



VIRAT CRANE INDUSTRIES LTD.,

D.No. 25-18-54, Opp. CRANE BETEL NUT POWDER WORKS OFFICE, Main Road,
Sampathnagar, **GUNTUR - 522 004**, Phone : 0863 - 2223311
Email : vcil@cranegroup.in **CIN No : L74999AP1992PLCO14392**

04.09.2019

To
The General Manager-Operations,
Bombay Stock Exchange Limited,

Dear Sir,

Sub: Submission of the 27th Annual Report pursuant to the Regulation 34 of SEBI (LODR) Regulations, 2015 for the financial year ended on 31-03-2019.

We are herewith sending the scanned copy of Annual Report pursuant to Regulation 34 of SEBI (LODR) Regulations, 2015 for the financial year ended on 31-03-2019. This is for your information.

Kindly acknowledge the receipt of the same.

Yours faithfully,
For Virat Crane Industries Limited.

R. Adi Venkata Rama.R

CS Adi Venkata Rama.R
(Company Secretary & Compliance officer)





**VIRAT CRANE INDUSTRIES LIMITED
GUNTUR**

**BRINGING NATURE'S DELIGHTS
TO YOUR KITCHEN !**



27th Annual Report

2018-19



FARM FRESH



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CORPORATE INFORMATION

Board of Directors:

Mr. G.V.S.L. Kantha Rao	Managing Director
Mrs. G. Himaja	Non Executive Woman Director
Mr. P. V. Srihari	Non Executive Director
Mr. P. Bhaskara Rao	Independent Director
Mr. M. V. Subba Rao	Independent Director

Key Managerial Personnel:

Mr. G.V.S.L. Kantha Rao	Managing Director
Mr. P. V. Srihari	Chief Financial Officer
Mr. Adi Venkata Rama. R	Company Secretary

Stock Exchanges:

Bombay Stock Exchange

Statutory Auditors:

M/s Anantha & Associates.,
Chartered Accountants,
Guntur-6.

Secretarial Auditors:

M/s K. Srinivasa Rao & Nagaraju Associates
Company Secretaries,
Vijayawada.

Registrars & Share Transfer Agents:

M/s Big Share Services Private Limited
306, 3rd floor, Right Wing, Amrutha Ville,
Opp: Yasodha Hospital, Rajbhavan Road, Somajiguda,
Hyderabad- 500082

Depositories:

CDSL
NSDL

Bankers:

HDFC Bank,
Lakshmiapuram, Guntur.
Andhra bank
Kothapet, Guntur.

Registered Office:

25-18-54
Opp. CBNP Works Office
Main road, Sampathnagar
Guntur-522004

Email:

viratcraneindustriesltd@gmail.com
vcil@cranegroup.in

Website:

www.cranegroup.in

Factory Address:

Nunna,
Nuziveedu Road,
Vijayawada.



Managing Director's Message

Beloved Members and stake holders of Virat Crane Industries Limited,

I convey my pleasure to report your 27th Annual report of the company.

During the financial year, your Company has maintained its revenue from operations and has achieved decent growth in profit compared to previous years. Revenue from the operations stood at more than 85 Crores. During the year revenue has slightly decreased compared to previous year. I'm glad to convey this progress with you though the negative growth in the FMCG Sector.

During the year Profit after tax was 6.80 Crores. The profit after tax increased by 9.6% percentage compared to last year. I am very glad to inform you that this is the decent performance has made in the packaged food and dairy industry compared to the competitors.

I express my joy to inform you that the company products mainly Durga Ghee and Kamadhenu Cow ghee Brand names are deeply being positioned in the market. It is made through our Quality in products and aggressive marketing.

I affirm you that your company will successfully meet the challenges and strive to be the best in the industry.

As you know that company had been declaring dividend for the last six years but for this year company wanted to keep its profits with the company for utilizing the construction of new plant so that reducing the external debt on the company which in turn boost the wealth creation of the shareholders.

Like previous years, your Company contributed to a few portion of its profit to the public welfare activities and would like to continue the path laid down by Sri Grandhi Subbarao Garu.

During the year company has paid Scholarships to the merit students through Crane Foundation irrespective of their religious practices and beliefs. Your company affirms that contribution to CSR as a responsibility more than a compliance to laws.

I would like to thank all shareholders, Employees, other stakeholders and the public for their faith, commitment and contribution towards the excelling of the company's growth.

I would also like to express my gratitude to the Board of Directors for their guidance in managing the affairs of the company.

With best wishes,

Sincerely,

G.V.S.L. Kantha Rao

Managing Director



NOTICE OF THE 27TH ANNUAL GENERAL MEETING:

NOTICE is hereby given that the Twenty Seventh Annual General Meeting of the members of M/s. Virat Crane Industries Limited will be held on Monday, 30th September, 2019 at 11.00 A.M. at Crane Infrastructure Limited Premises, Ankireddypalem Village, NH-5, Chilakaluripet Road, Guntur to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited standalone Financial Statements of the Company for the financial year ended on 31st March, 2019 and the Reports of the Board of Directors and the Auditors.
2. To appoint a Director in place of Mrs. Manepalli Himaja (DIN: 06505782) who retires by rotation and being eligible, offers herself for reappointment.

SPECIAL BUSINESS:

3. To re-appoint Sri Mattupalli Venkata Subba Rao (DIN: 06959568) as an Independent Director and in this regard, to pass the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) thereto or re-enactment(s) thereof, for the time being in force), Sri Mattupalli Venkata Subba Rao (DIN: 06959568) who was appointed as an Independent Director and who holds office of Independent Director in the current term up to 29th September, 2019 and being eligible, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing her candidature for the office of Director, be re-appointed as an Independent Director of the Company, not liable to retire by rotation, and to hold office as a Independent Director in the Board of the Company with effective from 30th September 2019.” for a second term of 5 (five) consecutive years and up to the completion of 32nd annual general meeting of the company which will be held in the financial year 2024-2025.

