial Instruments". Impairment provisions and fair value measurements have not been measured in accordance with Expected Credit Loss (ECL) method as per Ind AS-109.</p> <p>vi. Inventory register has not been produced before us for verification by the parent company. Inventory value has been provided on the basis of figures as certified by the management.</p> |                            |   |   |

|             |  |
|-------------|--|
|             | <b>b. Type of Audit Qualification : Qualified Opinion</b>  |
|             | <b>c. Frequency of qualification:</b><br>The qualification mentioned above in II (a) (i) to (iv) is repetitive and<br>The qualification mentioned in II (a) (v) is appeared first time   |
|             | <b>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</b><br><i>As per attached annexure I</i>   |
|             | <b>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</b><br><b>(i) Management's estimation on the impact of audit qualification: As per attached annexure I</b><br><b>(ii) If management is unable to estimate the impact, reasons for the same: N.A.</b><br><b>(iii) Auditors' Comments on (i) or (ii) above: N.A.</b> |
| <b>III.</b> | Signatories  |
|             | <input type="checkbox"/> Piyush Agrawal, (Managing Director)   |
|             | <input type="checkbox"/> Chaitanya Agrawal, (CFO)  |
|             | <input type="checkbox"/> Ashwini Kumar Jindal, (Audit Committee Chairman)  |
|             | <input type="checkbox"/> Rajan Bansal, (Statutory Auditor)   |
|             | Place: Ghaziabad   |
|             | Date: 30.05.2024   |

**Annexure I**

| <b>Audit Qualification (each audit qualification separately):</b>  | <b>For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</b> | <b>For Audit Qualification(s) where the impact is not quantified by the auditor</b>  |
|--|--|--|
| (i) The Parent Company has produced a Joint Venture agreement which it has entered into with M/s Shree Construction on 23/09/2021, whereby the parties have entered into a Joint Venture agreement and a Joint Venture entity namely M/s Shree-Cranex (JV) has been formed. However the parent company has not applied Equity method of accounting in respect of the investment in the Joint Venture and hence not complied with the provisions of Ind AS 28 (Investment in Associates and Joint Ventures) with respect to accounting Joint Ventures in consolidated financial statements. |  | There will be a very insignificant impact on the Company from the financial results from M/S Shree Cranex (JV).<br><br>Further, financial closing and financial data of M/s Shree Cranex (JV) are not finalized, as they are required to do so only by 30 September 2024.<br><br>Hence, it was not considered. |
| (ii) Property, Plant and Equipment (PPE) register has not been produced before us for verification. Depreciation of Property, Plant and Equipment has been provided on the basis of figures as certified by the management,  |  | The Company has calculated the Depreciation figures as per applicable rules.<br><br>The detailed register is under preparation.  |
| (iii) Goods and Services tax (GST) balances are subject to audit and reconciliation with GST returns.  |  | Noted and confirmed  |

Annexure I

| Audit Qualification (each audit qualification separately):  | For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: | For Audit Qualification(s) where the impact is not quantified by the auditor  |
|---|---|---|
| (iv) Balances under Trade Receivables and Trade Payables, loans and advances given by the Company and parties from whom unsecured loans have been taken are subject to confirmations and adjustments, if any.   |   | The Company does not expect any change in the long term borrowings taken from IFE Cranex Elevators and Escalators India Private Limited.<br>There is no Expected Credit Loss (ECL). |
| (v) The Financial Assets and Liabilities - Trade Receivables and long term borrowings taken from IFE Cranex Elevators and Escalators India Private Limited have not been measured at fair value as required by Ind AS-109 "Financial Instruments". Impairment provisions and fair value measurements have not been measured in accordance with Expected Credit Loss (ECL) method as per Ind AS-109. |   | The Company does not expect any change in the long term borrowings taken from IFE Cranex Elevators and Escalators India Private Limited.<br>There is no Expected Credit Loss (ECL). |
| (vi) Inventory register has not been produced before us for verification by the parent company. Inventory value has been provided on the basis of figures as certified by the management.   |   | Noted and confirmed   |
| Signatories   |   |   |
| <input type="checkbox"/> Piyush Agrawal, (Managing Director)  |   |   |
| <input type="checkbox"/> Chaitanya Agrawal, (CFO)   |   |   |
| <input type="checkbox"/> Ashwini Kumar Jindal,<br>(Audit Committee Chairman)  |   |   |
| <input type="checkbox"/> Rajan Bansal, (Statutory Auditor)  |   |   |
| Place: Ghaziabad  |   |   |
| Date: 30.05.2024  |   |   |



## CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2024

(Amount in Lakhs)

|  | Notes | As at March 31, 2024 | As at March 31, 2023 |
|--|-------|----------------------|----------------------|
| <b>ASSETS</b>  |       |                      |                      |
| <b>1 Non-current assets</b>  |       |                      |                      |
| Property, plant and equipment  | 3     | 600.10               | 579.01               |
| Investments in associates and Joint Ventures                               | 4     | 192.19               | 194.23               |
| Financial assets   | 5     |                      |                      |
| (i) Non-Current Investments  |       | 0.01                 | 0.01                 |
| (ii) Loans and advances  |       | -                    | -                    |
| (iii) Other Financial Assets   |       | 407.86               | 266.20               |
| Other non-current assets   | 7     | 2.58                 | 2.33                 |
|  |       | <b>1,202.74</b>      | <b>1,041.78</b>      |
| <b>2 Current assets</b>  |       |                      |                      |
| Inventories  | 8     | 1,131.14             | 1,609.74             |
| Financial assets   | 9     |                      |                      |
| (i) Trade receivables  |       | 2,704.57             | 2,103.34             |
| (ii) Cash and cash equivalents   |       | 1.34                 | 3.02                 |
| (iii) Other bank balances  |       | 145.68               | 242.40               |
| (iv) Loans and advances  |       | -                    | -                    |
| (v) Other Financial Assets   |       | 148.73               | 12.08                |
| Current tax assets (Net)   | 10    | -                    | 3.70                 |
| Other current assets   | 11    | 190.07               | 213.31               |
|  |       | <b>4,321.53</b>      | <b>4,187.59</b>      |
| <b>Total Assets</b>  |       | <b>5,524.28</b>      | <b>5,229.36</b>      |
| <b>EQUITY AND LIABILITIES</b>  |       |                      |                      |
| <b>1 EQUITY</b>  |       |                      |                      |
| Equity share capital   | 12    | 600.00               | 600.00               |
| Other equity   | 13    | 480.36               | 330.05               |
|  |       | <b>1,080.36</b>      | <b>930.05</b>        |
| <b>2 LIABILITIES</b>   |       |                      |                      |
| Non-current liabilities  |       |                      |                      |
| Financial liabilities  | 14    |                      |                      |
| (i) Borrowing  |       | 650.97               | 641.85               |
| (ii) Lease Liabilities   |       | -                    | -                    |
| Provisions   | 15    | 52.62                | 46.77                |
| Deferred tax liabilities (Net)   | 6     | 31.00                | 30.32                |
| Other non-current liabilities  | 16    | -                    | -                    |
|  |       | <b>734.59</b>        | <b>718.94</b>        |
| <b>Current liabilities</b>   |       |                      |                      |
| Financial liabilities  | 17    |                      |                      |
| (i) Short Term Borrowings  |       | 2,056.03             | 1,768.02             |
| (ii) Trade payable   |       |                      |                      |
| Total outstanding dues of micro and small enterprises                      |       | 129.96               | 13.96                |
| Total outstanding dues of creditors other than micro and small enterprises |       | 1,173.86             | 1,367.33             |
| (iii) Other financial liabilities  |       | 155.59               | 244.42               |
| Other current liabilities  | 18    | 171.69               | 174.31               |
| Provisions   | 19    | 17.26                | 12.34                |
| Current tax liabilities (Net)  | 20    | 4.94                 | -                    |
|  |       | <b>3,709.33</b>      | <b>3,580.37</b>      |
| <b>Total Equity and Liabilities</b>  |       | <b>5,524.28</b>      | <b>5,229.36</b>      |

|   |    |
|---|----|
| Summary of significant accounting policies          | 2  |
| Contingent liabilities, commitments and litigations | 30 |
| Other notes on accounts                             | 31 |

The accompanying notes are an integral part of the financial statements.

**As per our report of even date**

**For V.R. Bansal & Associates**

Chartered Accountants

ICAI Firm Registration No.: 016534N

**For and on behalf of the Board of Directors**

**Sd/-**

**Rajan Bansal**

Partner

M. No.: 093591

**Sd/-**

**(Piyush Agrawal)**

Managing Director

DIN - 01761004

**Sd/-**

**(Chaitanya Agrawal)**

Whole-Time Director & CFO

DIN - 05108809

**Sd/-**

**Heena Sharma**

Company Secretary

M. No.: A-65512

Place: Sahibabad

Date: 30<sup>th</sup> May 2024

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED MARCH 31, 2024**

(Amount in Lakhs)

|   | Notes | As at March 31, 2024 | As at March 31, 2023 |
|---|-------|----------------------|----------------------|
| <b>I INCOME</b>   |       |                      |                      |
| Revenue from operations   | 21    | 6,211.41             | 4,137.75             |
| Other income  | 22    | 101.17               | 46.90                |
| <b>Total Income</b>   |       | <b>6,312.58</b>      | <b>4,184.66</b>      |
| <b>II EXPENSES</b>  |       |                      |                      |
| Cost of materials consumed  | 23    | 3,982.01             | 2,513.73             |
| Purchase of traded goods  | 24    | 57.93                | 9.50                 |
| Change in inventories of FG, Traded Goods and WIP   | 25    | 295.48               | 47.54                |
| Employee benefits expenses  | 26    | 448.11               | 526.66               |
| Finance costs   | 27    | 144.65               | 115.72               |
| Depreciation and amortisation expenses  | 28    | 31.46                | 31.01                |
| Other expenses  | 29    | 1,136.11             | 814.81               |
| <b>Total Expenses</b>   |       | <b>6,095.74</b>      | <b>4,058.97</b>      |
| III Profit before exceptional items and tax   |       | 216.83               | 125.68               |
| Share of Profit/(loss) of an associate (net of tax)                                       |       | (2.04)               | (5.53)               |
| Add : Exceptional items   |       |                      |                      |
| <b>IV Profit before tax</b>   |       | <b>214.79</b>        | <b>120.15</b>        |
| <b>V Tax expenses</b>   |       |                      |                      |
| Current tax   |       | 50.95                | 23.50                |
| Income tax for earlier year   |       | 13.49                | 3.57                 |
| Deferred tax  |       | 0.51                 | 36.66                |
| <b>Income tax expense</b>   |       | <b>64.95</b>         | <b>63.73</b>         |
| <b>VI Profit/ (loss) for the year</b>   |       | <b>149.84</b>        | <b>56.42</b>         |
| <b>VII Other comprehensive income</b>   |       |                      |                      |
| Other comprehensive income not to be reclassified to profit or loss in subsequent periods |       |                      |                      |
| i) Re-measurement gains on defined benefit plans  |       | 0.63                 | 3.48                 |
| ii) Income tax effect   |       | (0.16)               | (0.88)               |
| <b>Other comprehensive income for the year, net of tax</b>                                |       | <b>0.47</b>          | <b>2.60</b>          |
| <b>VIII Total comprehensive income/ (loss) for the year, net of tax</b>                   |       | <b>150.31</b>        | <b>59.02</b>         |
| <b>IX Earnings per equity share</b><br>(nominal value of share Rs.10/-)                   |       |                      |                      |
| Basic (Rs.)   |       | 2.49                 | 0.94                 |
| Diluted (Rs.)   |       | 2.49                 | 0.94                 |

|   |    |
|---|----|
| Summary of significant accounting policies          | 2  |
| Contingent liabilities, commitments and litigations | 30 |
| Other notes on accounts                             | 31 |

The accompanying notes are an integral part of the financial statements.

**As per our report of even date**

**For V.R. Bansal & Associates**

Chartered Accountants

ICAI Firm Registration No.: 016534N

**For and on behalf of the Board of Directors**

**Sd/-**

**Rajan Bansal**

Partner

M. No.: 093591

**Sd/-**

**(Piyush Agrawal)**

Managing Director

DIN - 01761004

**Sd/-**

**(Chaitanya Agrawal)**

Whole-Time Director & CFO

DIN - 05108809

**Sd/-**

**Heena Sharma**

Company Secretary

M. No.: A-65512

Place: Sahibabad

Date: 30<sup>th</sup> May 2024

## CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2024

(Amount in Lakhs)

|   | As at March 31, 2024 | As at March 31, 2023 |
|---|----------------------|----------------------|
| <b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>  |                      |                      |
| Profit/ (loss) before income tax  | 214.79               | 120.14               |
| Adjustments to reconcile profit before tax to net cash flows  |                      |                      |
| Depreciation and amortisation expense   | 31.46                | 31.01                |
| Share of Profit/(loss) of an associate (net of tax)   | 2.04                 | 5.53                 |
| Finance cost  | 144.65               | 115.72               |
| Interest income   | (31.74)              | (39.23)              |
| <b>Operating Profit before working capital changes</b>  | <b>361.20</b>        | <b>233.16</b>        |
| Movement in working capital   |                      |                      |
| (Increase)/ Decrease in financial assets loans and advances   | (23.96)              | 127.25               |
| (Increase)/ Decrease in inventories   | 478.60               | (362.03)             |
| (Increase)/ Decrease in trade receivables   | (601.23)             | (514.15)             |
| (Increase)/ Decrease in other financial assets  | (136.65)             | (12.08)              |
| (Increase)/ Decrease in other non-financial assets  | 23.24                | 23.13                |
| Increase/ (Decrease) in trade payables  | (77.48)              | 351.19               |
| Increase/ (Decrease) in other financial liabilities   | (88.83)              | 244.42               |
| Increase/ (Decrease) in other financial liabilities   | (2.62)               | 25.99                |
| Increase/ (Decrease) in other non current asset   | (0.25)               | (2.33)               |
| Increase/ (Decrease) in current Tax liability   |                      | (31.15)              |
| Increase/ (Decrease) in provisions  | 11.40                | 12.68                |
| <b>Cash generated from operations</b>   | <b>(56.58)</b>       | <b>96.09</b>         |
| Income tax paid (net of refunds)  | (55.80)              | (27.07)              |
| <b>Net Cash flow from Operating Activities (A)</b>  | <b>(112.38)</b>      | <b>69.01</b>         |
| <b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>  |                      |                      |
| Purchase of property, plant and equipment and CWIP (net of creditor for capital goods and capital advances) | (52.55)              | (4.61)               |
| Proceeds from fixed deposits (Net)  | (20.98)              | (133.20)             |
| Proceeds from sale of property, plant and equipment   | -                    |                      |
| Interest Received   | 31.74                | 39.23                |
| <b>Net Cash flow from/(used) in Investing Activities (B)</b>  | <b>(41.79)</b>       | <b>(98.58)</b>       |
| <b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>  |                      |                      |
| Proceeds/(Repayment) of Long term borrowings  | 297.13               | 132.07               |
| Interest Paid   | (144.65)             | (115.72)             |
| <b>Net Cash Flow from/(used) in Financing Activities (C)</b>  | <b>152.48</b>        | <b>16.35</b>         |
| <b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>                                       | <b>(1.69)</b>        | <b>(13.20)</b>       |
| Cash and cash equivalents at the beginning of the year  | 3.02                 | 16.22                |
| <b>Cash and Cash Equivalents at the end of the year</b>   | <b>1.34</b>          | <b>3.02</b>          |

**Notes :**

- The above Cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard-7, "Statement of Cash Flows".
- Components of cash and cash equivalents :-

|                                  | As at March 31, 2024 | As at March 31, 2023 |
|----------------------------------|----------------------|----------------------|
| <b>Cash and cash equivalents</b> |                      |                      |
| <b>Balances with banks</b>       |                      |                      |
| Current accounts                 | 0.93                 | 0.28                 |
| Cash on hand                     | 0.41                 | 2.74                 |
|                                  | <b>1.34</b>          | <b>3.02</b>          |

|   |    |
|---|----|
| Summary of significant accounting policies          | 2  |
| Contingent liabilities, commitments and litigations | 30 |
| Other notes on accounts                             | 31 |

The accompanying notes are an integral part of the financial statements.

**As per our report of even date**

**For V.R. Bansal & Associates**

Chartered Accountants

ICAI Firm Registration No.: 016534N

**For and on behalf of the Board of Directors**

**Sd/-**

**Rajan Bansal**

Partner

M. No.: 093591

**Sd/-**

**(Piyush Agrawal)**

Managing Director

DIN - 01761004

**Sd/-**

**(Chaitanya Agrawal)**

Whole-Time Director & CFO

DIN - 05108809

**Sd/-**

**Heena Sharma**

Company Secretary

M. No.: A-65512

Place: Sahibabad

Date: 30<sup>th</sup> May 2024

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED MARCH 31, 2023**
**(A) Equity Share Capital**
**(Amount in Lakhs)**

| Particulars          | Nos.      | Amount in Lakhs |
|----------------------|-----------|-----------------|
| As at March 31, 2021 | 6,000,000 | 600.00          |
| As at March 31, 2022 | 6,000,000 | 600.00          |
| As at March 31, 2023 | 6,000,000 | 600.00          |

**(B) Other Equity**
**(Amount in Lakhs)**

| Particulars  | Reserves and surplus | Total         |
|--|----------------------|---------------|
|  | Retained Earnings    |               |
| <b>As at March 31, 2022</b>                                | <b>315.80</b>        | <b>315.80</b> |
| Net profit /(loss) for the year                            | 56.42                | 56.42         |
| a) Share of Profit of Associate of Earlier Years           | 5.13                 | 5.13          |
| b) Gratuity Provision Adjustment (Refer note 31(3))        | (49.91)              | (49.91)       |
| <b>Other comprehensive income for the year</b>             |                      |               |
| Re-measurement gains on defined benefit plans (net of tax) | 2.60                 | 2.60          |
| <b>As at April 1, 2023</b>                                 | <b>330.05</b>        | <b>330.05</b> |
| Net profit /(loss) for the year                            | 149.84               | 149.84        |
| <b>Other comprehensive income for the year</b>             |                      |               |
| Re-measurement gains on defined benefit plans (net of tax) | 0.47                 | 0.47          |
| <b>As at March 31, 2024</b>                                | <b>480.36</b>        | <b>480.36</b> |

|   |    |
|---|----|
| Summary of significant accounting policies          | 2  |
| Contingent liabilities, commitments and litigations | 30 |
| Other notes on accounts                             | 31 |

The accompanying notes are an integral part of the financial statements.