By Order of the Board of Directors

G.V.S.L.Kantha Rao
Managing Director
(DIN : 01846224)

Place: Guntur
Date: 14.08.2019

Notes:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the Annual General Meeting is annexed hereto and hereunder.
2. A Member entitled to attend and vote at the Meeting is entitled to appoint a Proxy to attend and, on a poll, to vote instead of himself and the Proxy need not be a Member of the Company.
3. Proxies, in order to be effective, must be received in the enclosed Proxy Form at the Registered Office of the Company not less than forty-eight hours before the time fixed for the Meeting
4. A person can act as a proxy on behalf of Members not exceeding 50 and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder
5. A Corporate Member intending to send its authorised representatives to attend the Meeting in terms of Section 113 of the Companies Act, 2013 is requested to send to the Company a certified copy of the Board Resolution authorizing such representative to attend and vote on its behalf at the Meeting
6. Members/Proxies/Authorised Representatives are requested to bring the attendance slips duly filled in for attending the Meeting. Members who hold shares in dematerialised form are requested to write their client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the Meeting
7. During the period beginning 24 hours before the time fixed for the commencement of Meeting and ending with the conclusion of the Meeting, a Member would be entitled to inspect the proxies lodged at any time during the business hours of the Company. All documents referred to in the Notice and accompanying explanatory statement are open for inspection at the Registered Office of the Company on all working days of the Company between 11:00 a.m. and 1:00 p.m. up to the date of the Annual General Meeting and at the venue of the Meeting for the duration of the Meeting
8. The Register of Members and Share Transfer Books of the Company will remain be closed from **Tuesday 24th**



September, 2019 to, Monday 30th September, 2019 (both days inclusive) for the purpose of 27th Annual General Meeting of the company.

09. Route-map to the venue of the Meeting is provided at the end of the Notice / Page no. 77th of the Annual Report

10. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made there under, companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their email address either with the Company or with the Depository Participant(s). Members of the Company who have registered their email address are also entitled to receive such communication in physical form, upon request and after paying prescribed amount for sending the Annual report as decided by the Board or Compliance officer as the case may be.

11. The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose email address are registered with the Company or the Depository Participant(s), unless the Members have registered their request for the hard copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their email address with the Company or Depository Participant(s). Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the Registration Counter at the AGM.

12. Any query relating to financial statements must be sent to the Company's Registered Office at least seven days before the date of the Meeting.

13. With a view to serving the Members better and for administrative convenience, an attempt would be made to consolidate multiple folios. Members who hold shares in identical names and in the same order of names in more than one folio are requested to write to the Company to consolidate their holdings in one folio.

14. Members who still hold share certificates in physical form are advised to dematerialise their shareholding to avail the benefits of dematerialisation, which include easy liquidity, since trading is permitted in dematerialised form only, electronic transfer, savings in stamp duty and elimination of any possibility of loss of documents and bad deliveries.

15. Members can avail of the nomination facility by filing Form SH-13, as prescribed under Section 72 of the

Companies Act, 2013 and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, with the Company. Blank forms will be supplied on request.

16. In accordance with the provisions of the Companies Act, 2013 Mrs. Himaja Manepalli, Non-executive Woman director will retire by rotation at the ensuing Annual General Meeting and, being eligible, offer herself for re-election.

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, additional information in respect of Directors seeking election, those retiring by rotation and seeking reappointment at the Annual General Meeting is given at page no. 8th in the Annual Report

17. Voting through electronic means

Pursuant to Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44(1) of the SEBI (LODR) Regulations 2015, the Company is pleased to provide the facility to Members to exercise their right to vote on the resolutions proposed to be passed at AGM by electronic means.

The Company has appointed M/S K.Srinivasa Rao & Nagaraju Associates., Company Secretaries, Vijayawada to act as the Scrutinizer, to scrutinize the entire e-voting process in a fair and transparent manner.

The voting period **begins on Friday 27th September, 2019 at 09.00 AM and will end on Sunday, 29th September, 2019 at 5.00 PM.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date of **Monday, 23th September 2019**, may cast their vote electronically. The e-voting module shall be disabled for voting thereafter

The instructions for shareholders voting electronically are given at page no. 6th of the Annual Report.

In addition, the facility for voting through electronic voting system shall also be made available at the AGM and the Members attending the AGM who have not cast their vote by remote e-voting shall be eligible to vote at the AGM.

18. The Results shall be declared on or after the Annual General Meeting of the Company and shall be deemed to be passed on the date of Annual General Meeting. The results along with the Scrutinizer's Report shall be placed on the website of the **Company www.cranegroup.in** within 2 days of passing of the resolutions at the Annual General Meeting of the Company and shall be communicated to Bombay Stock Exchange.



EXPLANATORY STATEMENT PURSUANT TO U/S 102(1) OF THE COMPANIES ACT 2013

Item No:3

The members of the Company at the 22nd Annual General Meeting held on 29th September, 2014 had approved the appointment of Sri Mattupalli Venkata Subba Rao(Din:06959568) as an Independent Director in the Board of the Company to hold office for a term of 5 (Five) consecutive years from 29th September, 2014 (“first term” in line with the explanation to Sections 149(10) and 149(11) of the Act). The Tenure of Sri Mattupalli Venkata Subba Rao(Din:06959568) as an independent Director will be completed on the day before of the ensuing Annual General Meeting. The Nomination and Remuneration Committee of the Board of Directors, on the basis of the report of performance evaluation of Independent Directors, has recommended re-appointment of Sri Mattupalli Venkata Subba Rao(Din:06959568) as Independent Director for a second term of 5 (five) consecutive years in the Board of the Company up to the conclusion of the 32nd Annual general meeting of the company which will be held in the financial year 2024-2025.

The Board, based on the performance evaluation of Independent Directors and as per the recommendation of the Nomination and Remuneration Committee, considers that, given his experience and background and the contribution made by him as an Independent Director during his current term, the continued association of Sri Mattupalli Venkata Subba Rao (Din:06959568) would be beneficial to the Company and therefore it is desirable to continue to avail her services as an Independent Director.

Accordingly, it is proposed to re-appoint Sri Mattupalli Venkata Subba Rao (Din:06959568) as an Independent Director of the Company not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company with effective from 30th September, 2019. Sri Mattupalli Venkata Subba Rao (Din:06959568) is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Sri Mattupalli Venkata Subba Rao(Din:06959568) for the office of Independent Director of the Company. The Company has received a declaration from Sri Mattupalli Venkata Subba Rao (Din:06959568) that he meets with the criteria of independence as

prescribed both under sub-section (6) of Section 149 of the Act and under Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”). In the opinion of the Board, Sri Mattupalli Venkata Subba Rao(Din:06959568) fulfils the conditions for her appointment as an Independent Director as specified in the Act read with the rules made there under and the Listing Regulations Sri Mattupalli Venkata Subba Rao(Din:06959568) is independent of the management.

PROCEDURE FOR REMOTE E-VOTING

The Company has entered into an arrangement with Central Depository Services Limited (CDSL) for facilitating remote e-voting for AGM. The instructions for remote e-voting are as under:

The e-Voting process to be followed by the shareholders to cast their votes:

Pursuant to Provisions of Section 108 of the Companies Act, 2013 and Rule 20 of Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility to the members to cast their votes electronically on all resolutions set forth in the Notice convening the **27th Annual General Meeting to be held on Monday, 30th September, 2019, at 11.00 AM.** The Company has engaged the services of Central Depository Services Limited (CDSL) to provide the E-Voting facility.

The instructions for Shareholders voting electronically are as under:-

The E-Voting Event Number and period of E-voting are set out below:

EVSN (E-VOTING SEQUENCE NUMBER):

190826033

COMMENCEMENT OF E-VOTING:

Friday 27th September 2019 at 9.00 A.M

END OF E-VOTING:

Sunday, 29th September, 2019 at 5.00P.M



STEPS & INSTRUCTIONS FOR E-VOTING:

THE INSTRUCTIONS FOR SHAREHOLDERS VOTING ELECTRONICALLY ARE AS UNDER:

(I) The voting period begins on **Friday 27th September 2019 at 9.00 A.M** and ends on **Sunday, 29th September, 2019 at 5.00P.M.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **23rd September, 2019** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) The shareholders should log on to the e-voting website www.evotingindia.com.

(iii) Click on Shareholders.

(iv) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(v) Next enter the Image Verification as displayed and Click on Login.

vi) If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below.

<p>PAN</p>	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both Demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
<p>DOB</p>	<p>Enter the Date of Birth as recorded in your Demat account or in the company records for the said Demat account or folio in dd/mm/yyyy format</p>
<p>Dividend Bank Details</p>	<p>Enter the Dividend Bank Details as recorded in your Demat account or in the company records for the said Demat account or folio.</p> <ul style="list-style-type: none"> • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

viii) After entering these details appropriately, click on "SUBMIT" tab.

ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in Demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password

field. Kindly note that this password is to be also used by the Demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential..



- x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system. :
- (xviii) Note for Non – Individual Shareholders and Custodians Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as corporates.
- a) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - b) After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - c) The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - d) A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- (xx) M/s. K.Srinivasa Rao & Nagaraju Associates., Company Secretaries, Vijayawada (Entity ID: 82034) has been appointed as the Scrutinizer to Scrutinize the e-voting process in a fair and transparent manner.



Details of Directors Seeking Appointment / Re-appointment at the Annual General Meeting:

Name	Manepalli Himaja	M. Venkata Subba Rao
Date of Birth	02.08.1982	27-02-1960
Date of Appointment/Reappointment	29-09-2017	29-09-2014
Qualifications	B.B.A	B.Com.,B.L.,DPM
Brief resume and Justification for reappointment and Expertise in specific	She has good knowledge and great experience in the area of Management Administration and Marketing	He has more than 25 years of experience in the fields of Management and public relations
Directorships & Committee membership held in this and Other Listed companies functional areas and nature of expertise	She is director of Crane Infrastructure Limited and member of Six Board committees in both listed companies.	He is independent director of Crane Infrastructure Limited and member of three Board committees and chairman for Three committees in the both listed companies.
Number of shares held	73189	Nil
Relationship other directors	She is daughter of GVSL Kantha Rao rao ,Managing Director of the company and relative of P.V.Srihari, Director	No relation with other directors.



BOARD OF DIRECTORS REPORT

To
The Members,
Virat Crane Industries Limited,
Guntur.

The directors submit 27th annual report of Virat Crane Industries Limited along with the audited financial statements for the financial year ended March 31, 2019.

Standalone Financial Results:

Particulars	2018-19 (Rs.In Lacs)	2017-18 (Rs. In Lacs)	2016-17 (Rs. In Lacs)	2015-16 (Rs. In Lacs)
Revenue from Operations & Other Income	8572.24	8805.01	7148.30	6086.20
Profit/(Loss) Before Interest & Depreciation	1034.63	1053.75	392.76	893.34
Interest	43.77	65.07	5.022	16.20
Depreciation	30.36	28.47	27.01	18.19
Profit before exceptional and extraordinary items	960.50	960.19	360.72	858.95
Profit/ (Loss) before Tax	960.50	957.05	360.72	867.55
Income Tax -(Current Tax)	27.00	330.00	121.91	282.23
Previous Year Tax	05.00	3.14	0.017	7.23
Deferred-tax (expenses)/ Income	04.46	6.38	7.73	5.90
Profit (Loss) after Taxation	680.96	620.66	228.39	572.15
EPS-Basic	3.33	3.04	1.12	2.80
EPS-Diluted	3.33	3.04	1.12	2.80

Dividend

The Board of Directors has not recommended any dividend for the financial year 2018-19. The Board of Directors wanted to keep the profits at the company for utilizing the construction of new plant which is being constructed, since management did not want to have burden of external debt on the company.