**As per our report of even date**
**For V.R. Bansal & Associates**

Chartered Accountants

ICAI Firm Registration No.: 016534N

**For and on behalf of the Board of Directors**

**Sd/-**  
**Rajan Bansal**  
 Partner  
 M. No.: 093591

**Sd/-**  
**(Piyush Agrawal)**  
 Managing Director  
 DIN - 01761004

**Sd/-**  
**(Chaitanya Agrawal)**  
 Whole-Time Director & CFO  
 DIN - 05108809

**Sd/-**  
**Heena Sharma**  
 Company Secretary  
 M. No.: A-65512

Place: New Delhi  
 Date: 30th May 2024

**Notes to Consolidated Financial Statements for the year ended March 31, 2023****1 CORPORATE INFORMATION**

Cranex Limited (the Company) was incorporated on 27th February 1973. The Company is a public limited Company incorporated and domiciled in India and has its registered office at Delhi, India. The Company is listed on Bombay Stock Exchange (BSE). The CIN of the Company is L74899DL1973PLC006503.

The Company is primarily engaged in the business of manufacturing and selling cranes and its parts. The Company's corporate office and manufacturing unit are located at 57/1, Industrial Area, Site-IV, Sahibabad, 201010 in Uttar Pradesh.

The Consolidated Financial Statements were authorised by the Board of Directors for issue in accordance with resolution passed on 30th May, 2023

The Company along with its associate has been collectively hereinafter referred to as "the group"

**2 SIGNIFICANT ACCOUNTING POLICIES****2.1 Statement of Compliance**

The Consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (IND AS) notified under Companies (Indian Accounting Standards) Rules, 2015. For all periods including the year ended 31 March 2017, the Group prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). The consolidated financial statements were authorised for issue by the Company's Board of Directors on 30th May, 2024.

**2.2 Basis of Consolidation**

The Consolidated Financial Statements of the group comprise the financial statements of Cranex Limited ('the Parent Company'), and its associate namely M/s IFE Cranex Elevators and Excavators India Pvt. Ltd. as at March 31, 2024. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the group controls an investee if and only if the group has:

- (i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- (ii) Exposure, or rights, to variable returns from its involvement with the investee, and
- (iii) The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the group has less than a majority of the voting or similar rights of an investee, the group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (i) The contractual arrangement with the other vote holders of the investee
- (ii) Rights arising from other contractual arrangements
- (iii) The Group's voting rights and potential voting rights
- (iv) The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the group obtains control over the subsidiary and ceases when the group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the group gains control until the date the group ceases to control the subsidiary. Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

**2.3 Basis of preparation**

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (IND AS) notified under Companies (Indian Accounting Standards) Rules, 2015. These standalone financial statements are presented in INR and all values are rounded to the nearest Lakhs (INR 00,000), except when otherwise indicated

These consolidated financial statements have been prepared on accrual basis and under historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- (a) Certain financial assets and liabilities that is measured at fair value.
- (b) Assets held for sale-measured at fair value less cost to sell.



(c) Defined benefit plans-plan assets measured at fair value.

## 2.4 Use of estimates and judgments

The preparation of the consolidated financial statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the consolidated financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the consolidated financial statements.

### Summary of material accounting policies

This note provides a list of the material accounting policies adopted in the preparation of these Indian Accounting Standards (Ind-AS) Standalone financial statements. These policies have been consistently applied to all the years except where newly issued accounting standard is initially adopted.

## 2.5 Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- (a) Expected to be realized or intended to be sold or consumed in normal operating cycle
- (b) Held primarily for purpose of trading
- (c) Expected to be realized within twelve months after the reporting period, or
- (d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- (a) It is expected to be settled in normal operating cycle
- (b) It is held primarily for purpose of trading
- (c) It is due to be settled within twelve months after the reporting period, or
- (d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non current.

Deferred tax assets and deferred tax liabilities are classified as non- current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

## 2.6 Property, plant and equipment

Property, Plant and equipment including capital work in progress are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. The cost comprises of purchase price, taxes, duties, freight and other incidental expenses directly attributable and related to acquisition and installation of the concerned assets and are further adjusted by the amount of input tax credit availed wherever applicable. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their respective useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

Capital work- in- progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

Depreciation on property, plant and equipment is provided on prorata basis on straight-line method using the useful lives of the assets estimated by management and in the manner prescribed in Schedule II of the Companies Act 2013. The useful lives are as follows:

| <b>Assets</b>                 | <b>Useful life (in years)</b>                                       |
|-------------------------------|---|
| Property, Plant and Equipment | Over its useful life considered as 30 years as technically assessed |
| Computer Software             | Over a period of 5 years  |
| Other                         | Over the period of agreement of right to use                        |

Components relevant to fixed assets, where significant, are separately depreciated on straight line basis in terms of their life span assessed by technical evaluation in item specified context.

Lease hold improvements are depreciated on straight line basis over their initial agreement period.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

**2.7 (i) Goodwill**

No self-generated goodwill is recognized. Goodwill arises during the course of acquisition of an entity in terms of accounting treatment provided in IND AS-103 dealing with "Business Combination". Goodwill represents the excess of consideration money over the fair value of net assets of the entity under acquisition. Such goodwill is construed to have indefinite life and as such is not subject to annual amortization but annual test of impairment under IND AS - 36. Any shortfall in consideration money vis-a-vis fair value of net assets on account of bargain purchase is recognized in OCI at acquisition point and subsequently transferred to capital reserve.

**(ii) Intangible assets**

Intangible assets including software license of enduring nature and contractual rights acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangibles, excluding capitalized development cost, are not capitalized and the related expenditure is reflected in statement of Profit and Loss in the period in which the expenditure is incurred. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life is reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss in the expense category consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from disposal of the intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the assets are disposed off.

Intangible assets are amortized on a straight line basis over the estimated useful economic life which generally does not exceed 6 years.

| <b>Type of assets</b>  | <b>Basis</b>                                    |
|------------------------|---|
| ERP and other Software | Straight line basis over a period of six years. |

**(iii) Research and Development Costs (Product Development)**

Research costs are expensed as incurred. Development expenditure on an individual project is recognised as an intangible asset when the Group can demonstrate:

- (a) The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- (b) Its intention to complete and its ability and intention to use or sell the asset
- (c) How the asset will generate future economic benefits
- (d) The availability of resources to complete the asset
- (e) The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated

amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

During the period of development, the asset is tested for impairment annually.

## 2.8 Investment in Subsidiaries, associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The Group investment in subsidiary, associate and Joint venture are carried at cost as per IND AS 27. Investment accounted for at cost is accounted for in accordance with IND AS 105 when they are classified as held for sale and Investment carried at cost is tested for impairment as per IND AS 36. An investor, regardless of the nature of its involvement with an entity (the investee), shall determine whether it is a parent by assessing whether it controls the investee. An investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Thus, an investor controls an investee if and only if the investor has all the following:

- (a) power over the investee;
- (b) exposure, or rights, to variable returns from its involvement with the investee and
- (c) the ability to use its power over the investee to affect the amount of the investor's returns.

On disposal of investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

## 2.9 Investment Properties

Property that is held for long term rental yields or for capital appreciation or for both, and that is not occupied by the Group, is classified as investment property. Investment property is measured initially at its cost, including related transaction cost and where applicable borrowing costs. Subsequent expenditure is capitalised to assets carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance cost are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Investment property consist of land which is Carried at Cost.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of property is recognised in the Statement of Profit and Loss in the same period.

## 2.10 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

### I Financial Assets

The Group classifies its financial assets in the following measurement categories:

- (a) Those to be measured subsequently at fair value (either through other comprehensive income, or through profit & loss).
- (b) Those measured at amortised cost.

#### Initial recognition and measurement

Financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit and loss, transaction costs that are directly attributable to the acquisition of financial assets. Purchase or sale of financial asset that require delivery of assets within a time frame established by regulation or conversion in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase and sell the assets.

#### Subsequent measurement

For purposes of subsequent measurement financial assets are classified in following categories:

- (a) Debt instruments at amortized cost
- (b) Debt instruments at fair value through other comprehensive income (FVTOCI)
- (c) Debt instruments at fair value through profit and loss (FVTPL)
- (d) Equity instruments measured at fair value through other comprehensive income (FVTOCI)
- (e) Equity instruments measured at fair value through profit and loss (FVTPL)

Where assets are measured at fair value, gains and losses are either recognized entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognized in other comprehensive income (i.e. fair value through other comprehensive income). For investment in debt instruments, this will depend on the business model in which the investment is held. For investment in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for equity instruments at FVTOCI.

#### **Debt instruments at amortized cost**

A Debt instrument is measured at amortized cost if both the following conditions are met:

- (i) **Business Model Test:** The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- (ii) **Cashflow Characteristics Test:** Contractual terms of asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. The EIR amortization is included in finance income in statement of profit or loss. The losses arising from impairment are recognized in the statement of profit or loss. This category generally applies to trade, other receivables, loans and other financial assets.

#### **Debt instruments at fair value through OCI**

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- (i) Business Model Test: The objective of the business model is achieved by both collecting contractual cash flows and selling financial assets, and
- (ii) Cashflow Characteristics Test: The asset's contractual cash flows represent SPPI.

Debt instrument included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognises interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to statement of profit & loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

#### **Debt instruments at FVTPL**

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group has not designated any debt instrument as at FVTPL.

#### **Equity investments of other entities**

All equity investments in scope of IND AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income all subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

In case of equity instruments classified as FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and loss.

#### **Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of group of similar financial assets) is primarily derecognised when:

- (a) The right to receive cash flows from the assets have expired, or
- (b) The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass through" arrangement and either:
  - (i) the Group has transferred substantially all the risks and rewards of the asset, or

- (ii) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the Group has transferred its rights to receive cash flows from an asset or has entered into a passthrough arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. Where it has neither transferred nor retained substantially all of the risks and rewards of the assets, nor transferred control of the assets, the Group continues to recognise the transferred assets to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

#### **Impairment of financial assets**

In accordance with IND AS 109, the Group applies expected credit losses (ECL) model for measurement and recognition of impairment loss on the following financial asset and credit risk exposure:

- (a) Financial assets measured at amortized cost e.g. loans, debt securities, deposits, trade receivables and bank balance;
- (b) Financial assets measured at fair value through other comprehensive income(FVTOCI);
- (c) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18
- (d) Financial guarantee contracts which are not measured at FVTPL

The Group follows "simplified approach" for recognition of impairment loss allowance on:

- (a) Trade receivables or contract revenue receivables;
- (b) All lease receivables resulting from the transactions within the scope of IND AS 116

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12- months ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- (a) **Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables:** ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.
- (b) **Debt instruments measured at FVTOCI:** Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value.

For assessing increase in credit risk and impairment loss, the Group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

## **II Financial liabilities:**

### **Initial recognition and measurement**

Financial liabilities are classified at initial recognition as financial liabilities at fair value through statement of profit or loss, loans and borrowings, and payables, as appropriate.

All financial liabilities are recognised initially at fair value and in case of loans, borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

### **Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

**Trade Payables**

These amounts represents liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 120 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at fair value and subsequently measured at amortized cost using EIR method.

**Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through statement of profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through statement of profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through statement of profit or loss are designated as such at the initial date of recognition, and only if the criteria in IND AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to profit and loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit or loss. The Group has not designated any financial liability as at fair value through profit and loss.

**Loans and borrowings**

Borrowings are initially recognised at fair value, net of transaction cost incurred. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in statement of profit or loss when the liabilities are derecognised as well as through the EIR amortization process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

**Financial guarantee contracts**

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of IND AS 109 and the amount recognized less cumulative amortization.

**Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

**Reclassification of financial assets:**

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group’s senior management determines change in the business model as a result of external or internal changes which are significant to the Group’s operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

| <b>Original classification</b> | <b>Revised classification</b> | <b>Accounting treatment</b>   |
|--------------------------------|-------------------------------|---|
| Amortised cost                 | FVTPL                         | Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in statement of profit and loss. |
| FVTPL                          | Amortised cost                | Fair value at reclassification date become its new gross carrying amount. EIR is calculated based on the new gross carrying amount.                       |

|                |                |  |
|----------------|----------------|--|
| Amortised cost | FVTOCI         | Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.   |
| FVTOCI         | Amortised cost | Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost. |
| FVTPL          | FVTOCI         | Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.  |
| FVTOCI         | FVTPL          | Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to statement of profit and loss at the reclassification date.   |

#### Offsetting of financial instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

### 2.11 Inventories

#### (a) Basis of valuation

- (i) Raw Materials, Packing Materials and Stores and Spare parts are valued at lower of cost and net realizable value. Materials and other items held for use in the production of inventories are not written down below cost, if the finished products in which they will be incorporated are expected to be sold at or above cost. Raw Material, Packing Materials, Stores and Spares & and Raw Material contents of work in progress are valued by using the first in first out (FIFO) method.
- (ii) Finished goods, traded goods and work in progress are valued at cost or net realizable value whichever is lower.

#### (b) Method of Valuation

- (i) Cost of raw materials has been determined by using FIFO (first-in-first-out) method and comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.
- (ii) Cost of finished goods and work-in-progress includes direct labour and an appropriate share of fixed and variable production overheads. Fixed production overheads are allocated on the basis of normal capacity of production facilities. Cost is determined on weighted average basis.
- (iii) Cost of traded goods has been determined by using FIFO (first-in-first-out) method and comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.
- (iv) Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

### 2.12 Business Combinations

Common control business combinations includes transactions, such as transfer of subsidiaries or businesses, between entities within a group.

Business combinations involving entities or businesses under common control shall be accounted for using the pooling of interests method.

The pooling of interest method is considered to involve the following:

- (a) The assets and liabilities of the combining entities are reflected at their carrying amounts.
- (b) No adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonise accounting policies.
- (c) The financial information in the consolidated financial statements in respect of prior periods should be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior period information shall be restated only from that date.
- (d) The balance of the retained earnings appearing in the consolidated financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee.

## 2.13 Provisions and Contingent Liabilities

### Provisions

A provision is recognized when the Group has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

If the effect of time value of money is material, provisions are discounted using a current pre - tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is use, the increase in the provision due to the passage of time is recognised as a finance cost.

### Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases, where there is a liability that cannot be recognized because it cannot be measured reliably. the Group does not recognize a contingent liability but discloses its existence in the consolidated financial statements unless the probability of outflow of resources is remote.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

## 2.14 Taxes

Tax expense for the year comprises of direct tax and indirect tax.

### Direct Tax

#### (a) Current Tax

- i) Current income tax, assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income Tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in India as per Income Computation and Disclosure Standards (ICDS) where the Group operates and generates taxable income.
- ii) Current income tax relating to item recognized outside the statement of profit and loss is recognized outside profit or loss (either in other comprehensive income or equity). Current tax items are recognized in correlation to the underlying transactions either in statement of profit and loss or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### (b) Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets and liabilities are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

- (a) When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- (b) In respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside the statement of profit and loss is recognized outside the statement of profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the



underlying transaction either in OCI or direct in equity.

Deferred Tax includes Minimum Alternate Tax (MAT) recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Group will pay normal income tax during the specified period, i.e. the period for which MAT credit is allowed to be carried forward. The Group reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Group does not have convincing evidence that it will pay normal tax during the specified period.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

### **Indirect Tax**

Goods and Service Tax has been accounted for in respect of the goods cleared. The Group is providing Goods and Service tax liability in respect of finished goods. GST has been also accounted for in respect of services rendered. (w.e.f. 1st July, 2017 GST has been implemented. All the taxes like Excise Duty, Value Added Tax, etc. are subsummed in Goods and Service Tax.)

## **2.15 Revenue From Contracts with Customers**

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Amounts disclosed are inclusive of Goods and service tax and net of returns, trade discounts, rebates and amount collected on behalf of third parties. (w.e.f. 1st July, 2017 GST has been implemented. All the taxes like Excise Duty, Value Added Tax, etc. are subsummed in Goods and Service Tax.)

The Group assesses its revenue arrangements against specific criteria in order to determine if it is acting as principal or agent. The Group has concluded that it is acting as a principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks. The specific recognition criteria described below must also be met before revenue is recognised:

### **(a) Sale of goods**

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods and is measured at fair value consideration received/receivable, net of returns and allowances, discounts, volume rebates and cash discounts.

Revenue is usually recognised when it is probable that economic benefits associated with the transaction will flow to the entity, amount of revenue can be measured reliably and entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.

#### **i) Variable Consideration:**

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts for the sale of electronics equipment provide customers with a right of return and volume rebates. The rights of return and volume rebates give rise to variable consideration.

#### **ii) Contract Assets:**

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

### **(b) Rendering of Services**

Revenue from service related activities is recognised as and when services are rendered and on the basis of contractual terms with the parties.

### **(c) Interest Income**

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included

in other income in the statement of profit and loss.

**(d) Dividend from investment in Shares**

Dividend Income is recognized when the right to receive the payment is established which is generally when shareholders approve the dividend.

**(e) Claims**

Claims are recognised when there exists reasonable certainty with regard to the amounts to be realised and the ultimate collection thereof.

**2.16 Retirement and other Employee benefits**

**Short-term employee benefits and defined contribution plans**

All employee benefits payable/ available within twelve months of rendering the services are classified as short-term employee benefits. Benefits such as salaries, wages and bonus etc. are recognised in the Statement of Profit and Loss in the period in which the employee renders the related services.

**Provident fund**

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related services. If the contribution payable to scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excesses recognized as an asset to the extent that the prepayment will lead to , for example, a reduction in future payment or a cash refund.

**Gratuity (Unfunded)**

Gratuity is a defined benefit scheme. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

The Group recognises termination benefit as a liability and an expense when the Group has present obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the termination benefits fall due more than 12 months after the balance sheet date, they are measured at present value of future cash flows using the discount rate determined by reference to market yields at the balance sheet date on governments bonds.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on the planned assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of :

- (a) The date of the plan amendment or curtailment, and
- (b) The date that the Comoany recognises related restructuring cost

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Group recognises the following changes in the net defined benefit obligation as an expense in the Statement of Profit and Loss:

- (a) Service costs comprising current service costs, past service costs, gains and losses on curtailments and
- (b) Net interest expenses or income

**Compensated Absences**

Accumulated leave, which is expected to be utilised within next 12 months, is treated as short term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Group treats accumulated leave expected to be carried forward beyond 12 months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the period end. Re-measurement, comprising of actuarial gains and losses, are immediately taken to the Statement of Profit and Loss and are not deferred. The Group presents the leave as a current liability in the balance sheet to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Group has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is

presented as non-current liability.

### 2.17 Borrowing Costs

Borrowing cost includes interest and other costs incurred in connection with the borrowing of funds and charged to Statement of Profit & Loss on the basis of effective, interest rate (EIR) method. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset. All other borrowing costs are recognised as expense in the period in which they occur.

### 2.18 Government Grants

Government Grants are recognized at their fair value when there is reasonable assurance that the grant will be received and all the attached conditions will be complied with.

When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

When the Group receives grants of non-monetary assets, the asset and grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset.

### 2.19 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all potentially dilutive equity shares.

### 2.20 Impairment of non- financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Group's of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publically traded companies or other available fair value indicators.

Impairment losses including impairment on inventories, are recognized in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss.

### 2.21 segment accounting:

Based on "Management Approach" as defined in Ind AS 108- Operating Segments, the executive Management Committee evaluates the Group's performance and allocates the resources based on an analysis of various performance indicators by business segments.

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting

the consolidated statements of the Group as a whole.

## 2.22 Foreign currencies

The Group's financial statements are presented in Indian rupee (INR) which is also the Group's functional and presentation currency. Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ( 'the functional currency').

Foreign currency transactions are recorded on initial on initial recognition in the functional currency, using the exchange rate prevailing at the date of transaction.

### Measurement of foreign currency items at the balance sheet date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non- monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

### Exchange differences

Exchange differences arising on settlement or translation of monetary items are recognized as income or expense in the statement of profit and loss in the period in which they arise.

### Bank Guarantee and Letter of Credit

Bank Guarantee and Letter of Credits are recognised at the point of negotiation with Banks and covered at the rates prevailing on the date of Negotiation. However, outstanding at the period end are recognised at the rate prevailing as on that date and total sum is considered as contingent liability.

## 2.23 Dividend Distributions

The Group recognizes a liability to make payment of dividend to owners of equity when the distribution is authorized and is no longer at the discretion of the Group and is declared by the shareholders . A corresponding amount is recognized directly in equity.

## 2.24 Fair value measurement

The Group's measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (i) In the principal market for asset or liability, or
- (ii) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non- financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- |           |  |
|-----------|--|
| Level 1 - | Quoted(unadjusted) market prices in active markets for identical assets or liabilities   |
| Level 2 - | Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable |
| Level 3 - | Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable                      |

For assets and liabilities that are recognized in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization ( based on the lowest level

input that is significant to fair value measurement as a whole ) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

## 2.25 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

### The Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

#### (a) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the building (i.e. 30 and 60 years)

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 'Impairment of non-financial assets'.

#### (b) Lease Liabilities

At the commencement date of the lease, the group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the group and payments of penalties for terminating the lease, if the lease term reflects the group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

#### (c) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

### The Group as a lessor

Leases for which the group is a lessor is classified as finance or operating lease. Leases in which the group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

## 2.26 Significant accounting judgements, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

### Judgments

In the process of applying the Group's accounting policies, management has made the following judgments, which have the

most significant effect on the amounts recognized in the consolidated financial statements.

**(a) Operating lease commitments — Group as lessee**

The Group has taken various commercial properties on leases. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a substantial portion of the economic life of the commercial property, and that it does not retain all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

**(b) Assessment of lease contracts**

Significant judgment is required to apply lease accounting rules under Appendix C to IND AS 116 : determining whether an Arrangement contains a Lease. In assessing the applicability to arrangements entered into by the Group, management has exercised judgment to evaluate the right to use the underlying assets, substance of the transaction including legally enforced arrangements and other significant terms and conditions of the arrangement to conclude whether the arrangements meet the criteria under Appendix C to IND AS 116.

**Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

**a) Revenue from contracts with customers**

The Group applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

**Determining method to estimate variable consideration and assessing the constraint**

In estimating the variable consideration, the Group is required to use either the expected value method or the most likely amount method based on which method better predicts the amount of consideration to which it will be entitled. The Group determined that the expected value method is the appropriate method to use in estimating the variable consideration for revenue from operation, given the large number of customer contracts that have similar characteristics. Before including any amount of variable consideration in the transaction price, the Group considers whether the amount of variable consideration is constrained. The Group determined that the estimates of variable consideration are not constrained based on its historical experience, business forecast and the current economic conditions. In addition, the uncertainty on the variable consideration will be resolved within a short time frame.

**(b) Taxes**

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Group establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the companies.

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

**(c) Defined Benefit Plans**

The cost of defined benefit plans (i.e. Gratuity benefit) and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for the plans operated in India, management considers the interest rates of long term government bonds with extrapolated maturity corresponding to the expected duration of the defined benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to

change only at interval in response to demographic changes. Future salary increases and pension increases are based on expected future inflation rates for the respective countries.

Further details about the assumptions used, including a sensitivity analysis, are given in note no. 31(2).

**(d) Fair value measurement of financial instrument**

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See note no. 31(11) for further disclosures.

**(e) Impairment of financial assets**

The impairment provisions of financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

**(f) Impairment of non-financial assets**

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's CGU's fair value less cost of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Group's of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, or other fair value indicators.

**(g) Expected Credit Loss**

The Group has used a practical expedient by computing the expected credit loss allowances for trade receivables based on a provision matrix that takes into account historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the day of the receivables are due and the rates are given in the provision matrix.

**2.27 Cash and Cash Equivalents**

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of changes in value.

For the purpose of statement of cash flow, cash & cash equivalents consists of cash and short term deposits as defined above, net of outstanding bank overdrafts as they are considered as integral part of Group's cash management.

**3. Property, Plant and Equipment**

(Amount in Lakhs)

| Particulars                  | Land         | Factory Building | Plant and Equipments | Vehicles      | Office Equipments | Furniture & Fixtures | Air Conditioners | Computer      | Total           |
|------------------------------|--------------|------------------|----------------------|---------------|-------------------|----------------------|------------------|---------------|-----------------|
| <b>Gross Block (At cost)</b> |              |                  |                      |               |                   |                      |                  |               |                 |
| <b>At April 01, 2022</b>     | <b>18.35</b> | <b>236.47</b>    | <b>577.01</b>        | <b>69.76</b>  | <b>42.41</b>      | <b>11.29</b>         | <b>7.28</b>      | <b>962.57</b> |                 |
| Additions                    | -            | -                | -                    | 2.9           | 0.66              | -                    | 0.97             | 4.61          |                 |
| Disposals                    | -            | -                | -                    | -             | -                 | -                    | -                | -             | -               |
| <b>At March 31, 2023</b>     | <b>18.35</b> | <b>236.47</b>    | <b>577.01</b>        | <b>69.76</b>  | <b>45.38</b>      | <b>11.95</b>         | <b>7.28</b>      | <b>0.97</b>   | <b>967.17</b>   |
| Additions                    | -            | -                | 3.65                 | 45.55         | 1.32              | -                    | 2.03             | 52.55         |                 |
| Disposals                    | -            | -                | -                    | -             | -                 | -                    | -                | -             | -               |
| <b>At March 31, 2024</b>     | <b>18.35</b> | <b>236.47</b>    | <b>580.67</b>        | <b>115.31</b> | <b>46.70</b>      | <b>11.95</b>         | <b>7.28</b>      | <b>3.01</b>   | <b>1,019.73</b> |
| <b>Depreciation</b>          |              |                  |                      |               |                   |                      |                  |               |                 |
| <b>At April 01, 2022</b>     | -            | <b>19.55</b>     | <b>259.11</b>        | <b>43.43</b>  | <b>21.13</b>      | <b>9.74</b>          | <b>4.19</b>      | -             | <b>357.15</b>   |
| Charge for the year          | -            | 11.29            | 16.55                | 1.37          | 1.34              | 0.14                 | 0.16             | 0.17          | 31.01           |
| Disposals                    | -            | -                | -                    | -             | -                 | -                    | -                | -             | -               |
| <b>At March 31, 2023</b>     | -            | <b>30.84</b>     | <b>275.66</b>        | <b>44.80</b>  | <b>22.47</b>      | <b>9.88</b>          | <b>4.35</b>      | <b>0.17</b>   | <b>388.16</b>   |
| Charge for the year          | -            | 3.74             | 13.07                | 10.39         | 2.67              | 0.58                 | 0.35             | 0.67          | 31.46           |
| Disposals                    | -            | -                | -                    | -             | -                 | -                    | -                | -             | -               |
| <b>At March 31, 2024</b>     | -            | <b>34.58</b>     | <b>288.72</b>        | <b>55.19</b>  | <b>25.14</b>      | <b>10.46</b>         | <b>4.70</b>      | <b>0.84</b>   | <b>419.62</b>   |

**Notes: -**

- Depreciation has been provided prorata basis on straight line method using the useful lives and in the manner as prescribed under Schedule II of the Companies Act, 2013. (Refer Accounting Policies No. 2.6)
- The Parent Company has not revalued its Property, Plant and Equipment.
- Interest during construction paid during the year amounting to Rs.Nil/(March 31;2024: Rs. Nil/-) has been capitalised.
- The title in respect of self -constructed buildings and title deeds of all other immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as the balance sheet date.
- Vehicles taken on finance lease are financed from Yes Bank Limited and Kotak Mahindra Prime Limited. (Refer Note No. 14.1)
- Property, Plant and equipment pledged as security towards liabilities as on March 31,2024 and March 31, 2023 are as under (refer note no 14.1):

First and Exclusive Charge on Immovable Property Plot No. 57/1 and 57/1/19, industrial area site IV , Sahibabad, Ghaziabad in the name of the parent Company.

**4 INVESTMENTS IN ASSOCIATES, JOINT VENTURES**

(Amount in Lakhs)

|   | As at March 31, 2024 | As at March 31, 2023 |
|---|----------------------|----------------------|
| <b>Investments in equity instruments (unquoted) non-trade, (valued at cost)</b>   |                      |                      |
| <b>Investments in Associate Company</b>   |                      |                      |
| IFE Cranex Elevators & Excalators India Pvt. Ltd.<br>1,82,000 (26%) (March 31, 2023: 1,82,000 (26%)) equity shares of Rs.100/- each fully paid up | 162.52               | 182.00               |
| Add: Accumulated Reserves upto 31.03.2022   |                      | (13.95)              |
|   | <b>162.52</b>        | <b>168.05</b>        |
| Add: Share in profit/(loss) for the year ended  | (2.04)               | (5.53)               |
| <b>Aggregate amount of unquoted investments in associates</b>   | <b>160.48</b>        | <b>162.52</b>        |



|  | As at March<br>31, 2024 | As at March<br>31, 2023 |
|--|-------------------------|-------------------------|
| <b>Other Investments</b>   |                         |                         |
| <b>Investments in Joint Ventures</b>   |                         |                         |
| Shree Cranex (JV) [Refer Note (b) Below]   | 31.71                   | 31.71                   |
| <b>Aggregate amount of unquoted investments in associates &amp; Joint Ventures</b> | <b>192.19</b>           | <b>194.23</b>           |
| <b>Aggregate amount of impairment on value of investments &amp; Joint Ventures</b> | -                       | -                       |

**Notes: -**

- (a) Management is of the opinion that the fair value of the unquoted equity share of IFE Cranex Elevators & Excavators India Private Limited exceed the amount of investment made and hence there is no impairment in the value of investment.
- (b) During the financial year 2021-22, the Parent Company has invested an amount of Rs. 31.71 Lakhs in Shree Cranex (JV), a joint venture with Shree Construction. The share of the company as a designated partner in the total capital of the Joint Venture (JV) is 26 % which amounts to a capital contribution of Rs. 31.71Lakhs. The name and share of other designated partner of the Joint Venture (JV) are IFE Elevators Company Limited with a share of 74% which amounts to capital contribution of Rs. 124.55Lakhs.

**5 NON-CURRENT FINANCIAL ASSETS****5.1 NON-CURRENT INVESTMENTS****(a) Investments in equity instruments (unquoted), non trade****Valued at Fair Value through Other Comprehensive Income [FVTOCI]**

|  |             |             |
|--|-------------|-------------|
| Saraswat Co-operative Bank Ltd.                                      | 0.01        | 0.01        |
| 50 (March 31, 2023: 50 ) equity shares of Rs.10/- each fully paid up |             |             |
| <b>Aggregate amount of unquoted investments (At fair Value)</b>      | <b>0.01</b> | <b>0.01</b> |
| <b>Aggregate amount of unquoted investments (At Cost)</b>            | <b>0.01</b> | <b>0.01</b> |

**Notes:**

- (a) Management is of the opinion that there is no material change in the fair value of above investment.

**5.2 LONG TERM LOANS AND ADVANCES**

(Valued at amortised cost)

(Unsecured, considered good)

|                          |   |               |
|--------------------------|---|---------------|
| Other Loans and Advances | - | 158.96        |
|                          | - | <b>158.96</b> |

No loans and advances are due from firms or private companies respectively in which any director is a partner, a director or a member or other officers of the Company either severally or jointly with any other person.

**5.3 OTHER NON-CURRENT FINANCIAL ASSETS****(Valued at amortised cost)****(Unsecured, considered good)**

|   |               |               |
|---|---------------|---------------|
| Security deposits   | 52.55         | 28.59         |
| Fixed deposits held as margin money against bank guarantees having remaining maturity period of more than twelve months | 355.70        | 237.60        |
|   | <b>407.76</b> | <b>266.20</b> |

**Notes:**

- (i) Security deposits includes deposits against rent, electricity, telephone, shipping lines, vendors, etc.
- (ii) The deposits maintained by the Company with banks comprise of time deposits of varying periods of more than twelve months and earn interest at the respective deposit rates.



|                                   | (Amount In Lakhs)       |                         |
|-----------------------------------|-------------------------|-------------------------|
|                                   | As at March<br>31, 2024 | As at March<br>31, 2023 |
| <b>7 OTHER NON CURRENT ASSETS</b> |                         |                         |
| (Unsecured, considered good)      |                         |                         |
| Others                            |                         |                         |
| Prepaid expenses                  | 2.58                    | 2.33                    |
|                                   | <u>2.58</u>             | <u>2.33</u>             |

## Notes:

- (i) Prepaid expenses includes expenses related to License Fees & Insurance.

**8 INVENTORIES**

(Valued at lower of cost and net realisable value unless otherwise stated)

|                   |                 |                 |
|-------------------|-----------------|-----------------|
| Raw materials     | 545.39          | 728.52          |
| Work in progress. | 178.86          | 461.20          |
| Finished goods    | 406.89          | 420.02          |
|                   | <u>1,131.14</u> | <u>1,609.74</u> |

## Notes:

- (i) Inventories are hypothecated with the bankers against working capital limits. (refer note no. 17.1(i))  
(ii) Refer accounting policy no. 2.11 for mode of valuation of Inventories.