Transfer to reserves

The Company proposes to transfer Rs. 68.09 Lakhs to the general reserve out of the amount available for appropriation and an amount of 489.96 Lakhs is proposed to be retained in the profit and loss account.

Material changes affecting the Company

There have been no material changes and commitments affecting the financial position of the Company between the end of



the financial year and date of this Report. There has been no change in the nature of business of the Company.

Company's performance

During the Year under review revenue from operations for the financial year 2018-19 is Rs.85.78 Crores. It was decreased by 2.57% over the last financial year (Rs.88.05 Crores in 2017-18). Profit after tax (PAT) for the financial year 2018-19 is Rs.6.80 Crores. It was increased by 09.72% over last year (Rs.6.20 Crores in 2017-18). The revenue was increased though the company was facing rigid competition in the industry. It was due to management commitment and high quality products of the company.

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. The directors had 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. The directors had 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. The directors had prepared the annual accounts on a going concern basis;
- v. the directors, had laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- vi. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Changes among Directors and key managerial personnel

I. Reappointment of Mr.Venkata Sri Hari.Puvvada whose office was liable to retire by rotation at 26th annual general meeting of the company:

Mr.Venkata Sri Hari.Puvvada, director liable to retire by rotation under the Articles of Association of the Company,

in 26th Annual General Meeting and being eligible, offer himself for reappointment as Director. The Shareholders approved his re-appointment as Director of the company at the 26th Annual General Meeting of the company held on 28.09.2018.

ii. Reappointment of Managing Director:

Sri GVSL Kantha Rao was reappointed as Managing Director, not liable to retire by rotation, and to hold office for the second term of five consecutive years in the board of the company with effective from 1st November, 2018 to 31st October 2023.

iii. Directors liable to retire by rotation in ensuing Annual General Meeting:

Mrs. Manepalli Himaja director, liable to retire by rotation under the Articles of Association of the Company in ensuing Annual General Meeting and being eligible, offer herself for reappointment as Director. The Board recommends her re-appointment.

Meetings of the Board & Committees

Details of the meetings of the board and board Committees, given in corporate governance report, which forms part of this report.

Board evaluation

The board of directors has carried out an annual evaluation of its own performance, Board committees and Individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by Securities and Exchange Board of India ("SEBI") under regulation 27 of the SEBI(LODR) Regulations 2015. The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc. The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc. The Board and the Nomination and Remuneration Committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

In a separate meeting of independent Directors, performance of non-independent directors, performance of



the board as a whole and performance of the Chairman was evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent Directors, at which the performance of the Board, its committees and individual directors was also discussed.

i. Observations of Board evaluation carried out for the year:

Nil

ii. Previous Years observations and actions taken:

Nil

iii. Proposed actions based current year Observations:

Nil

Policy on director's appointment and remuneration and other details

The Company's policy on director's appointment and remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the corporate governance report, which forms part of the director's report.

Declaration Given By Independent Directors

In terms with Section 149 (7) of the Companies Act, 2013, All the Independent Directors of the Company have declared that they meet the criteria of Independence in terms of Section 149(6) of the Companies Act, 2013 and SEBI (LODR) regulations, 2015. Hence that there is no change in status of Independence.

Independent Directors Meeting

During the year under review, four meetings of independent directors were held on 28.05.2018, 14.08.2018, 16-11-2018 and 13-02-2019 in compliance with the requirements of schedule IV of the companies act, 2013. The Independent Directors at the meeting, inter alia, reviewed the Performance of Non-Independent Directors and Board as a whole. Performance of the Chairperson of the Company, taking into account the views of Managing Director and Non-Executive Directors and Assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Extract Of The Annual Return

The details forming part of the extract of the Annual Return in form MGT-9 as required under Section 92 of the Companies Act, 2013 is included in this Report as **Annexure - I** and forms an integral part of this Report.

The Web Address, if any, where Annual return referred to in subsection (3) of section 92 is placed:

True, the Annual return U/s 92 (3) is placed in www.cranegroup.in

Internal financial control systems and their adequacy

The details in respect of internal financial control and their adequacy are included in the Management Discussion & Analysis, which forms part of this report.

Statutory Auditor:

Pursuant to the provisions of Section 139 of the Act and the rules framed there under, M/s Anantha & Associates, Chartered Accountants (FRN: 010642S) as the statutory Auditors of the company for a period of five consecutive years from the conclusion of the 25th Annual General Meeting of the company schedule 29th September, 2017, till the conclusion of the 30th Annual General Meeting to be held in the year 2022, for this The shareholders of the company had given their consent by way of ordinary resolution in the annual general meeting held on 29-09-2017.

In accordance with the Companies Amendment Act, 2017, enforced on 7th May, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting. The Report given by the Auditors on the financial statement of the Company is part of this Report.

There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

Auditor's report

The auditor's report does not contain any qualifications, reservations or adverse remarks. Audit Report is given as an **annexure - x** which forms part of this report.

The Statutory Auditors of the Company have not reported any fraud as specified under the second proviso of Section 143(12) of the Companies Act, 2013 (including any statutory modification(s) or re enactment(s) for the time being in force).