**9 CURRENT FINANCIAL ASSETS**

## 9.1 TRADE RECEIVABLES (valued at amortised cost)

|  |                 |                 |
|--|-----------------|-----------------|
| (a) Trade Receivables considered good-Secured                        | -               | -               |
| (b) Trade Receivables considered good-Unsecured                      | 2,704.57        | 2,103.34        |
| (c) Trade Receivables which have significant increase in Credit Risk | -               | -               |
| (d) Trade Receivables -Credit impaired                               | -               | -               |
|  | <u>2,704.57</u> | <u>2,103.34</u> |
| Less: Impairment allowance for trade receivables                     | -               | -               |
|  | <u>2,704.57</u> | <u>2,103.34</u> |

## Notes:

- (i) Trade receivables are usually on trade terms based on credit worthiness of customers as per the terms of contract with customers.  
(ii) No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person. Trade receivables due from firms or private companies respectively in which any director or partner is having a substantial interest are as under:

|                  |               |               |
|------------------|---------------|---------------|
| Shree Cranex -JV | 313.32        | 330.69        |
|                  | <u>313.32</u> | <u>330.69</u> |

**Trade Receivables aging schedule as at 31st March,2024**

| Particulars                          |   | Outstanding for following periods from due date of payment |                 |               |              |                   | Total           |
|--------------------------------------|---|--|-----------------|---------------|--------------|-------------------|-----------------|
|                                      |   | Less Than 6 Months   | 6 months 1 year | 1 - 2 years   | 2 - 3 years  | more than 3 years |                 |
| (i)                                  | Undisputed Trade receivables – considered good                                | 1,637.10   | 493.48          | 515.89        |              |                   | 2,646.48        |
| (ii)                                 | Undisputed Trade Receivables – which have significant increase in credit risk | -  | -               | -             | -            | -                 | -               |
| (iii)                                | Undisputed Trade Receivables – credit impaired                                | -  | -               | -             | -            | -                 | -               |
| (iv)                                 | Disputed Trade Receivables – considered good                                  | -  | -               | 58.10         | -            | -                 | 58.10           |
| (v)                                  | Disputed Trade Receivables – which have significant increase in credit risk   | -  | -               | -             | -            | -                 | -               |
| (vi)                                 | Disputed Trade Receivables – credit impaired                                  | -  | -               | -             | -            | -                 | -               |
| <b>Total</b>                         |   | <b>1,637.10</b>  | <b>493.48</b>   | <b>515.89</b> | <b>58.10</b> | <b>-</b>          | <b>2,704.57</b> |
| Less: Allowance for Trade Receivable |   | -  | -               | -             | -            | -                 | -               |
| <b>Total</b>                         |   | <b>1,637.10</b>  | <b>493.48</b>   | <b>515.89</b> | <b>58.10</b> | <b>-</b>          | <b>2,704.57</b> |

**Trade Receivables aging schedule as at 31st March,2023**

| Particulars                          |   | Outstanding for following periods from due date of payment |                 |               |              |                   | Total           |
|--------------------------------------|---|--|-----------------|---------------|--------------|-------------------|-----------------|
|                                      |   | Less Than 6 Months   | 6 months 1 year | 1 - 2 years   | 2 - 3 years  | more than 3 years |                 |
| (i)                                  | Undisputed Trade receivables – considered good                                | 1,162.79   | 556.78          | 271.87        | 30.51        | 23.30             | 2,045.25        |
| (ii)                                 | Undisputed Trade Receivables – which have significant increase in credit risk | -  | -               | -             | -            | -                 | -               |
| (iii)                                | Undisputed Trade Receivables – credit impaired                                | -  | -               | -             | -            | -                 | -               |
| (iv)                                 | Disputed Trade Receivables – considered good                                  | -  | -               | 58.10         | -            | -                 | 58.10           |
| (v)                                  | Disputed Trade Receivables – which have significant increase in credit risk   | -  | -               | -             | -            | -                 | -               |
| (vi)                                 | Disputed Trade Receivables – credit impaired                                  | -  | -               | -             | -            | -                 | -               |
| <b>Total</b>                         |   | <b>1,162.79</b>  | <b>556.78</b>   | <b>329.95</b> | <b>30.51</b> | <b>23.30</b>      | <b>2,103.34</b> |
| Less: Allowance for Trade Receivable |   | -  | -               | -             | -            | -                 | -               |
| <b>Total</b>                         |   | <b>1,162.79</b>  | <b>556.78</b>   | <b>329.95</b> | <b>30.51</b> | <b>23.30</b>      | <b>2,103.34</b> |

|  | (Amount In Lakhs)       |                         |
|--|-------------------------|-------------------------|
|  | As at March<br>31, 2024 | As at March<br>31, 2023 |
| <b>9.2 CASH AND CASH EQUIVALENTS</b>   |                         |                         |
| Balances with banks:   |                         |                         |
| Current accounts   | 0.93                    | 0.28                    |
| Cash on hand   | 0.41                    | 2.74                    |
|  | <u>1.34</u>             | <u>3.02</u>             |
| <b>Notes:</b>  |                         |                         |
| There are no restrictions with regard to cash and cash equivalents as at the end of the reporting period.  |                         |                         |
| <b>9.3 OTHER BANK BALANCES</b>   |                         |                         |
| Fixed deposits pledged with government departments having a original maturity period of more than three months but less than twelve months   | 145.68                  | 242.40                  |
|  | <u>145.68</u>           | <u>242.40</u>           |
| <b>Notes:</b>  |                         |                         |
| (i) The deposits maintained by the Parent Company with banks comprise of time deposits made of varying periods between three months to twelve months and earn interest at the respective short term deposit rates. |                         |                         |
| (ii) Fixed deposit with original maturity of more than twelve months but remaining maturity of less than twelve months have been disclosed under other bank balances. (refer note no.5.3)                          |                         |                         |
| <b>9.4 SHORT TERM LOANS AND ADVANCES</b>   |                         |                         |
| (Valued at amortised cost)   |                         |                         |
| (Unsecured, considered good)   | -                       | -                       |
| <b>9.5 OTHER CURRENT FINANCIAL ASSETS</b>  |                         |                         |
| (Valued at amortised cost)   |                         |                         |
| (Unsecured, considered good, unless otherwise stated)  |                         |                         |
| Security deposits  | 13.88                   | 12.08                   |
| Contract Assets*   | 134.85                  | -                       |
|  | <u>148.73</u>           | <u>12.08</u>            |
| <b>Notes:</b>  |                         |                         |
| (i) Security deposits include deposits with material suppliers.  |                         |                         |
| (ii) No amounts are due to directors or other officers of the Company or any of them either severally or jointly with any other person.  |                         |                         |
| <b>10 CURRENT TAX ASSETS (NET)</b>   |                         |                         |
| Advance Tax and TDS (net of provision for tax of Rs.23.50 Lakhs)   | -                       | 3.70                    |
|  | <u>-</u>                | <u>3.70</u>             |
| <b>11 OTHER CURRENT ASSETS</b>   |                         |                         |
| (Unsecured, considered good, unless otherwise stated)  |                         |                         |
| Advances against materials and services  | 106.14                  | 140.70                  |
| Balance with Statutory/ Government authorities   | 23.07                   | 0.74                    |
| Income Tax Refund due  | 29.71                   | 31.00                   |
| Prepaid Expenses   | 4.46                    | 7.62                    |
| Other advances   | 3.49                    | 33.24                   |
|  | <u>190.07</u>           | <u>213.31</u>           |
| <b>Notes:</b>  |                         |                         |
| (i) Prepaid expenses includes expenses related to License Fees & Insurance.  |                         |                         |
| (ii) Other advance include outstanding balance in staff imprest accounts, Staff loans & Advances and others.   |                         |                         |

|                                |   | (Amount In Lakhs)       |                         |
|--------------------------------|---|-------------------------|-------------------------|
|                                |   | As at March<br>31, 2024 | As at March<br>31, 2023 |
| <b>12 EQUITY SHARE CAPITAL</b> |   |                         |                         |
| <b>a) Authorized</b>           |   |                         |                         |
|                                | 100,00,000 equity shares of Rs.10/- each (March 31,2023:100,00,000 equity shares of Rs.10/- each) | 1,000.00                | 1,000.00                |
|                                |   | <hr/>                   | <hr/>                   |
|                                | <b>Issued, subscribed and fully paid up</b>   |                         |                         |
|                                | 60,00,000 equity shares of Rs.10/- each (March 31, 2023: 60,00,000 equity shares of Rs.10/- each) | 600.00                  | 600.00                  |

**b) Reconciliation of the shares outstanding at the beginning and at the end of the year**

|                                      | As at March 31, 2024 |                    | As at March 31, 2023 |                    |
|--------------------------------------|----------------------|--------------------|----------------------|--------------------|
|                                      | No. of<br>shares     | Amount in<br>Lakhs | No. of<br>shares     | Amount in<br>Lakhs |
| At the beginning of the year         | 6,000,000            | 600.00             | 6,000,000            | 600.00             |
| Add: Equity shares issued under ESPP | -                    | -                  | -                    | -                  |
| At the end of the year               | <hr/> 6,000,000      | <hr/> 600.00       | <hr/> 6,000,000      | <hr/> 600.00       |

**c) Terms/rights attached to equity shares**

The Parent Company has only one class of equity shares having a par value of Rs.10/- per share (March 31,2022 : Rs.10/- per share). Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**d) Details of shareholders holding more than 5% shares in the Company is set out below (representing legal and beneficial ownership):**

| Name of Shareholders       | As at March 31, 2024 |           | As at March 31, 2023 |           |
|----------------------------|----------------------|-----------|----------------------|-----------|
|                            | No. of<br>shares     | % holding | No. of<br>shares     | % holding |
| Mr. Piyush Agrawal         | 2,143,000            | 35.71%    | 1,668,200            | 27.80%    |
| Mr. Suresh Chandra Agrawal | -                    | -         | 474,800              | 7.91%     |

As per the records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

**e) Aggregate number of shares bought back, or issued as fully paid up pursuant to contract without payment being received in cash or by way of bonus shares during the period of five years immediately preceding the date of Balance Sheet:**

|   | As at March<br>31, 2024 | As at March<br>31, 2023 |
|---|-------------------------|-------------------------|
|   | No. of shares           | No. of shares           |
| Equity shares allotted as fully paid-up pursuant to contracts for consideration other than cash.                          | Nil                     | Nil                     |
| Equity shares allotted as fully paid up bonus shares by capitalisation of securities premium account and general reserve. | Nil                     | Nil                     |
| Equity shares bought back   | Nil                     | Nil                     |

## f) Details of Shareholding of promoters in the company :

## Shares Held by the Promoters at the end of the year

| Name of the Promoter         | No. of Shares Held |                  | % of Total Shares |               | % change during the year |
|------------------------------|--------------------|------------------|-------------------|---------------|--------------------------|
|                              | 2023-24            | 2022-23          | 2023-24           | 2022-23       |                          |
| 1 Mr. Piyush Agrawal         | 2,143,000          | 1,668,200        | 35.71%            | 27.80%        | 7.91%                    |
| 2 Mr. Suresh Chandra Agrawal | -                  | 474,800          | 0.00%             | 7.91%         | -7.91%                   |
| 3 Mrs. Ritu Agrawal          | 242,345            | 242,345          | 4.04%             | 4.04%         | 0.00%                    |
| 4 Chaitanya Agrawal          | 190,000            | 190,000          | 3.17%             | 3.17%         | 0.00%                    |
| <b>Total</b>                 | <b>2,575,345</b>   | <b>2,575,345</b> | <b>42.92%</b>     | <b>42.92%</b> |                          |

(Amount in Lakhs)

|                        | As at March 31, 2023 | As at March 31, 2023 |
|------------------------|----------------------|----------------------|
| <b>13 OTHER EQUITY</b> |                      |                      |
| Retained earnings      | 480.36               | 330.05               |
|                        | <b>480.36</b>        | <b>330.05</b>        |

## Notes:

## (a) Retained earnings

|  |        |         |
|--|--------|---------|
| As per the last balance sheet                              | 330.05 | 315.80  |
| Net profit /(loss) for the year                            | 149.84 | 56.42   |
| Share of Profit of Associates of earlier Years             |        | 5.13    |
| Gratuity Liability as on 01/04/2022 (refer note no. 31(3)) | -      | (49.91) |

**Items of other comprehensive income recognised directly in retained earnings**

|  |               |               |
|--|---------------|---------------|
| Re-measurement gains /(losses) on defined benefit plans (net of tax) | 0.47          | 2.60          |
|  | <b>480.36</b> | <b>330.05</b> |

## (b) Nature &amp; Purpose of Reserves

## Retained earnings

Retained Earnings are profit the Parent Company has earned till date less transfer to General Reserve, dividend or other distribution or transaction with shareholders.

**14 NON CURRENT FINANCIAL LIABILITIES****14.1 BORROWINGS****Term Loan from Banks (Secured)**

|                             |              |              |
|-----------------------------|--------------|--------------|
| Kotak Mahindra Bank Limited | 19.23        | 50.16        |
|                             | <b>19.23</b> | <b>50.16</b> |

|  |       |              |
|--|-------|--------------|
| Less : Current Maturity of Long Term Borrowing | 19.23 | 30.94        |
| Non-Current Portion                            | -     | <b>19.23</b> |

|  | (Amount In Lakhs)       |                         |
|--|-------------------------|-------------------------|
|  | As at March<br>31, 2024 | As at March<br>31, 2023 |
| <b>Finance Lease Obligations</b>                     |                         |                         |
| <b>From Banks</b>                                    |                         |                         |
| Yes Bank Limited                                     | -                       | 1.41                    |
| HDFC Bank Limited                                    | 41.55                   |                         |
| <b>From Others</b>                                   |                         |                         |
| Kotak Mahindra Prime Limited                         | -                       | 1.38                    |
|  | <b>41.55</b>            | <b>2.79</b>             |
| Less : Current Maturity of Finance lease obligations | 7.21                    | 2.79                    |
| Non-Current Portion                                  | <b>34.33</b>            | -                       |
| <b>Term Loan from Others</b>                         |                         |                         |
| IFE Cranex Elevators & Escalators India (Associate)  | 616.63                  | 622.62                  |
|  | <b>616.63</b>           | <b>622.62</b>           |
|  | <b>650.97</b>           | <b>641.85</b>           |

**Notes:**

**A) Term Loan from Kotak Mahindra Bank**

- I The Parent Company, working capital term loan from Kotak Mahindra Bank Limited is taken for a sum of Rs. 90 Lakhs ( Outstanding Balance as on 31.03.2024 Rs. 19.23 Lakhs) under WCCTL Guranteed Emergency Credit Line (GECL) to provide liquidity support and build up current asset and meet operational liabilities affected due to Covid 19 Pandemic
- II The Term loan is secured by way of second exclusive hypothecation charge on all existing and future current assets, movable fixed assets.
- III The Term loan is further secured by Exclusive Equitable Charge on Immovable Property Plot No. 57/1 and 57/1/19, industrial area site IV, Sahibabad, Ghaziabad in the name of Cranex Ltd.

**IV Terms of Repayment:**

Term Loan of Rs. 90 Lakhs :- Commencing from 15th Nov. 2020 repayable in total of 48 installments which are as follows:

|                      |                  |                                   |
|----------------------|------------------|-----------------------------------|
| 1st Installment      | Rs. 60,983.60/-  | Interest Component Only           |
| 2nd Installment      | Rs. 59,016.39/-  | Interest Component Only           |
| 3rd Installment      | Rs. 61,059.06/-  | Interest Component Only           |
| 4th Installment      | Rs. 61,150.68/-  | Interest Component Only           |
| 5th Installment      | Rs. 55,232.88/-  | Interest Component Only           |
| 6th Installment      | Rs. 61,150.68/-  | Interest Component Only           |
| 7th Installment      | Rs. 59,178.08/-  | Interest Component Only           |
| 8th Installment      | Rs. 61,150.68/-  | Interest Component Only           |
| 9th Installment      | Rs. 59,178.08/-  | Interest Component Only           |
| 10th Installment     | Rs. 61,150.68/-  | Interest Component Only           |
| 11th Installment     | Rs. 61,150.68/-  | Interest Component Only           |
| 12th Installment     | Rs. 59,178.08/-  | Interest Component Only           |
| Next 35 Installments | Rs. 282,027.00/- | Principal Component Plus Interest |
| Last Installment     | Rs. 282,189.76/- | Principal Component Plus Interest |

- V The Parent Company has borrowings from banks on the basis of current assets. The Parent Company has complied with the requirement of filing of quarterly returns/statements of security of current assets with the banks or financial institutions, as applicable, and these returns were in agreement with the books of accounts except as shown in note no 31(8).

The differences are due to unaudited/provisional figures filed with banks

- VI The borrowings obtained by the Parent Company from banks have been applied for the purposes for which such loans were



taken. In respect of term loans which were taken in the previous year, those were applied in the respective year for the purpose for which the loan were obtained.

VII There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

#### B) Finance Lease Obligations

Long term maturities of finance lease obligations secured against hypothecation of respective vehicles under finance lease are as under:-

| Name of Lendor           | Nature of Lease | Terms of repayments (Including Interest)   |
|--------------------------|-----------------|--|
| Kotak Mahindra Prime Ltd | Finance Lease   | Repayable in total 60 monthly equal instalments Rs.20,708/- all including interest, commencing from 05th Oct 2018.       |
| Kotak Mahindra Prime Ltd | Finance Lease   | Repayable in total 60 monthly equal instalments Rs.30,345/- all including interest, commencing from 05th Jan 2018.       |
| Kotak Mahindra Prime Ltd | Finance Lease   | Repayable in total 60 monthly equal instalments Rs.14,900/- all including interest, commencing from 05th Jan 2018.       |
| Yes Bank Limited         | Finance Lease   | Repayable in total 60 monthly equal instalments Rs.14,480/- all including interest, commencing from 15th September 2018. |
| Yes Bank Limited         | Finance Lease   | Repayable in total 60 monthly equal instalments Rs.17,732/- all including interest, commencing from 15th August 2018.    |
| Yes Bank Limited         | Finance Lease   | Repayable in total 60 monthly equal instalments Rs.15,952/- all including interest, commencing from 02nd Jan 2018.       |
| HDFC Bank                | Finance Lease   | Repayable in total 60 monthly equal instalments Rs.41,741/- all including interest, commencing from 07th Mar 2024.       |
| HDFC Bank                | Finance Lease   | Repayable in total 60 monthly equal instalments Rs.44,554/- all including interest, commencing from 05th Apr 2024.       |

C) Unsecured Loan IFE Cranex Elevators & Escalators India Pvt. Ltd.- An Associate Company.

The said loan has been granted in lieu of bank gurantees given by the Company for projects.The Loan is interest free and is repayable on extinguishment of bank gurantees as and when it occurs. There are no amount due for repayment in F.Y 2024-25.

D) The Parent Company has not defaulted in repayment of principal amount and interest during the year and complied with loan covenants of the lenders.

(Amount In Lakhs)

|  | As at March<br>31, 2024 | As at March<br>31, 2023 |
|--|-------------------------|-------------------------|
| <b>15 NON CURRENT PROVISIONS</b>                                   |                         |                         |
| Provision for employee benefits                                    |                         |                         |
| Gratuity (refer note no.32(1))                                     | 52.62                   | 46.77                   |
|  | <b>52.62</b>            | <b>46.77</b>            |
| <b>16 OTHER NON-CURRENT LIABILITIES</b>                            | -                       | -                       |
|  | -                       | -                       |
| <b>17 CURRENT FINANCIAL LIABILITIES</b>                            |                         |                         |
| <b>17.1 SHORT TERM BORROWINGS</b>                                  |                         |                         |
| <b>SECURED (at Amortised Cost)</b>                                 |                         |                         |
| <b>Repayable on Demand</b>   |                         |                         |
| Cash Credit facility - Kotak Mahindra Bank Limited ( See Note i)   | 806.38                  | 446.05                  |
| Cash Credit facility - Canara Bank Limited (refer note no. 31(6) ) | 2.73                    | -                       |
| Current maturities of long-term borrowings                         | 19.23                   | 30.94                   |
| Current maturities of finance lease obligation                     | 7.21                    | 2.79                    |
|  | <b>835.54</b>           | <b>479.77</b>           |

|  | (Amount In Lakhs)       |                         |
|--|-------------------------|-------------------------|
|  | As at March<br>31, 2024 | As at March<br>31, 2023 |
| <b>UNSECURED (at Amortised Cost)</b>                   |                         |                         |
| <b>Loan from Related Parties</b>                       |                         |                         |
| Loans and advances from related parties ( See Note iv) | 972.80                  | 1,049.62                |
| <b>Others</b>  |                         |                         |
| National Small Industries Corporation Limited          | 247.69                  | 238.63                  |
|  | <u>1,220.49</u>         | <u>1,288.24</u>         |
|  | <u>2,056.03</u>         | <u>1,768.02</u>         |

**Notes:**

- (i) The Parent Company has availed working capital limits of Rs.2850 Lakhs (Previous Year Rs.2850 Lakhs) from Kotak Mahindra Bank which is secured by way of first charge on Book Debts of the Company. In the given working capital limit, fund based limit is of Rs. 1140 Lakhs and Non Fund based limit is to the extent of Rs. 1800 Lakhs.

The Working Capital Limit is secured by way of first and exclusive hypothecation charge on all existing and future and current assets, movable fixed assets or any interest therein.

The Working Capital limit is further secured by Exclusive Equitable Charge on Immovable Property Plot No. 57/1 and 57/1/19, industrial area site IV, Sahibabad, Ghaziabad in the name of the Parent Company

The Parent Company has borrowings from banks on the basis of current assets. The Parent Company has complied with the requirement of filing of quarterly returns/statements of security of current assets with the banks or financial institutions, as applicable, and these returns were in agreement with the books of accounts except as shown in note no. 31(9).

The differences are due to unaudited/provisional figures filed with banks

Aggregate amount of Working Capital Limits secured by way of personal guarantees of Mr. Piyush Aggarwal (Director) and Mr. Chaitanya Aggarwal (Director)

**809.10      446.05**

- (ii) The Parent Company has been sanctioned an unsecured loan of Rs. 1,796.20 lakhs & Rs. 500.00 lakhs by National Small Industries Corporation Limited (NSICL) for its business needs. The Company has not furnished any security. However, Bank Gurantee equivalent to the value of limit sanctioned from Kotak Mahindra Bank been charged against the said loan.
- (iii) The effective rate of interest on short term borrowings ranges between 13% p.a. to 14.5% p.a. during the year, depending upon the prime lending rate of the banks and financial institutions at the time of borrowing, wherever applicable, and interest rate spread agreed with the banks
- (iv) Loan from related parties contains Interest free loan from directors which are repayable on demand.

Amounts due to Directors & Related Parties are as under:

|                        |               |                 |
|------------------------|---------------|-----------------|
| Amitabh Aggarwal (HUF) | 146.72        | 231.72          |
| Chaitanya Agrawal      | 275.15        | 254.70          |
| Piyush Agrawal         | 550.93        | 492.53          |
| S.C. Agrawal           | -             | 70.67           |
|                        | <u>972.80</u> | <u>1,049.62</u> |

- (v) There are no default in the repayment of borrowings and interests as on the date of the balance sheet.

**17.2 TRADE PAYABLES**

|  |                 |                 |
|--|-----------------|-----------------|
| Total outstanding dues of micro and small enterprises                      | 129.96          | 13.96           |
| Total outstanding dues of creditors other than micro and small enterprises | 1,173.86        | 1,367.33        |
|  | <u>1,303.81</u> | <u>1,381.29</u> |

**Trade payables ageing schedule for the year ended as on March 31, 2024 :**

| Particulars                 | Outstanding for following periods from due date of payment |                   |               |              |                   | Total           |
|-----------------------------|--|-------------------|---------------|--------------|-------------------|-----------------|
|                             | Not due  | Less than 1 Years | 1 - 2 years   | 2 - 3 years  | more than 3 years |                 |
| (i) MSME                    | 8.75   | 109.24            | 8.09          | 0.71         | 3.17              | 129.96          |
| (ii) Others                 | 39.06  | 669.61            | 443.17        | 13.61        | 0.44              | 1,165.90        |
| (iii) Disputed dues – MSME  | -  | -                 | -             | -            | -                 | -               |
| (iv) Disputed dues - Others | -  | -                 | -             | -            | 7.96              | 7.96            |
| <b>Total</b>                | <b>47.81</b>   | <b>778.85</b>     | <b>451.26</b> | <b>14.32</b> | <b>11.57</b>      | <b>1,303.81</b> |

**Trade payables ageing schedule for the year ended as on March 31, 2023:**

| Particulars                 | Outstanding for following periods from due date of payment |                   |               |             |                   | Total           |
|-----------------------------|--|-------------------|---------------|-------------|-------------------|-----------------|
|                             | Not due  | Less than 1 Years | 1 - 2 years   | 2 - 3 years | more than 3 years |                 |
| (i) MSME                    | -  | 13.96             |               |             |                   | 13.96           |
| (ii) Others                 | -  | 1,213.53          | 146.69        | 0.08        |                   | 1,360.30        |
| (iii) Disputed dues – MSME  | -  | -                 | -             | -           | -                 | -               |
| (iv) Disputed dues - Others | -  |                   | 7.03          | -           | -                 | 7.03            |
| <b>Total</b>                | <b>-</b>   | <b>1,227.49</b>   | <b>153.72</b> | <b>0.08</b> | <b>-</b>          | <b>1,381.29</b> |

**Notes:**

\* Trade payables includes due to related parties Rs. Nil/- (March 31, 2023: Nil/-)

\* The amounts are unsecured and non-interest bearing and are usually on varying trade term.

(i) Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for the year ended March 31, 2024 is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the Parent Company.

|       |  |        |       |
|-------|--|--------|-------|
| (i)   | Principal amount and interest due thereon remaining unpaid to any supplier covered under MSMED Act:  |        |       |
|       | Principal  | 129.95 | 13.96 |
|       | Interest   | Nil    | Nil   |
| (ii)  | The amount of interest paid by the buyer in terms of section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.   | Nil    | Nil   |
| (iii) | The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act.  | Nil    | Nil   |
| (iv)  | The amount of interest accrued and remaining unpaid at the end of each accounting year.  | Nil    | Nil   |
| (v)   | The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006 | Nil    | Nil   |

(ii) The information in respect of party determined under the MSMED Act 2006, has been identified on the basis of information available with the Parent Company.

|   | (Amount In Lakhs)       |                         |
|---|-------------------------|-------------------------|
|   | As at March<br>31, 2024 | As at March<br>31, 2023 |
| <b>17.3 OTHER FINANCIAL LIABILITIES</b>   |                         |                         |
| Employee Benefit Expenses   | 84.74                   | 89.12                   |
| Other payables  | 70.85                   | 155.30                  |
|   | <b>155.59</b>           | <b>244.42</b>           |
| <b>Notes:</b>   |                         |                         |
| (i) Employees benefit expenses include payable to directors and other related parties are as under:   |                         |                         |
| Chaitanya Agrawal (Remuneration)  | 0.84                    | 0.98                    |
| Piyush Agrawal  | 1.19                    | 1.50                    |
| Shilpy Chopra   | 0.03                    | 0.15                    |
| (ii) Other payables are in respect of audit fee, payable against letter of credits and provision for other expenses.  |                         |                         |
| <b>18 OTHER CURRENT LIABILITIES</b>   |                         |                         |
| Revenue received in advance   |                         |                         |
| Advance from customers  | 87.23                   | 131.81                  |
| Statutory dues  |                         |                         |
| Goods and Service Tax (GST)   | 77.19                   | 28.57                   |
| Others statutory dues   |                         |                         |
| PF Payable  | 3.62                    | 3.62                    |
| ESI Payable   | 0.46                    | 0.45                    |
| TDS Payable   | 3.19                    | 4.16                    |
| Other liabilities (refer note (i) below)  | -                       | 5.70                    |
|   | <b>171.69</b>           | <b>174.31</b>           |
| <b>Notes:</b>   |                         |                         |
| (i) Other liabilities are in respect of miscellaneous liabilities payable.  |                         |                         |
| <b>19 CURRENT PROVISIONS</b>  |                         |                         |
| Provision for employee benefits   |                         |                         |
| Gratuity (refer note no.31(2))  | 17.26                   | 12.34                   |
|   | <b>17.26</b>            | <b>12.34</b>            |
| <b>Notes:</b>   |                         |                         |
| (i) Provisions are recognized for Gratuity. The provisions are recognized on the basis of past events and probable settlements of the present obligations as a result of the past events, in accordance with Indian Accounting Standard-37 issued by the Institute of Chartered Accountants of India. |                         |                         |
| <b>The movement of provisions are as under:-</b>  |                         |                         |
| <b>At the beginning of the year</b>   |                         |                         |
| Gratuity (Non-current Rs 39.62 Lakhs)   | 59.11                   | 49.91                   |
| Income Tax  | 23.50                   | 15.45                   |
| <b>Arising during the year</b>  |                         |                         |
| Gratuity (Includes items of OCI)  | 13.12                   | 9.68                    |
| Income Tax  | 50.95                   | 23.50                   |

|   | (Amount In Lakhs)       |                         |
|---|-------------------------|-------------------------|
|   | As at March<br>31, 2024 | As at March<br>31, 2023 |
| <b>Utilised during the year</b>   |                         |                         |
| Gratuity  | 2.35                    | 0.48                    |
| Income Tax  | 23.50                   | 15.45                   |
| <b>At the end of the year</b>   |                         |                         |
| Gratuity (Non-Current Rs. 46.77 Lakhs)  | 69.88                   | 59.11                   |
| Income Tax  | 50.95                   | 23.50                   |
| <b>20 CURRENT TAX LIABILITIES (NET)</b>   |                         |                         |
| Income Tax  | 4.94                    | -                       |
|   | <b>4.94</b>             | <b>-</b>                |
| <b>21 REVENUE FROM OPERATIONS</b>   |                         |                         |
| <b>Sale of Products</b>   | 4,841.76                | 3,104.04                |
| <b>Sale of services</b>   | 1,369.65                | 1,033.72                |
|   | <b>6,211.41</b>         | <b>4,137.75</b>         |
| <b>(i) Timing of Revenue Recognition</b>  |                         |                         |
| Goods transferred at a point in time  | 4,841.76                | 3,104.04                |
| Services transferred over the time  | 1,369.65                | 1,033.72                |
|   | <b>6,211.41</b>         | <b>4,137.75</b>         |
| <b>(ii) Disaggregation of revenue based on product or service</b>   |                         |                         |
| Cranes  | 4,711.24                | 2,626.84                |
| Accessories   | 8.90                    | 448.39                  |
| Erection & Installation   | 1,368.68                | 929.18                  |
| Freight   | 0.97                    | 104.54                  |
| Test Rig  | 84.42                   | -                       |
| Grocery Items   | 37.20                   | 28.81                   |
|   | <b>6,211.41</b>         | <b>4,137.75</b>         |
| <b>(iii) Revenue by location of customers</b>   |                         |                         |
| India   | 6,174.21                | 4,040.91                |
| Outside India   | 37.20                   | 96.84                   |
|   | <b>6,211.41</b>         | <b>4,137.75</b>         |
| <b>(iv) Reconciliation of revenue recognised in statement of profit and loss with contracted price</b>  |                         |                         |
| Revenue as per contracted price   | 6,211.41                | 4,137.75                |
| Less: Cash Discount   | -                       | -                       |
|   | <b>6,211.41</b>         | <b>4,137.75</b>         |
| <b>(v) Performance Obligation</b>   |                         |                         |
| <b>Sale of products:</b> Performance obligation in respect of sale of goods is satisfied when control of the goods is transferred to the customer, generally on delivery of the goods and payment is generally due as per the terms of contract with customers  |                         |                         |
| <b>Sales of services:</b> The performance obligation in respect of maintenance services is satisfied over a period of time and acceptance of the customer. In respect of these services, payment is generally due upon completion of maintenance period based on time elapsed and acceptance of the customer. |                         |                         |

|  |  | (Amount In Lakhs)               |                                 |                                  |
|--|--|---------------------------------|---------------------------------|----------------------------------|
|  |  | As at March<br>31, 2024         | As at March<br>31, 2023         |                                  |
| <b>22 OTHER INCOME</b>   |  |                                 |                                 |                                  |
|  | <b>a) Interest received on financial assets carried at amortised cost:</b> |                                 |                                 |                                  |
|  | Interest Income from Banks   | 31.74                           | 36.40                           |                                  |
|  | Interest Income from others  | -                               | 2.83                            |                                  |
|  | <b>b) Other non-operating income</b>                                       |                                 |                                 |                                  |
|  | Foreign Currency Exchange Fluctuations (Net)                               | 30.28                           | -                               |                                  |
|  | Miscellaneous income   | 39.15                           | 7.67                            |                                  |
|  |  | <b>101.17</b>                   | <b>46.90</b>                    |                                  |
| <b>23 COST OF MATERIALS CONSUMED</b>                                       |  |                                 |                                 |                                  |
|  | MS Plate and Pipe  | 1,119.83                        | 794.09                          |                                  |
|  | Motor  | 316.06                          | 111.15                          |                                  |
|  | Control Panel  | 83.84                           | 87.04                           |                                  |
|  | Forging Items  | 125.11                          | 41.76                           |                                  |
|  | Control Gear   | 45.62                           | 61.75                           |                                  |
|  | Cable  | 91.52                           | 60.56                           |                                  |
|  | Gear Box   | 162.95                          | 76.26                           |                                  |
|  | MS Profile   | 94.55                           | 31.00                           |                                  |
|  | Brake  | 73.20                           | 48.44                           |                                  |
|  | Consumable Stores  | 1,869.32                        | 1,201.68                        |                                  |
|  |  | <b>3,982.01</b>                 | <b>2,513.73</b>                 |                                  |
| <b>24 PURCHASE OF STOCK IN TRADE (TRADED GOODS)</b>                        |  |                                 |                                 |                                  |
|  | Purchase Traded Goods (Grocery Items)                                      | 57.93                           | 9.50                            |                                  |
|  |  | <b>57.93</b>                    | <b>9.50</b>                     |                                  |
|  |  | <b>As at March<br/>31, 2024</b> | <b>As at March<br/>31, 2023</b> | <b>(Increase) /<br/>Decrease</b> |
|  |  | <b>% holding</b>                | <b>No. of<br/>shares</b>        | <b>% holding</b>                 |
| <b>25 CHANGE IN INVENTORIES OF FINISHED GOODS AND<br/>WORK-IN-PROGRESS</b> |  |                                 |                                 |                                  |
|  | Inventories at the end of the year   |                                 |                                 |                                  |
|  | Finished goods   | 406.89                          | 420.02                          | 13.14                            |
|  | Work-in-Progress   | 178.86                          | 461.20                          | 282.34                           |
|  |  | <b>585.75</b>                   | <b>881.22</b>                   | <b>295.48</b>                    |
|  | <b>Inventories at the beginning of the year</b>                            |                                 |                                 |                                  |
|  | Finished goods   | 420.02                          | -                               | (420.02)                         |
|  | Work-in-Progress   | 461.20                          | 928.76                          | 467.56                           |
|  |  | <b>881.22</b>                   | <b>928.76</b>                   | <b>47.54</b>                     |
|  | (Increase)/ Decrease in stocks   | <b>295.48</b>                   | <b>47.54</b>                    |                                  |

**Details of inventories at the end of the year****a) Finished Goods**

|           |               |               |              |
|-----------|---------------|---------------|--------------|
| Escalator | 406.89        | 420.02        | 13.14        |
|           | <b>406.89</b> | <b>420.02</b> | <b>13.14</b> |

**b) Work-in-Progress**

|        |               |               |               |
|--------|---------------|---------------|---------------|
| Cranes | 178.86        | 461.20        | 282.34        |
|        | <b>178.86</b> | <b>461.20</b> | <b>282.34</b> |

**Details of inventories at the beginning of the year****a) Finished Goods**

|           |               |          |                 |
|-----------|---------------|----------|-----------------|
| Escalator | 420.02        | -        | (420.02)        |
|           | <b>420.02</b> | <b>-</b> | <b>(420.02)</b> |

**b) Work-in-Progress**

|        |               |               |               |
|--------|---------------|---------------|---------------|
| Cranes | 461.20        | 928.76        | 467.56        |
|        | <b>461.20</b> | <b>928.76</b> | <b>467.56</b> |