Secretarial auditors

Pursuant to provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, your Company engaged the services of M/s. K. Srinivasa Rao & Nagaraju Associates, Company Secretaries in Practice, Vijayawada. They had conducted the Secretarial Audit of the Company for the financial year ended on March 31, 2019.



Secretarial auditor report

The detailed reports on the Secretarial Audit in Form MR- 3 are appended as an **Annexure IV** to this Report. There were no qualifications, reservations or adverse remarks given by Secretarial Auditors of the Company except

The Company did not ensure that the limited review or audit reports submitted to the stock exchange(s) on a quarterly or annual basis were given by an auditor who has subjected himself to the peer review process of Institute of Chartered Accountants of India and holds a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

Board Clarification on Secretarial Auditors Qualification:

The Board of directors of the company has received confirmation from the statutory auditor of the company that he had already made an application to the peer review board of institute of chartered accountants of india (ICAI) for issuance of peer review certificate and the matter of issuance of peer review certificate to the statutory auditor is pending with the ICAI.

Maintenance of Cost Records and Cost Audit:

Cost Audit is not applicable to the company for the financial year 2018-19.

Risk Management

The Board of the Company has formed a risk management committee to frame, implement and monitor the risk management plan for the Company. The committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The audit committee has additional oversight in the area of financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The development and implementation of risk management policy has been covered in the management discussion and analysis, which forms part of this report.

Particulars of loans, guarantees and investments

The particulars of loans, guarantees and investments have been disclosed in the financial statements

Transactions with related parties

None of the transactions with related parties falls under the scope of Section 188(1) of the Act. Information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with rule 8 (2) of the Companies(Accounts) Rules, 2014 are given in **Annexure**

II in Form AOC-2 and the same forms part of this report.

Corporate social responsibility

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company and the Initiatives undertaken by the Company on CSR activities during the year are set out in **Annexure III** of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. The policy is available on www.cranegroup.in

Particulars of employees

The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below

A. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Name of the Executive director Ratio to median remuneration G V S L KANTHA RAO 1:65

During the financial year 2018-19 The Company has not paid any remuneration to Non- Executive Directors

b. The percentage increase in remuneration of total directors, chief executive officer, chief financial officer, company secretary in the financial year: 41.19%

c. The percentage increase in the median remuneration of employees in the financial year: 54.58%

d. The number of permanent employees on the rolls of Company: 70

e. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year 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:

Increase in the managerial remuneration for the year was: 41.19%

The percentage increase in the median remuneration of employees in the financial year: 54.58%

Justification:

Percentage of Employees median remuneration was increased more than fifty four percent during the financial year compared to the previous financial year. The percentage of increase of managerial remuneration was forty one. The employees' median remuneration increased more than 13% of increase of median remuneration of



managerial remuneration. Managerial remunerations were increased with respect to the growth and revenue perspective of the company. The increase in Managerial remuneration was justified as there were no exceptional circumstances for increase in the managerial remunerations.

g. Affirmation that the remuneration is as per the remuneration policy of the Company:

The Company affirms remuneration is as per the remuneration policy of the Company.

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.

Conservation of energy, technology absorption, foreign exchange earnings and outgo

Conservation of energy:

VCIL continues to work on reducing carbon footprint in all its areas of operations through initiatives like

- (a) Green infrastructure,
- (b) Operational energy efficiency,

Technology absorption, adaption and innovation:

The Company continues to use the latest technologies for improving the productivity and quality of its services.

Foreign exchange earnings and outgo

Your Company did not have any foreign exchange earnings and outgo's during the financial year 2018-19.

Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report:

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate on the date of this report.

Significant and material orders passed by the regulators or courts or tribunals impacting the going concern status of the company.

There are no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company.

Joint Ventures/Subsidiaries/Associates

The company has no Joint Ventures /Subsidiaries /Associates.

Prevention of Sexual Harassment Of Women At Workplace

Your directors confirm that the company has adopted a policy regarding the prevention of sexual harassment of women at work place and has constituted Internal Complaints Committees (ICC) as per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('Act') and Rules made there under, your Company.

Number of Complaints Received During the Year: Nil

Human resources

Your Company treats its "human resources" as one of its most important assets. Your Company continuously invests in attraction, retention and development of talent on an ongoing basis. A number of programs that provide focused people attention are currently underway. Your Company thrust is on the promotion of talent internally through job rotation and job enlargement.

Management Discussion & Analysis

A detailed Management Discussion and Analysis forms part of this annual report, which is attached to this Report in **Annexure V**

Report on Corporate Governance

Your Directors are pleased to inform you that your Company has implemented all the stipulations prescribed under regulation 27 of the SEBI (LODR) Regulations 2015. The Statutory Auditors of the Company have examined the requirements of the Corporate Governance with reference to SEBI (LODR) Regulations 2015 and have certified the compliance, as required under SEBI (LODR) Regulations 2015.

A separate report on Corporate Governance in **Annexure VI** is provided together with a Certificate from the Statutory Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated regulation 27 of the SEBI (LODR) Regulations 2015. A Certificate of the CFO of the Company in terms of regulation 17(8) of the SEBI (LODR) Regulations 2015, inter alia, confirming the correctness of the financial statements and cash flow statements, adequacy of the internal control measures and reporting of matters to the Audit Committee, is also annexed.



Whistle Blower Policy

The Company established Whistle Blower Policy for

directors and employees to report concerns about un-ethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The details are reported in Report on corporate Governance which forms part of this Report as **Annexure VII**

Transfer of Amounts to Investor Education and Protection Fund

Pursuant to the provisions of section 124 of the companies Act, 2013, the declared dividends which remained un paid or unclaimed for a period of seven years, have to be transferred by the company to the Investor Education and Protection Fund (IEPF) established by the Central Government :

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

Acknowledgement

The directors thank the Company's employees, customers, vendors, investors and academic institutions for their Continuous support. The directors also thank the government of various countries, government of India, the governments of various states in India and concerned government departments / agencies for their co-operation. The directors appreciate and value the contributions made by every member of the Virat Crane Industries family.