(Amount In Lakhs)

|  | As at March<br>31, 2024 | As at March<br>31, 2023 |
|--|-------------------------|-------------------------|
| <b>26 EMPLOYEE BENEFITS EXPENSES</b>   |                         |                         |
| Salary, Wages, Bonus and other benefits                                      | 407.41                  | 480.08                  |
| Contribution towards PF and ESI  | 25.47                   | 29.48                   |
| Gratuity   | 13.75                   | 13.16                   |
| Staff welfare expenses   | 1.48                    | 3.93                    |
|  | <b>448.11</b>           | <b>526.66</b>           |
| Employee benefits expense include managerial remuneration as detailed below: |                         |                         |
| Salary   | 24.00                   | 30.00                   |
| <b>27 FINANCE COSTS</b>  |                         |                         |
| Interest Expense   | 101.92                  | 81.80                   |
| Other Borrowing Costs  | 42.73                   | 33.92                   |
|  | <b>144.65</b>           | <b>115.72</b>           |
| <b>28 DEPRECIATION AND AMORTISATION EXPENSES</b>                             |                         |                         |
| Depreciation on tangible assets  | 31.46                   | 31.01                   |
|  | <b>31.46</b>            | <b>31.01</b>            |
| <b>29 OTHER EXPENSES</b>   |                         |                         |
| Consumption of Stores and Spares   | 1.95                    | 1.97                    |
| Power and Fuel   | 32.94                   | 27.99                   |
| Job Work and Erection Charges  | 342.49                  | 268.20                  |
| Hire Charges   | 5.69                    | 6.01                    |
| Project Site Expenses  | 108.49                  | 54.69                   |
| Testing Charges  | 16.17                   | 4.70                    |
| Rent   | 5.15                    | 4.84                    |
| Repairs to Machinery   | 14.96                   | 17.80                   |
| Repairs Others   | 0.38                    | 0.67                    |
| Security Charges   | 65.86                   | 20.94                   |

|  | (Amount In Lakhs)       |                         |
|--|-------------------------|-------------------------|
|  | As at March<br>31, 2024 | As at March<br>31, 2023 |
| Insurance  | 11.73                   | 19.85                   |
| Rates and Taxes  | 2.99                    | 1.86                    |
| Legal & Professional Charges   | 38.24                   | 26.96                   |
| Travel, Conveyance and Vehicle Maintenance   | 37.03                   | 27.27                   |
| Telephone, Internet, Postage & Courier   | 6.12                    | 4.94                    |
| Pattern & Drawing Charges  | 0.76                    | 3.32                    |
| Bad debts and sundry balances written off  | 111.08                  | 56.29                   |
| Payment to Auditors  |                         |                         |
| Audit fee  | 4.50                    | 4.50                    |
| Tax audit fee  | 0.50                    | 0.50                    |
| Certificate & Other Charges  | 0.35                    | 0.05                    |
| Exchange Fluctuation   | -                       | 24.21                   |
| Transportation expenses and Export Expenses  | 299.08                  | 199.59                  |
| Business Promotion and Marketing Expenses  | 1.34                    | 4.52                    |
| Miscellaneous expenses   | 28.32                   | 33.13                   |
|  | <b>1,136.11</b>         | <b>814.81</b>           |
| <b>30 Contingent liabilities (to the extent not provided for)</b>  |                         |                         |
| a) Claims filed against the Group not acknowledged as debts  | 15.98                   | 9.97                    |
| b) Bank guarantees obtained from banks<br>(Margin money Rs. 513.04 Lakhs)  | 1,683.70                | 1,472.80                |
| c) Disputed tax liabilities in respect of pending cases before Appellate Authorities (refer point (ii))<br>(Advance paid Rs. 5.94 Lakhs (March 31,2023 Rs. Lakhs)) | 5.94                    | 18.51                   |
| d) Demand raised by TDS Department (Tax Deduction at Source)(refer point (iii))  | 3.83                    | 1.12                    |
|  | <b>1,709.45</b>         | <b>1,502.39</b>         |

**Notes:**

(i) (a) A claim has been filed against the Company by a supplier for recovery which is pending before The Honble District Judge (Commercial Court)-02 North-West. No provision for the same has been made since the Company has disputed the liability.

|              |             |
|--------------|-------------|
| 15.98        | 9.97        |
| <b>15.98</b> | <b>9.97</b> |

(ii) The various disputed tax litigations are as under :

| Sl.       | Description  | Court/ Authority  | Financial year to which relates | Disputed Amount      |                      |
|-----------|--|---|---------------------------------|----------------------|----------------------|
|           |  |   |                                 | As at March 31, 2024 | As at March 31, 2023 |
| a)<br>(i) | <b>Goods &amp; Services Tax</b><br>Demand raised by the GST Department (Excluding Penalty) | Addl. Commissioner, Gr. 2(Appeal) - IV, State Goods & Services Tax, Ghaziabad | 2018-19                         | -                    | 18.51 lakhs          |
| (ii)      | Demand raised by the GST Department (Excluding Penalty) (Amount deposited Rs. 5.94 Lakh)   | Addl. Commissioner, Gr. 2(Appeal) Meerut -I                                   | 2023-24                         | 5.94                 | -                    |



- (iii) The Parent Company has outstanding TDS demands of Rs. 3.83 Lakh son account of short deductions and interest u/s 201 and 220(2) of the Income Tax Act, 1961. The Company will be filing the revised returns/applications and it is expected that there will be no demand on this account.

## B Commitments

**As at March 31, 2024**      **As at March 31, 2023**

- (i) Capital Commitments

-                      -

## 31 OTHER NOTES ON ACCOUNTS

- 1 a) In the opinion of the Board, assets have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.
- b) Balance of unsecured short term borrowings from others, trade payables, other current liabilities, long and short term advances, other non-current and current assets and trade receivables are subject to reconciliation and confirmations.
- c) Group Information

The Consolidated Financial Statement of the group includes Associates companies as mentioned below:

| Name of the Entity                               | Country of Incorporation | Nature            | Ownership Interest | Year Ended       | Net Assets i.e.Total Assets minus Total Liabilities |                   |
|--|--------------------------|-------------------|--------------------|------------------|---|-------------------|
|  |                          |                   |                    |                  | As % of consolidated net assets                     | Amount (In Lakhs) |
| <b>Parent</b>                                    |                          |                   |                    |                  |   |                   |
| Cranex Limited                                   | India                    | Parent Company    |                    | March 31st, 2024 | 100%  | 930.05            |
|  |                          |                   |                    | March 31st, 2023 | 100%  | 915.80            |
| <b>Associate</b>                                 |                          |                   |                    |                  |   |                   |
| IFE Cranex Elevators & Excalators India Pvt Ltd. | India                    | Associate Company | 26%                | March 31st, 2024 | -   | -                 |
|  |                          |                   | 26%                | March 31st, 2023 | -   | -                 |

| Share in Profit and Loss            |                   | Share in Total Comprehensive Income            |                   | Share in Total Comprehensive Income |                     |
|-------------------------------------|-------------------|--|-------------------|-------------------------------------|---------------------|
| As % of consolidated profit or loss | Amount (in Lakhs) | As % of consolidated othe comprehensive income | Amount (in Lakhs) |                                     |                     |
| <b>Parent</b>                       |                   |  |                   |                                     |                     |
| 2023-24                             | 101.36%           | 151.88   | 100%              | 0.47                                | 101.35%      152.34 |
| <b>Associate</b>                    |                   |  |                   |                                     |                     |
| 2023-24                             | (0.01)            | (2.04)   | -                 | -                                   | (0.01)      (2.04)  |

- 2 Disclosures pursuant to Ind AS - 19 "Employee Benefits" (specified under section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules, 2015 ) are given below:

### Defined Contribution Plan

Contribution to Defined Contribution Plan, recognised as expense for the year is as under:

(Amount In Lakhs)

**As at March 31, 2024**      **As at March 31, 2023**

Contribution to Defined Contribution Plan, recongised during the year are as under:-

|  |              |              |
|--|--------------|--------------|
| Employer's Contribution towards Provident Fund (PF) (including Administration Charges) | 21.24        | 24.94        |
| Employer's Contribution towards Employee State Insurance (ESI)                         | 4.22         | 4.54         |
|  | <b>25.46</b> | <b>29.48</b> |

**Defined Benefit Plan**
**Gratuity (Unfunded)**

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of services as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

|  | (Amount In Lakhs)       |                         |
|--|-------------------------|-------------------------|
|  | As at March<br>31, 2024 | As at March<br>31, 2023 |
| <b>a) Reconciliation of opening and closing balances of Defined Benefit obligation</b> |                         |                         |
| Present value of obligation at the beginning of the year                               | 59.11                   | 49.91                   |
| Current Service Cost   | 9.40                    | 9.58                    |
| Interest Cost  | 4.35                    | 3.58                    |
| Actuarial (gain) /loss arising during the year   | (0.63)                  | (3.48)                  |
| Past Service Cost  |                         |                         |
| Benefit paid   | (2.35)                  | (0.48)                  |
| Present value of obligation at the end of the year                                     | <u>69.88</u>            | <u>59.11</u>            |
| Current Liability (Short Term)   | 17.26                   | 12.34                   |
| Non-current Liability (Long Term)  | 52.62                   | 46.77                   |
| <b>b) Reconciliation of opening and closing balances of fair value of plan assets</b>  |                         |                         |
| Fair value of plan assets at beginning of the year                                     | -                       | -                       |
| Expected return on plan assets   | -                       | -                       |
| Employer contribution  | -                       | -                       |
| Remeasurement of (Gain)/loss in other comprehensive income                             | -                       | -                       |
| Return on plan assets excluding interest income  | -                       | -                       |
| Benefits paid  | -                       | -                       |
| Fair value of plan assets at year end  | <u>-</u>                | <u>-</u>                |
| <b>c) Net Asset/ (Liability) recognised in the balance sheet</b>                       |                         |                         |
| Fair value of plan assets  | -                       | -                       |
| Present value of defined benefit obligation  | 69.88                   | 59.11                   |
| Amount recognised in Balance Sheet- Asset / (Liability)                                | <u>69.88</u>            | <u>59.11</u>            |
| <b>d) Expense recognised in the Statement of profit and loss during the year</b>       |                         |                         |
| Current Service Cost   | 9.40                    | 9.58                    |
| Interest Cost  | 4.35                    | 3.58                    |
| Past Service Cost  | -                       | -                       |
|  | <u>13.75</u>            | <u>13.16</u>            |

|   | (Amount In Lakhs)       |                         |
|---|-------------------------|-------------------------|
|   | As at March<br>31, 2024 | As at March<br>31, 2023 |
| e) Actuarial (Gain)/ Loss recognised in other comprehensive income during the year  |                         |                         |
| - changes in demographic assumptions  |                         |                         |
| - changes in financial assumptions  | 0.65                    | (0.75)                  |
| - changes in experience adjustments   | (1.28)                  | (2.73)                  |
| Recognised in other comprehensive income  | <u>(0.63)</u>           | <u>(3.48)</u>           |
| <b>f) Broad categories of plan assets as a percentage of total assets</b>   |                         |                         |
| Insurer managed funds   | Nil                     | Nil                     |
| <b>g) Actuarial Assumptions</b>   |                         |                         |
| Mortality Table (LIC)   | 100% of IALM<br>2012-14 | 100% of IALM<br>2012-14 |
| Discount Rate (per annum)   | 7.22%                   | 7.44%                   |
| Rate of escalation in salary (per annum)  | 8.00%                   | 8.00%                   |
| <b>h) Quantitative sensitivity analysis for significant assumptions is as below:</b>  |                         |                         |
| Increase / (decrease) on present value of defined benefits obligations at the end of the year   |                         |                         |
| <b>Impact of change in discount rate</b>  |                         |                         |
| Impact due to increase by 0.5 %   | (2.30)                  | (2.03)                  |
| Impact due to decrease by 0.5 %   | 2.47                    | 2.18                    |
| <b>Impact of change in salary</b>   |                         |                         |
| Impact due to increase by 0.5 %   | 2.23                    | 2.16                    |
| Impact due to decrease by 0.5 %   | (2.11)                  | (2.03)                  |
| <b>i) Maturity profile of defined benefit obligation</b>  |                         |                         |
| 0 to 1 Year   | 17.26                   | 12.34                   |
| 1 to 2 Year   | 6.45                    | 4.68                    |
| 2 to 3 Year   | 6.05                    | 5.24                    |
| 3 to 4 Year   | 4.49                    | 5.50                    |
| 4 to 5 Year   | 2.69                    | 3.49                    |
| 5 to 6 Year   | 2.39                    | 2.13                    |
| 6 Year onwards  | 30.55                   | 25.73                   |
| Total expected payments   | <u>69.88</u>            | <u>59.11</u>            |
| j) The average duration of the defined benefit plan obligation at the end of the reporting period is 8.09 years.(Previous Year- 8.18 years)   |                         |                         |
| k) The estimates of rate of escalation in salary considered in actuarial valuation are after taking into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is as certified by the Actuary. |                         |                         |

- l) Discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.
- m) The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.
- 3 The parent company has provided gratuity liability with retrospective effect in accordance with actuarial valuation norms to comply with the requirements of Ind AS 19. Accordingly, a sum of Rs. 69.88 Lakhs pertaining to gratuity liability as on 01/04/2024 has been adjusted against retained earnings. Disclosures as required in Ind AS 19 have been made in note no. 31(2).

**4 Related party transactions**

The related parties as per the terms of Ind AS-24, "Related Party Disclosures", (specified under section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules, 2015) are disclosed below:

**A Names of related parties and description of relationship:**

**Key Managerial Personnel**

|                                    |                           |
|------------------------------------|---------------------------|
| Piyush Agrawal                     | Managing Director         |
| Chaitanya Agrawal                  | Whole Time Director & CFO |
| Ashwani Kumar Jindal               | Independent Director      |
| Shilpy Chopra                      | Independent Director      |
| Shalini Rahul                      | Independent Director      |
| <br>                               |                           |
| Renu Singh (Upto 12 December 2023) | Company Secretary         |
| Heena Sharma (w.e.f 4 April 2024)  | Company Secretary         |

**Relatives of Key Managerial Personnel**

Amitabh Agrawal  
Ritu Agrawal

**B Associates and Joint Ventures**

|  |                   |
|--|-------------------|
| IFE Cranex Elevators and Excalators India Pvt. Ltd | Associate Company |
| Shree Cranex (JV)                                  | Joint Ventures    |

**C Enterprises in which directors and relative of such directors are interested and Associates/Joint Ventures**

Ritu Investments Private Limited  
Piyush Agrawal (HUF)  
Skylark Associates Pvt. Limited

**D Transactions during the year:**

**(i) Loans taken from**

**Enterprises in which directors and relative of such directors are interested**

|  | As at March<br>31, 2024 | As at March<br>31, 2023 |
|--|-------------------------|-------------------------|
| IFE Cranex Elevators and Excalators India Pvt. Ltd | -                       | 94.42                   |
| Skylark Associates Pvt. Limited                    | -                       | 0.10                    |
|  | <u>-</u>                | <u>94.52</u>            |
| <b>Key Management Personnel</b>                    |                         |                         |
| Piyush Agrawal - Managing Director                 | 209.45                  | 42.30                   |
| Chaitanya Agrawal - Whole Time Director & CFO      | 81.94                   | 60.35                   |
|  | <u>291.39</u>           | <u>102.65</u>           |

|   | As at March<br>31, 2024 | As at March<br>31, 2023 |
|---|-------------------------|-------------------------|
| <b>Relatives of Key Managerial Personnel</b>  |                         |                         |
| Ritu Agrawal  | -                       | 4.00                    |
|   | <u>-</u>                | <u>4.00</u>             |
| <b>(ii) Loans repaid</b>  |                         |                         |
| <b>Enterprises in which directors and relative of such directors are interested</b> |                         |                         |
| IFE Cranex Elevators and Excalators India Pvt. Ltd                                  | 6.00                    | 13.05                   |
| Amitabh Agrawal (HUF)   | 85.00                   | 26.00                   |
| Skylark Associates Pvt. Limited   | -                       | 0.10                    |
|   | <u>91.00</u>            | <u>39.15</u>            |
| <b>(iii) Key Management Personnel</b>   |                         | -                       |
| Piyush Agrawal - Managing Director  | 151.05                  | 45.53                   |
| Chaitanya Agrawal - Whole Time Director & CFO                                       | 61.50                   | 47.68                   |
|   | <u>212.55</u>           | <u>93.20</u>            |
| <b>(iv) Relatives of Key Managerial Personnel</b>                                   |                         |                         |
| Ritu Agrawal  | -                       | 4.00                    |
|   | <u>-</u>                | <u>255.65</u>           |
| <b>(v) Rent Paid</b>  |                         |                         |
| <b>Enterprises in which directors and relative of such directors are interested</b> |                         |                         |
| Piyush Agrawal (HUF)  | 0.60                    | 0.60                    |
|   | <u>0.60</u>             | <u>0.60</u>             |
| <b>(vi) Sale of Goods and Services</b>  |                         |                         |
| <b>Enterprises in which directors and relative of such directors are interested</b> |                         |                         |
| Shree Cranex (JV)   | 233.00                  | 462.70                  |
|   | <u>233.00</u>           | <u>462.70</u>           |
| <b>(vi) Remuneration</b>  |                         |                         |
| <b>Key Management Personnel</b>   |                         |                         |
| Piyush Agrawal - Managing Director  | 19.50                   | 18.00                   |
| Chaitanya Agrawal - Whole Time Director & CFO                                       | 13.50                   | 12.00                   |
| Preeti Bhatia   | -                       | 0.62                    |
| Renu Singh - Company Secretary  | 3.41                    | 3.26                    |
|   | <u>36.41</u>            | <u>33.88</u>            |
| <b>(vii) Relatives of Key Management personnel</b>                                  |                         |                         |
| Payal Agrawal   | 0.30                    | 4.03                    |
|   | <u>0.30</u>             | <u>4.03</u>             |
| <b>(viii) Director Sitting Fees</b>   |                         |                         |
| <b>Key Management Personnel</b>   |                         |                         |
| Shilpy Chopra   | 0.30                    | 0.30                    |
|   | <u>0.30</u>             | <u>0.30</u>             |

|   | As at March<br>31, 2024 | As at March<br>31, 2023 |
|---|-------------------------|-------------------------|
| <b>D Balances at the year end</b>   |                         |                         |
| <b>(i) Amount Receivables</b>   |                         |                         |
| <b>Enterprises in which directors and relative of such directors are interested</b> |                         |                         |
| Shree Cranex (JV)   | 313.32                  | 330.69                  |
|   | <b>313.32</b>           | <b>330.69</b>           |
| <b>(ii) Amount Payables</b>   |                         |                         |
| <b>Enterprises in which directors and relative of such directors are interested</b> |                         |                         |
| IFE Cranex Elevators and Excalators India Pvt. Ltd                                  | 616.63                  | 622.62                  |
| Piyush Agrawal (HUF)  | 0.05                    | 0.30                    |
|   | <b>616.68</b>           | <b>622.92</b>           |
| <b>(iii) Key Management Personnel</b>   |                         |                         |
| <b>Loan Payable</b>   |                         |                         |
| Piyush Agrawal - Managing Director  | 550.93                  | 492.53                  |
| Chaitanya Agrawal - Whole Time Director & CFO                                       | 275.15                  | 254.70                  |
| Amitabh Aggarwal (HUF)  | 146.72                  | 231.72                  |
| S.C. Agrawal  | -                       | 70.67                   |
|   | <b>972.80</b>           | <b>1,049.62</b>         |
| <b>(iv) Salary &amp; Other Payable</b>  |                         |                         |
| Piyush Agrawal - Managing Director  | 1.19                    | 1.50                    |
| Chaitanya Agrawal - Whole Time Director & CFO                                       | 0.84                    | 0.98                    |
| Shilpy Chopra   | 0.03                    | 0.15                    |
| Renu Singh - Company Secretary  | -                       | 0.35                    |
| Payal Agrawal   |                         | 0.30                    |
|   | <b>2.06</b>             | <b>3.28</b>             |

**Notes:**

- The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free (other than borrowings taken by the Parent Company) and settlement occurs in cash.  
For the year ended March 31, 2024, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.
- All the liabilities for post retirement benefits being 'Gratuity' and 'Leave Encashment' are provided on an actuarial basis for the Parent Company as a whole, the amount pertaining to Key management personnel are not included above.
- As per the section 149(6) of the Companies Act, 2013, Independent Directors are not considered as "Key Managerial Person", however to comply with the disclosure requirements of Ind AS-24 on "Related party transactions" they have been disclosed as "Key Managerial Person".

## 5 Relationship with struck off companies is as under:

( Amount in Lakhs)

| Name of struck off Company  | Nature of transactions with struck-off Company | Balance outstanding as at 31 March,2024 | Balance outstanding as at 31 March, 2023 | Relationship with the struck off company , if any, to be disclosed |
|---|--|---|--|--|
| KAN SECURITIES (INDIA) PRIVATE LIMITED<br>CIN No. - U67120DL1994PTC059893         | Shares held by struck off company              | 500 Number of Shares of Rs. 10/- Each   | 500 Number of Shares of Rs. 10/- Each    | Shareholder  |
| SAYASECURITIES PRIVATE LIMITED<br>CIN No. - U70101DL1996PTC082684                 | Shares held by struck off company              | 5 Number of Shares of Rs. 10/- Each     | 5 Number of Shares of Rs. 10/- Each      | Shareholder  |
| VAISHAK SHARES LIMITED<br>CIN No. - U85110KA1994PLC015178                         | Shares held by struck off company              | 10 Number of Shares of Rs. 10/- Each    | 10 Number of Shares of Rs. 10/- Each     | Shareholder  |
| CHANDRAMA INVESTMENT FINANCE & LEASING LIMITED<br>CIN No. - U67120UP1995PLC018753 | Shares held by struck off company              | 100 Number of Shares of Rs. 10/- Each   | 100 Number of Shares of Rs. 10/- Each    | Shareholder  |
| MUNDHRA FINANCING PVT LTD<br>CIN No. - U65999WB1987PTC043373                      | Shares held by struck off company              | 2000 Number of Shares of Rs. 10/- Each  | 2000 Number of Shares of Rs. 10/- Each   | Shareholder  |
| VKG ELECTRONICS PRIVATE LIMITED<br>CIN No. - U74899DL1991PTC043406                | Amalgamated                                    | 100 Number of Shares of Rs. 10/- Each   | 100 Number of Shares of Rs. 10/- Each    | Shareholder  |
| Arshi Engineering Works<br>CIN No. - U29214PB2000PTC023464                        | Payables                                       | 0.04                                    | 0.04                                     | Creditors  |

## 6 During the year the Company has been sanction working capital limits from Canara Bank for takeover of working capitals limits from Kotak Mahindra Bank.As per the sanction followings securities was proposed to be furnished to Canara Bank

| Particulars          | Type of Asset   | Nature of charge                | Source & Date of Valuation  | Value(Rs. in Lakhs) |
|----------------------|---|---------------------------------|---|---------------------|
| <b>a) PRIMARY</b>    |   |                                 |   |                     |
| I) Working Capital   | Stocks  | Hypothecation                   | SS dated 30.06.2024   | 1726                |
|                      | Book Debts  |                                 |   | 1786                |
| (ii) ii) Term Loan   |   |                                 |   |                     |
| <b>b) COLLATERAL</b> |   |                                 |   |                     |
| Land and Building    | Fresh EMT of Factory / Industrial Land and Building bearing survey number Plot No. 57/1, Site IV Industrial Area, Sahibabad, Ghaziabad, U.P.- 201010 admeasuring 3562.26 sq mt in name of M/s Cranex Limited vide | Exclusive 1st charge (proposed) | 1st Valuation: FMV Rs.2592 Lakhs, RV Rs. 2203 Lakhs DV Rs.1944 Lakhs Done by M/S p&A Valuetech Private Limited Dated 06.07.2023 | 2413                |

| Particulars   | Type of Asset   | Nature of charge                | Source & Date of Valuation  | Value(Rs. in Lakhs) |
|---|---|---------------------------------|---|---------------------|
|   | lease deed zild no. 5306 sr. no 98 dated 01.04.2023<br>(Presently mortgaged with Kotak Mahindra Bank)   |                                 | 2nd Valuation, FMV Rs. 2413 Lakhs, RV Rs.2172 Lakhs, Dv Rs. 1809 Lakhs. Done by Ajay Kumar Sharma dated, 21.07.2023 |                     |
|   | Fresh EMT of Factory / Industrial Land and Building bearing survey number Plot No. 57/1, Site IV Industrial Area, Sahibabad, Ghaziabad, U.P.- 201010 admeasuring 925.25.00 sq mt in name of M/s Cranex Limited vide lease deed zild no. 5306 sr. no 98 dated 05.02.2025<br>(Presently mortgaged with Kotak Mahindra Bank) | Exclusive 1st charge (proposed) | FMV: Rs 927 Lakhs, RV Rs788 Lakhs, DV Rs. 695 Lakhs Done by M/s P & A Valuetech Private Limited dated. 06.07.2023   | 927                 |
| <b>Total( In Rs. Lakhs)</b>   |   |                                 |   | <b>3519</b>         |
| <p>However collateral securities i.e EMT of above Land and Buildings was not executed in favour of Canara Bank due to technical issues and therefore the Company has continued with Kotak Mahindra Bank in respect of it's working capital facilities vide revised sanction letter of Kotak Mahindra Bank dated 25.02.2024. As on 31.03.2024, the Company has utilised non fund based limit (for issue of Bank Guarantees), amounting to Rs 562.01 and fund based limit amounting Rs 2.73 Lakhs from Canara Bank. The Company is pursuing for satisfaction of charges created in favour of Canara Bank.</p> |   |                                 |   |                     |

**Notes to Consolidated financial statements for the year ended March 31, 2024**

**7 Corporate Social Responsibility**

Pursuant to the provisions of Section 135 of the Companies Act, 2013, Every company having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year is required to incur at least 2% of the average net profits of the preceding three financial years towards Corporate Social Responsibility (CSR).

Based on last audited balance sheet dated 31 March, 2024, the company does not meet any of the threshold prescribed by law. Hence, the provisions of Companies Act, 2013 regarding CSR would not be applicable

- 8 The Parent Company has borrowings from banks on the basis of current assets. The Company has complied with the requirement of filing of quarterly returns/statements of security of current assets with the banks or financial institutions, as applicable, and these returns were in agreement with the books of accounts except as under:



(Amount in Lakhs)

| S.No.            | Particulars       | As per Submitted Statement | As Per Books | Difference | Reasons   |
|------------------|-------------------|----------------------------|--------------|------------|---|
| <b>Quarter-1</b> |                   |                            |              |            |   |
| 1                | Inventory         | 1,725.81                   | 2,030.81     | (305.00)   | Due to filing of unaudited/provisional figures with banks.  |
| 2                | Trade Receivables | 1,786.00                   | 1,784.12     | 1.88       |   |
| 3                | Trade Payables    | 1,421.29                   | 1,278.85     | 142.44     |   |
| <b>Quarter-2</b> |                   |                            |              |            |   |
| 1                | Inventory         |                            |              | -          | Not Submitted any Statement to Bank   |
| 2                | Trade Receivables |                            |              | -          |   |
| 3                | Trade Payables    |                            |              | -          |   |
| <b>Quarter-3</b> |                   |                            |              |            |   |
| 1                | Inventory         | 1,534.21                   | 1,534.21     | -          | Due to filing of unaudited/provisional figures with banks.  |
| 2                | Trade Receivables | 2,698.79                   | 2,694.88     | 3.91       |   |
| 3                | Trade Payables    | 1,162.66                   | 1,173.52     | (10.86)    |   |
| <b>Quarter-4</b> |                   |                            |              |            |   |
| 1                | Inventory         | 1,131.13                   | 1,131.13     | -          | The Figures reported to bank in trade payables not includes the figures of amount payable for services, due to that difference is arise |
| 2                | Trade Receivables | 2,704.67                   | 2,704.57     | 0.10       |   |
| 3                | Trade Payables    | 1,021.14                   | 1,303.81     | (282.67)   |   |

## 9 Segment Reporting

Segment information is presented in respect of the Group's key operating segments. The operating segments are based on the Group's management and internal reporting structure.

### Operating Segments

The Company's Managing Director and CFO has been identified as the Chief Operating Decision Maker ('CODM'), since Managing Director and CFO are responsible for all major decision w.r.t. the preparation and execution of business plan, preparation of budget and other key decisions.

Managing director reviews the operating results at the Company level to make decisions about the Company's performance. Accordingly, management has identified the business as single operating segment i.e. "Manufacturing of EOT cranes and installation of escalators". Accordingly, there is only one Reportable Segment for the Company i.e. "Manufacturing of EOT cranes and installation of escalators", hence no specific disclosures have been made.

(Amount in Lakhs)

|  | As at March<br>31, 2024 | As at March<br>31, 2023 |
|--|-------------------------|-------------------------|
|--|-------------------------|-------------------------|

#### a) Information about products and services

Please refer to note 21 of the financial statements

#### b) Revenue as per Geographical Markets

|                 |                 |                 |
|-----------------|-----------------|-----------------|
| Domestic Market | 6,174.21        | 4040.91         |
| Overseas Market | 37.20           | 96.84           |
| <b>Total</b>    | <b>6,211.41</b> | <b>4,137.75</b> |

|  | (Amount In Lakhs)       |                         |
|--|-------------------------|-------------------------|
|  | As at March<br>31, 2024 | As at March<br>31, 2023 |
| <b>c) Non-current assets (other than deferred tax assets and financial instruments) in Geographical Market</b> |                         |                         |
| Within India   | 816.38                  | 795.05                  |
| Outside India  | -                       | -                       |
| <b>Total</b>   | <b>816.38</b>           | <b>795.05</b>           |
| <b>d) Information about major customers</b>  |                         |                         |
| Customers contributing more than 10% of the Group's total revenue are as under:                                |                         |                         |
| a) Shree Cranex (JV)   | -                       | 462.70                  |
| b) Bharat Aluminium Company Limited  | 1409.06                 | -                       |
| c) Mumbai Metro Rail Corporation Limited   | 907.85                  | -                       |
|  | <b>2,316.91</b>         | <b>462.70</b>           |
| <b>d) Geographical Capital Expenditure</b>   |                         |                         |
| Domestic Market  | 52.55                   | 4.61                    |
| Overseas Market  | -                       | -                       |
|  | <b>452.55</b>           | <b>.61</b>              |

## 10 Fair value measurements

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

| Financial instruments by category              | (Amount In Lakhs)       |                         |                         |                         |
|--|-------------------------|-------------------------|-------------------------|-------------------------|
|  | Carrying Value          |                         | Fair Value              |                         |
|  | As at March<br>31, 2024 | As at March<br>31, 2023 | As at March<br>31, 2024 | As at March<br>31, 2023 |
| <b>Financial assets at amortized cost</b>      |                         |                         |                         |                         |
| Investments (non-current)                      | 0.01                    | 31.72                   | 0.01                    | 31.72                   |
| Loans and advances (non current)               | -                       | -                       | -                       | -                       |
| Other financial assets (non-current)           | 407.86                  | 266.20                  | 407.86                  | 266.20                  |
| Trade receivables (current)                    | 2,704.57                | 2,103.34                | 2,704.57                | 2,103.34                |
| Cash and cash equivalents                      | 1.34                    | 3.02                    | 1.34                    | 3.02                    |
| Other bank balances                            | 145.68                  | 242.40                  | 145.68                  | 242.40                  |
| Other financial assets (current)               | 148.73                  | 12.08                   | 148.73                  | 12.08                   |
|  | <b>3,408.19</b>         | <b>2,658.76</b>         | <b>3,408.19</b>         | <b>2,658.76</b>         |
| <b>Financial Liabilities at amortized cost</b> |                         |                         |                         |                         |
| Borrowings (non-current)                       | 650.97                  | 641.85                  | 650.97                  | 641.85                  |
| Borrowings (current)                           | 2,056.03                | 1,768.02                | 2,056.03                | 1,768.02                |
| Trade payables (current)                       | 1,303.82                | 1,381.29                | 1,303.82                | 1,381.29                |
| Other financial liabilities (current)          | 155.59                  | 244.42                  | 155.59                  | 244.42                  |
|  | <b>4,166.41</b>         | <b>4,035.58</b>         | <b>4,166.41</b>         | <b>4,035.58</b>         |

(\*excluding investments in associates)

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- 1) The fair value of unquoted instruments, loans from banks and other financial liabilities, as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. In addition to being sensitive to a reasonably possible change in the forecast cash flows or the discount rate, the fair value of the equity instruments is also sensitive to a reasonably possible change in the growth rates. The valuation requires management to use unobservable inputs in the model, of which the significant unobservable inputs are disclosed in the tables below. Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.

- 2) The fair values of the Company's interest-bearing borrowings and loans are determined by using Discounted cash flow method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at 31 March 2024 was assessed to be insignificant.
- 3) Long-term receivables/ payables are evaluated by the Company based on parameters such as interest rates, risk factors, individual creditworthiness of the counterparty and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.
- 4) The significant unobservable inputs used in the fair value measurement categorized within Level 1 and Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at end of each year, are as shown below:

#### Fair value hierarchy

The Group Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

**Level 1:** quoted (unadjusted) prices in active markets for identical assets or liabilities

**Level 2:** other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly

**Level 3:** techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data

#### Quantitative disclosures of fair value measurement hierarchy for assets as on March 31, 2024

(Amount In Lakhs)

|   | Carrying Value  | Fair Value |          |                 |
|---|-----------------|------------|----------|-----------------|
|   |                 | Level 1    | Level 2  | Level 3         |
| <b>Assets carried at amortized cost for which fair value are disclosed</b>      |                 |            |          |                 |
| Investments (non-current)   | 0.01            | -          | -        | 0.01            |
| Loans and advances (non current)  | -               | -          | -        | -               |
| Other financial assets (non-current)  | 407.86          | -          | -        | 407.86          |
| Trade receivables (current)   | 2,704.57        | -          | -        | 2,704.57        |
| Cash and cash equivalents   | 1.34            | -          | -        | 1.34            |
| Other bank balances   | 145.68          | -          | -        | 145.68          |
| Other financial assets (current)  | 148.73          | -          | -        | 148.73          |
|   | <u>3,408.19</u> | <u>-</u>   | <u>-</u> | <u>3,408.19</u> |
| <b>Liabilities carried at amortized cost for which fair value are disclosed</b> |                 |            |          |                 |
| Borrowings (non-current)  | 650.97          | -          | -        | 650.97          |
| Borrowings (current)  | 2,056.03        | -          | -        | 2,056.03        |
| Trade payables (current)  | 1,303.82        | -          | -        | 1,303.82        |
| Other financial liabilities (current)   | 155.59          | -          | -        | 155.59          |
|   | <u>4,166.41</u> | <u>-</u>   | <u>-</u> | <u>4,166.41</u> |

#### Quantitative disclosures of fair value measurement hierarchy for assets as on March 31, 2023

(Amount in Lakhs)

|   | Carrying Value  | Fair Value |          |                 |
|---|-----------------|------------|----------|-----------------|
|   |                 | Level 1    | Level 2  | Level 3         |
| <b>Assets carried at amortized cost for which fair value are disclosed</b>      |                 |            |          |                 |
| Investments (non-current)   | 31.72           | -          | -        | 31.72           |
| Loans and advances (non current)  | -               | -          | -        | -               |
| Other financial assets (non-current)  | 266.20          | -          | -        | 266.20          |
| Trade receivables (current)   | 2,103.34        | -          | -        | 2,103.34        |
| Cash and cash equivalents   | 3.02            | -          | -        | 3.02            |
| other bank balances   | 242.40          | -          | -        | 242.40          |
| Other financial assets (current)  | 12.08           | -          | -        | 12.08           |
|   | <u>2,658.76</u> | <u>-</u>   | <u>-</u> | <u>2,658.76</u> |
| <b>Liabilities carried at amortized cost for which fair value are disclosed</b> |                 |            |          |                 |
| Borrowings (non-current)  | 641.85          | -          | -        | 641.85          |
| Borrowings (current)  | 1,768.02        | -          | -        | 1,768.02        |
| Trade payables (current)  | 1,381.29        | -          | -        | 1,381.29        |
| Other financial liabilities (current)   | 244.42          | -          | -        | 244.42          |
|   | <u>4,035.58</u> | <u>-</u>   | <u>-</u> | <u>4,035.58</u> |

**Note:**

The management assessed that cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

**11 Financial risk management objectives and policies**

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that are derived directly from its operations.