On behalf of the board of directors,

Place: Guntur

Date: 14.08.2019

G.V.S.L.Kantha Rao
Managing Director
(DIN : 01846224)



Annexure - I
Form No. MGT-9

Extract of Annual Return as on the financial year ended on 31st March, 2019

I. REGISTRATION AND OTHER DETAILS:

i.	CIN	L74999AP1992PLC014392
ii.	Registration Date	18.06.1992
iii.	Name of the Company	Virat Crane Industries Limited
iv.	Category / Sub-Category of the Company	Company Limited by Shares/Indian Non - Government Company
v.	Address of the Registered office and contact details	D.No. 25 -18 -54,Opp:Crane Betel Nut Powder Works Office, Main Road,Sampath Nagar, Guntur. Phone No:0863-2223311 viratcraneindustriesltd@gmail.com vcil@cranegroup.in
vi.	Website Address	www.cranegroup.in
vii.	Whether listed company (Yes/No)	Yes
viii	Name, Address and Contact details of Registrar and Transfer Agent	M/s Big Share Services Private Limited306, 3rd floor, Rigt Wing, AmruthaVille, Opp: Yashoda Hospital, Rajbhavan Road, Somajiguda, Hyderabad - 500082

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Manufacture of Ghee	10504	97.22%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares Held	Applicable Section
-	-	-	-	-	-



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

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	1,49,85,994	-	1,49,85,994	73.38	1,49,86,194	-	1,49,86,194	73.38	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) bodies corp.	-	-	-	-	-	-	-	-	-
e) any other	-	-	-	-	-	-	-	-	-
Sub total - (A) (1): -	1,49,85,994	-	1,49,85,994	73.38	1,49,86,194	-	1,49,86,194	73.38	-
(2) Foreign	-	-	-	-	-	-	-	-	-
a) NRIs Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub total - (A) (2): -	-	-	-	-	-	-	-	-	-
Total shareholding of promoters (A)= (A)(1)+(A)(2)	1,49,85,994	-	1,49,85,994	73.38	1,49,86,194	-	1,49,86,194	73.38	-
B. Public Shareholding	-	-	-	-	-	-	-	-	-
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	5,000	5,000	0.02	-	5,000	5,000	0.02	-
b) Banks / FI	-	22,300	22,300	0.11	-	22,300	22,300	0.11	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign	-	-	-	-	-	-	-	-	-



Venture Capital Funds									
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1): -	-	27,300	27,300	0.13	NIL	27,300	27300	0.13	-
2. Non - Institutions	-	-	-	-	-	-	-	-	-
a) Bodies Corp.					-	-	-	-	-
i) Indian	3,04,152	67,000	3,71,152	1.82	2,69,522	66,800	3,36,322	1.65	(0.17)
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	15,00,455	14,96,590	29,97,045	14.67	14,87,909	13,76,290	28,64,199	14.02	(0.65)
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakhs	16,85,910	2,43,500	19,29,410	09.45	18,05,989	2,43,500	20,49,489	10.03	0.58
c) Others Clearing Members	3,264	-	3,264	0.02	10,280	-	10,280	0.05	0.03
trusts	25	-	25	0	25	-	25	0	-
Non Resident Indians	85,460	24,100	1,09,560	0.53	1,26,441	23,500	1,49,941	0.73	0.20
Sub-total (B)(2): -	35,79,266	18,31,190	54,10,456	26.49	36,99,956	17,10,300	54,10,256	26.49	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	35,79,266	18,58,490	54,37,756	26.62	36,99,956	17,37,600	54,37,556	26.62	-
C. Custodian for GDRs & ADRs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Grand Total (A+B+C)	1,85,65,260	18,58,490	2,04,23,750	100.00	1,86,86,150	17,37,600	2,04,23,750	100.00	NIL

**(ii) Shareholding of Promoters:-**

S.No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Manepalli Himaja	73,189	0.35	0.0000	73,189	0.35	0.0000	0.0000
2.	Grandhi Lakshmi Hymavathi	3,19,305	1.56	0.0000	3,19,305	1.56	0.0000	0.0000
3.	G V S L Kantha Rao	1,45,93,700	71.45	0.0000	1,45,93,700	71.45	0.0000	0.0000
	Total	1,49,86,194	73.38	0.0000	1,49,86,194	73.38	0.0000	0.0000

(iii) Change in Promoters' Shareholding :Nil

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year		Shareholding at the End of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	1,49,86,194	73.38	1,49,86,194	73.38	-	-
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying	-	-	-	-	-	-
3	At the End of the year	-	-	1,49,86,194	73.38	1,49,86,194	73.38



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

Sl. No.	Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding increased/decreased during the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	M Divakar	2,22,500	1.09	2,22,500	1.09	2,22,500	1.09
2	Girish Gulati(HUF) Details of increase/(decrease) of shares by way transfer. 06-04-2018 08-06-2018 29-06-2018 06-07-2018 07-09-2018 01-02-2019	1,90,320	0.95	1,90,320 3,689 6,367 5,763 2,614 -8,232 -781	0.95 0.01 0.03 0.02 0.01 -0.04 -0.00	1,99,740	0.98
3.	Bharath C Jain	1,98,000	0.97	1,98,000	0.97	1,98,000	0.97
4.	First Call India Equity Advisors Pvt Ltd	1,82,275	0.89	1,82,275	0.89	1,82,275	0.89
5.	Hemantraj Bheemappa Batakurki Details of increase/(decrease) of shares by way transfer. 18-05-2018 25-05-2018 01-06-2018 24-08-2018 31-08-2018 07-09-2018	1,22,480	0.59	1,22,480 622 5,000 2,000 3,616 8,736 2,501	0.59 0.00 0.02 0.00 0.01 0.04 0.01	1,44,955	0.71



6.	Amit Bhutra	1,23,115	0.60	1,23,115	0.60	1,23,115	0.6
7.	Mohanchand H	1,15,800	0.56	1,15,800	0.56	1,15,800	0.56
08	Parag Jhawar	1,01,220	0.50	1,01,220	0.50	1,01,220	0.50
09	Satyasundari Vemparala Details of increase/(decrease) of shares by way transfer.	96,385	0.47	96,385	0.47		
	01-02-2019			-200	-0.00		
	01-03-2019			-1200	-0.00		
	08-03-2019			-3254	-0.01		
	15-03-2019			-2262	-0.01		
	22-03-2019			-3500	-0.01	85,969	0.42
10.	Kothuri Vnslna Rangavalli	63,149	0.31	63,149	0.31	63,149	0.31

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	G.V.S.L.Kantha Rao (Managing Director) & KMP	1,45,93,700	71.45	1,45,93,700	71.45	1,45,93,700	71.45
2.	P.V.Srihari (Director) CFO & KMP	9,811	0.048	9800 -8600	0.048 (0.042)	1,211	0.005
3.	G.Himaja (Director)	73,189	0.3584	73,189	0.3584	73,189	0.3584
4.	P.Bhaskara Rao (Independent Director)	990	0.004	990	0.004	990	0.004
5.	M.V.Subba Rao (Independent Director)	-	-	-	-	-	-
6	Adi Venkata Rama.R (Company Secretary)	-	-	-	-	-	-



V. INDEBTEDNESS

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

Particulars	Secured Loans excluding deposits(Rs.)	Unsecured Loans (Rs.)	Deposits (RS.)	Total Indebtedness (RS.)
Indebtedness at the beginning of the financial year				
i) Principal Amount	4,07,93,346	3,60,000	Nil	4,11,53,346
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	4,07,93,346	Nil	Nil	4,11,53,346
Change in Indebtedness during the financial year				
→ Addition	Nil	Nil	Nil	Nil
→ Reduction	(59,55,501)	(3,60,000)	Nil	(63,15,501)
Net Change	(59,55,501)	(3,60,000)	Nil	(63,15,501)
Indebtedness at the end of the financial year				
i) Principal Amount	3,48,37,845	Nil	Nil	3,48,37,845
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	3,48,37,845	Nil	Nil	3,48,37,845



VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:(Rs)

Sl. no.	Particulars of Remuneration	G.V.S.L. Kantha Rao (Managing Director)	Total Amount
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act,1961 (c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	Rs. 60,00,000 - - -	Rs. 60,00,000 - - -
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission as % of profit others, specify...	-	-
5.	Others, please specify	-	-
	Total (A)	Rs.60,00,000	Rs. 60,00,000
	Ceiling as per the Act	Within the Ceiling Limit	Within the Ceiling Limit

B. Remuneration to other directors: Nil

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD: (Rs)

Sl. no.	Particulars of Remuneration	Company Secretary	CFO	Total Amount (in Rs.)
1.	Gross Salary (a) Salary as per provisions contained in section 17(1) of the income tax Act,1961 (b) Value of perquisites U/s 17(2) of income tax Act,1961 (c) Profis in lieu of salary U/s 17(30 of income tax act,1961	4,20,000	Nil	4,20,000
2.	Stock options	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil
4.	Commission as % of profit & others	Nil	Nil	Nil
5.	Others, if any	Nil	Nil	Nil
	Total	4,20,000	Nil	4,20,000

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: Nil



**Annexure - II
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.

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 arms length transaction under third proviso thereto.

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

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Nil
b)	Nature of contracts/arrangements/transaction	NA
c)	Duration of the contracts/arrangements/transaction	NA
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	NA
e)	Justification for entering into such contracts or arrangements or transactions'	NA
f)	Date of approval by the Board	NA
g)	Amount paid as advances, if any	NA
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NA

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

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	1 .Mr. PV Sri Krishna 2.Mr. K. Praveen 3.Mrs.Vijaya Lakshmi All the above persons are relatives of Key managerial person namely Sri GVSL Kantha Rao, (Managing Director)
b)	Nature of contracts/arrangements/transaction	1.Rs.5,50,000 and Rs.12,00,000 amounts are paid as salaries to Mr. Pv Sri Krishna and Mr. K. Praveen respectively. 2.Rs.10,80,228 paid as rent to Mrs Vijaya Lakshmi
c)	Duration of the contracts/arrangements/transaction	Nil
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Nil
e)	Date of approval by the Board/Share holders	26/05/2016
f)	Amount paid as advances, if any	Nil

On behalf of the board of directors,
G.V.S.L. Kantha Rao
(Managing Director)
(DIN : 01846224)

Guntur
14.08.2019



Annexure - III
ANNUAL REPORT ON CSR ACTIVITIES

(As prescribed under Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014)

CSR Policy :

1. Virat Crane Industries Limited Policy, more Focus on areas of preventive health and sanitation, education, skills for employability, livelihoods .The proposed CSR activities according to our CSR policy displayed at Company's Registered Office.

2. The Composition of the CSR Committee:

Sri MV Subba Rao	Chairman	Non Executive Independent Director
Sri. G V S L Kanta Rao	Member	Managing Director
Sri G Himaja	Member	Non Executive Non Independent Director

3.Meetings of The CSR Committee :

The members of the CSR Committee met on the following days during the financial year 2018-19 and discussed the company's CSR policy and over view the implementation of the company's CSR activities.