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company is exposed to market risk, credit risk and liquidity risk.

The Company's senior management oversees the management of these risks. The senior professionals working to manage the financial risks and the appropriate financial risk governance framework for the Company are accountable to the Board of Directors and Audit Committee. This process provides assurance to Company's senior management that the Company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risk are identified, measured and managed in accordance with Company policies and Company risk objective.

The Board of Directors reviews and agrees policies for managing each of these risks which are summarized as below:

**(a) Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprises three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk. Financial instruments affected by market risks include loans and borrowings, deposits, investments, and foreign currency receivables and payables. The sensitivity analysis in the following sections relate to the position as at March 31, 2024. The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities. The sensitivity of the relevant Profit and Loss item is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as of March 31, 2024.

**(i) Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in foreign currency). Foreign currency exchange rate exposure is partly balanced by purchasing of goods from the respective countries. The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies.

**Foreign currency risk sensitivity**

The following tables demonstrate the sensitivity to a reasonably possible change in USD, AED & Euro exchange rates, with all other variables held constant. The impact on the Company profit before tax is due to changes in the fair value of monetary assets and liabilities. Foreign currency exposures recognised by the Company that have not been hedged by a derivative instrument or otherwise are as under:

(Fig. In Lakhs)

| Currency                               | Currency Symbol | March 31, 2024   |               | Gain/ (loss) Impact on profit/ (loss) before tax and equity |             |
|--|-----------------|------------------|---------------|---|-------------|
|  |                 | Foreign Currency | Indian Rupees | 1% increase   | 1% decrease |
| Change in United States Dollar Rate    | \$              |                  |               |   |             |
| Export trade receivables               |                 | -                | -             | -   | -           |
| Other receivables                      |                 | -                | -             | -   | -           |
| Capital Advances                       |                 | -                | -             | -   | -           |
| Advances against material and services |                 | -                | -             | -   | -           |
| Trade payables                         |                 | 4.73             | 393.99        | 3.94  | (3.94)      |

| Currency                               | Currency Symbol | March 31, 2023   |               | Gain/ (loss) Impact on profit/ (loss) before tax and equity |             |
|--|-----------------|------------------|---------------|---|-------------|
|  |                 | Foreign Currency | Indian Rupees | 1% increase   | 1% decrease |
| Change in United States Dollar Rate    | \$              |                  |               |   |             |
| Export trade receivables               |                 | -                | -             | -   | -           |
| Other receivables                      |                 | -                | -             | -   | -           |
| Capital Advances                       |                 | -                | -             | -   | -           |
| Advances against material and services |                 | -                | -             | -   | -           |
| Trade payables                         |                 | 5.30             | 462.00        | 4.62  | (4.62)      |

**(ii) Commodity Price Risk**

The Company is exposed to the risk of price fluctuation of raw material as well as finished goods. The Company manages its commodity price risk by maintaining adequate inventory of raw materials and finished goods considering future price movement. To counter raw material risk, the Company works with various suppliers working in domestic and international market with the objective to moderate raw material cost, enhance application flexibility and increased product functionality and also invests in product development and innovation. To counter finished goods risk, the Company deals with wide range of vendors and manages these risks through inventory management and proactive vendor development practices. The Company also passes on the Commodity price hike in case of several customers when Company have fixed price contracts. Fixed price contracts are entered into after due consideration of the Commodity price volatility during the delivery / contract period.

**(b) Credit Risk**

Credit Risk is the risk that the counter party will not meet its obligation under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

**(i) Trade Receivables**

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored. Out of that, the Company has 10 customers that owed the Company approx. Rs. 2687.41 lakhs (March 31, 2023: Rs. 1510.98 lakhs) and accounted for 68.40 % (March 31, 2023: 45.88%) of total trade receivables.

An impairment analysis is performed at each reporting date on trade receivables by lifetime expected credit loss method based on provision matrix. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

**(ii) Financial instruments and cash deposits**

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made in bank deposits and other risk free securities. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Company's maximum exposure to credit risk for the components of the balance sheet at 31 March 2024 is the carrying amounts. The Company's maximum exposure relating to financial instrument is noted in liquidity table below.

Trade Receivables and other financial assets are written off when there is no reasonable expectation of recovery, such as debtor failing to engage in the repayment plan with the Company.

|   | (Amount In Lakhs)       |                         |
|---|-------------------------|-------------------------|
|   | As at March<br>31, 2024 | As at March<br>31, 2023 |
| <b>Financial assets for which allowance is measured using 12 months Expected Credit Loss Method (ECL)</b> |                         |                         |
| Loans and advances (non current)  | -                       | -                       |
| Other financial assets (non-current)  | 407.86                  | 266.20                  |
| Cash and cash equivalents   | 1.34                    | 3.02                    |
| Other bank balances   | 145.68                  | 242.40                  |
| Other financial assets (current)  | 148.73                  | 12.08                   |
|   | <u>703.61</u>           | <u>523.70</u>           |
| <b>Financial assets for which allowance is measured using Life time Expected Credit Loss Method (ECL)</b> |                         |                         |
| Trade receivables (current)   | -                       | -                       |
|   | <u>-</u>                | <u>-</u>                |

Balances with banks is subject to low credit risks due to good credit ratings assigned to these banks

|   | (Amount In Lakhs)       |                         |
|---|-------------------------|-------------------------|
|   | As at March<br>31, 2024 | As at March<br>31, 2023 |
| <b>(i) The ageing analysis of trade receivables has been considered from the date the invoice falls due</b>                 |                         |                         |
| Particulars   |                         |                         |
| 0 to 365 days due past due date   | 2,130.58                | 1,719.56                |
| More than 365 days past due date  | 573.99                  | 383.77                  |
| <b>Total Trade Receivables</b>  | <u><b>2,704.57</b></u>  | <u><b>2,103.34</b></u>  |
| <b>The following table summarises the change in loss allowance measured using the life time expected credit loss model:</b> |                         |                         |
| Particulars   |                         |                         |
| As at the beginning of year   |                         | -                       |
| Provision during the year   |                         | -                       |
| Reversal of earlier provision credited to other Income (Excess Provision written back)                                      |                         | -                       |
| <b>As at the end of year</b>  |                         | <u>-</u>                |

**(c) Liquidity risk**

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and liquidity requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate source of financing through the use of short term bank deposits and cash credit facility. Processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows. The Company assessed the concentration of risk with respect to its debt and concluded it to below:

Maturity profile of financial liabilities

The table below provides the details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

(Amount In Lakhs)

| As at March 31, 2024                  | Less than 1 year | More than 1 year | Total    |
|---------------------------------------|------------------|------------------|----------|
| Borrowings (non-current)              | -                | 650.97           | 650.97   |
| Borrowings (current)                  | 2,056.03         | -                | 2,056.03 |
| Trade payables (current)              | 1,303.82         | -                | 1,303.82 |
| Other financial liabilities (current) | 155.59           | -                | 155.59   |
| As at March 31, 2023                  | Less than 1 year | More than 1 year | Total    |
| Borrowings (non-current)              | -                | 641.85           | 641.85   |
| Borrowings (current)                  | 1,768.02         | -                | 1,768.02 |
| Trade payables (current)              | 1,381.29         | -                | 1,381.29 |
| Other financial liabilities (current) | 244.42           | -                | 244.42   |

**(d) Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's short-term borrowings obligations in the form of cash credit carrying floating interest rates.

(Amount In Lakhs)

|                         | As at March 31, 2024 | As at March 31, 2023 |
|-------------------------|----------------------|----------------------|
| Fixed rate borrowing    | 44.72                | 52.58                |
| Variable rate borrowing | 57.20                | 29.22                |
|                         | <b>101.92</b>        | <b>81.80</b>         |

**Sensitivity analysis:** For floating rates liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year.

**Sensitivity on variable rate borrowings****Impact on statement of profit and loss**

|                                 |        |        |
|---------------------------------|--------|--------|
| Interest rate increase by 0.25% | 2.12   | 1.70   |
| Interest rate decrease by 0.25% | (2.12) | (1.70) |

**(e) Equity Price Risk**

The Company's listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. At the reporting date, the exposure to unlisted equity securities at fair value was Rs. 2,389.20 lakhs as on 31 March 2024 (March 31, 2023: Rs. 2,389.20 lakhs).

12 The Following Table summarises movemnt in indebtedness as on the reporting date :

**Change in Liabilities arising from financing activites**

12 The Following Table summarises movemnt in indebtedness as on the reporting date :

**Change in Liabilities arising from financing activites**

(Amount In Lakhs)

| Particulars                       | As on April<br>1, 2023 | Net<br>Cashflow | Foreign<br>Exchange<br>Management | Transfer | Change in<br>fair values | As on March<br>31, 2024 |
|-----------------------------------|------------------------|-----------------|-----------------------------------|----------|--------------------------|-------------------------|
| <b>LONG TERM BORROWINGS</b>       |                        |                 |                                   |          |                          |                         |
| <b>Secured</b>                    |                        |                 |                                   |          |                          |                         |
| Term loan from Bank               | 50.16                  | 30.93           | -                                 | -        | -                        | 19.23                   |
| Finance Lease Obligations         |                        |                 |                                   |          |                          |                         |
| From Banks                        | 1.41                   | (40.14)         | -                                 | -        | -                        | 41.55                   |
| From Others                       | 1.38                   | 1.38            |                                   |          |                          | -                       |
| <b>Unsecured</b>                  |                        |                 |                                   |          |                          |                         |
| Term loans from others parties    | 622.62                 | 5.99            | -                                 | -        | -                        | 616.63                  |
| <b>SHORT TERM BORROWINGS</b>      |                        |                 |                                   |          |                          |                         |
| <b>Secured</b>                    |                        |                 |                                   |          |                          |                         |
| Cash credit facility from bank    | 446.05                 | (363.06)        | -                                 | -        | -                        | 809.11                  |
| Buyer's credit facility from bank | -                      | -               | -                                 | -        | -                        | -                       |
| <b>Unsecured</b>                  |                        |                 |                                   |          |                          |                         |
| Loan from Related Parties         | 1,049.62               | 76.82           | -                                 | -        | -                        | 972.80                  |
| Loan from others                  | 238.63                 | (9.06)          | -                                 | -        | -                        | 247.69                  |
|                                   | <u>2,409.87</u>        | <u>-</u>        | <u>-</u>                          | <u>-</u> | <u>2,707.01</u>          | <u>-</u>                |

**13 Capital Management**

For the purposes of Company's capital management, Capital includes equity attributable to the equity holders of the Company and all other equity reserves. The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and maximize shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders or issue new shares. The Company is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2023 and March 31, 2024.

The capital structure of the Company is based on the management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investors, creditors and market confidence. The calculation of the capital for the purpose of capital management is as below:

(Amount In Lakhs)

| Particulars                                      | As at March<br>31, 2024 | As at March<br>31, 2023 |
|--|-------------------------|-------------------------|
| Borrowings                                       | 650.97                  | 641.85                  |
| Cash and cash equivalents                        | 1.34                    | 3.02                    |
| <b>Net Debt</b>                                  | <u><b>652.31</b></u>    | <u><b>644.87</b></u>    |
| Equity share capital                             | 600.00                  | 600.00                  |
| Other equity                                     | 480.36                  | 330.05                  |
| <b>Total Capital</b>                             | <u><b>1,080.36</b></u>  | <u><b>930.05</b></u>    |
| <b>Capital and Net Debt</b>                      | <u><b>1,732.67</b></u>  | <u><b>1,574.92</b></u>  |
| <b>Gearing Ratio (Net Debt/Capital and Debt)</b> | <u><b>37.65</b></u>     | <u><b>40.95%</b></u>    |



|  |        | (Amount In Lakhs)       |                         |
|--|--------|-------------------------|-------------------------|
|  |        | As at March<br>31, 2024 | As at March<br>31, 2023 |
| <b>14 Earnings per share</b>                                 |        |                         |                         |
| <b>a) Basic Earnings per share</b>                           |        |                         |                         |
| Numerator for earnings per share                             |        |                         |                         |
| Profit/ (loss) after taxation                                | (Rs.)  | 149.84                  | 56.42                   |
| Denominator for earnings per share                           |        |                         |                         |
| Weighted number of equity shares outstanding during the year | (Nos.) | 6,000,000               | 6,000,000               |
| Earnings per share-Basic (one equity share of Rs.10/- each)  | (Rs.)  | 2.49                    | 0.94                    |
| <b>b) Diluted Earnings per share</b>                         |        |                         |                         |
| Numerator for earnings per share                             |        |                         |                         |
| Profit/ (loss) after taxation                                | (Rs.)  | 149.84                  | 56.42                   |
| Denominator for earnings per share                           |        |                         |                         |
| Weighted number of equity shares outstanding during the year | (Nos.) | 6,000,000               | 6,000,000               |
| Earnings per share-Basic (one equity share of Rs.10/- each)  | (Rs.)  | 2.49                    | 0.94                    |

**Note: There are no instruments issued by the Company which have effect of dilution of basic earning per share.**

**15 Disclosures pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 186 of the Companies Act, 2013:**

(Amount In Lakhs)

| Sr. No | Name of the Investee                             | Opening Balance | Investment Made | Impact of fair value | Investment Sold | Outstanding Balance |
|--------|--|-----------------|-----------------|----------------------|-----------------|---------------------|
| 1      | Shree Cranex(JV)                                 | 31.71           | -               | -                    | -               | 31.71               |
| 2      | IFE Cranex Elevators & Excalators India Pvt. Ltd | 182.00          | -               | -                    | -               | 182.00              |

**16 Pending of Registration or satisfaction of charge :**

**Pending satisfaction of charge :**

| Sr. No | ID        | Original Charge Date | Last Modified Date | Amount Secured | Charge Holder | Adress  |
|--------|-----------|----------------------|--------------------|----------------|---------------|---|
| 1      | 100780902 | 28/08/2023           | -                  | 3,192.00       | Canara Bank   | MSME Sulabh, Ghaziabad, Uttar Pradesh, , 201001 |

The Company is in process to file satisfaction of charge for note no.16(B).

**17 Additional regulatory information required by Schedule III of Companies Act,2013**

(i) Details of Benami Properties: No proceedings have been initiated or are pending against the company for holding any Benami property under the Benami Transactions (prohibition) Act,1988 (45 of 1988) and the rules made thereunder.

(ii) Utilization of borrowed funds and share premium:

The Company has not advanced or loaned or invested funds to any person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the shall:

(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or;

(b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

The Company has not received any fund from any person(s) or entity(ies) , including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise ) that the company shall:

(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding Party (Ultimate Beneficiaries) or

(b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

- (iii) Compliance with number of layers of Companies: The Company has complied with the number of layers as prescribed under the Companies Act, 2013.
- (iv) Undisclosed Income: There is no income undisclosed or surrendered as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not recorded in the books of accounts.
- (v) Crypto Currency or Virtual Currency: The company has not traded or invested in crypto currency or virtual currency during the current or previous year.
- (vi) Valuations of PPE, Intangible assets :The company has not revalued its property, plant and equipment or intangible assets or both during the current or previous year.
- (vii) The Company has not granted any loans or advances in the nature of loans repayable on demand.
- 18** Amounts in the financial statements are presented in Indian Rupees in lacs rounded off to two decimal places as permitted by Schedule III to the Companies Act, 2013. Per share data are presented in Indian Rupees to two decimal places.
- 19** Note No. 1 to 31 form integral part of the balance sheet and statement of profit and loss.

The accompanying notes are an integral part of the financial statements.  
As per our report of even date

**For V.R. Bansal & Associates**

Chartered Accountants

ICAI Firm Registration No.: 016534N

**For and on behalf of the Board of Directors**

**Sd/-**  
**Rajan Bansal**  
Partner  
M. No.: 093591

**Sd/-**  
**(Piyush Agrawal)**  
Managing Director  
DIN - 01761004

**Sd/-**  
**(Chaitanya Agrawal)**  
Whole-Time Director & CFO  
DIN - 05108809

**Sd/-**  
**Heena Sharma**  
Company Secretary  
ACS: 65512

Place: Sahibabad  
Date: 30th May 2024



**CRANEX LIMITED**

**CIN:** L74899DL1973PLC006503

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

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

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

**BSE Script Code:** 522001 **ISIN:** INE608B01010