Sr.No	Meeting Date	Attendance of Members
1	30 -05 -2018	3
2	14- 02 -2019	3

All the members of the committee were present to the above two meetings.

4.Net profits (profit Before Tax) of the Company for last three financial years:

For the Financial Year 2017 :18	Rs. 9,60,19,389
For the Financial Year 2016 :17	Rs. 3,58,05,176
For the Financial Year 2015 :16	Rs. 8,67,55,219

5. Average net profit of the company for the last three Financial Years:Rs.7,28,59,928

6. Prescribed CSR expenditure: Rs.14, 57,199

7. Details of CSR spent during the financial year:

- (a)Total amount needed to spend for the financial year 2018-19: Rs. 14.57 lakhs
- (b)Total amount spent during the year: Rs.11.87 Lakhs
- (c) Amount unspent if any: Rs.2.70 Lakhs

8. The company has contributed total cumulative expenditure up to the reporting period since the applicability of CSR provisions to the company: Rs.37.58 Lakhs



1. CSR expenditure details:

Sl. No	CSR project or activity Identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub -heads: (1) Direct expenditure on projects or programs (2) Overhead	Cumulative expenditure upto to the reporting period	Amount spent: Direct or through implementing agency *
1.	Donation to Crane Foundation	Donations / Scholarships (Crane Foundation is for providing scholarships to the needy Talented students)	Distribution of Scholarships to students who excelled in their studies through crane foundation	Rs. 11.87 Lakhs	Indirect Expenditure	Rs. 11.87 lakhs	Amount spent through Crane Foundation
	Total			RS.11.87 Lakhs		RS.37.58 Lakhs	

2. In case the Company has failed to spend two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report :

The company still has to spend Rs. 2.70 lacks but the company did not find the suitable project according to its philosophy. The company hopes that it will spend in the near future after finding the suitable project.

3. CSR Committee Responsibility Statement:

The CSR Committee of the Company hereby confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

Sd/-
MV Subba Rao
(Chairman)

Sd/-
GVSL Kanta Rao
(Member)

Sd/-
G. Himaja
(Member)



Annexure - IV
FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2019

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
M/s. Virat Crane Industries Ltd,
Guntur

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Virat Crane Industries Ltd (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019 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 and External Commercial Borrowings;

(v). The Following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.:-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The SEBI (LODR) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; (Not applicable to the Company during the Audit Period)
 - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable to the Company during the Audit Period);
 - (e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999/ The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 – (Not applicable to the Company during the Audit Period);
 - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the Audit Period);
 - (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the Audit Period) and
 - (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the Audit Period);
- (vi). The Company has identified the following laws as specifically applicable to the Company:
1. Food Safety and Standards Act 2006
 2. Andhra Pradesh (Agl. Produce and live stock) Markets Act, 1966



3. Andhra Pradesh (Agl. Produce and live stock) Markets Rules, 1969
4. The Food Safety and Standards Regulations, 2011
5. The Prevention of Food Adulteration Act, 1954

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India
- (ii) The Listing Agreement entered into by the Company with Bombay Stock Exchange Limited and the Uniform Listing Agreement entered with the said stock exchange pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

1. Whereas in terms of the provisions of regulation 33 of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 The listed entity shall ensure that the limited review or audit reports submitted to the stock exchange(s) on a quarterly or annual basis are to be given only by an auditor who has subjected himself to the peer review process of Institute of Chartered Accountants of India and holds a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India . ***The Company did not ensure that the limited review or audit reports submitted to the stock exchange(s) on a quarterly or annual basis were given by an auditor who has subjected himself to the peer review process of Institute of Chartered Accountants of India and holds a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.***

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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act

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 meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

We further report that during the audit period, there are no specific events/ actions having a major bearing on the Company's affairs in pursuance of the laws, rules, regulations, guidelines, standards, etc, referred to above.

For K. Srinivasa Rao & Nagaraju Associates.,
Company Secretaries.,

CS.N.V.S. Naga Raju

Place: Vijayawada

Partner

Date: 14.08.2019

ACS. No. 37767/ C. P. No: 14940

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



'ANNEXURE A'

Annexure -V

MANAGEMENT DISCUSSION & ANALYSIS

CORPORATE OVERVIEW

To,
The Members
M/s Virat Crane Industries Ltd
Guntur

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record 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 contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. 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 basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For K. Srinivasa Rao & Nagaraju Associates.,
Company Secretaries.,

CS.N.V.S. Naga Raju

Place: Vijayawada

Partner

Date: 14.08.2019

ACS. No. 37767/ C. P. No: 14940

Virat Crane Industries Limited (the Company) has consolidated its position in Dairy Industry with deeper penetration among all categories of people irrespective of income levels and geographical areas in the Ghee products. Your Company now has over 27 years of legacy in the Indian dairy industry.

The Financial statements are prepared in accordance with accounting principles generally accepted in India, including the Accounting Standards notified under the Companies Act, 2013 ("the Act") read with Section 133 of the Companies Act, 2013. Your Management accepts responsibility for the integrity and objectivity of the financial statements, as well as for the various estimates and judgments used therein. These estimates and judgments relating to financial statements are prudently made to reflect in a true and fair manner the form and substance of transactions. This also enables in reasonably presenting the Company's state of affairs and profits and cash flows for the year ended March 31st, 2019

INDIAN ECONOMY

The International Monetary Fund (IMF) has pared India's growth forecast for the just-concluded fiscal and the next two years, citing softer recent growth and weaker global outlook, but expects the country to retain its place as the fastest growing major economy.

According to IMF estimates, India's economy grew 7.1% in financial year 2018-19 and is expected to accelerate to 7.3% growth during 2019-20.

Dairy Sector Review

We believe the organized dairy sector is poised for healthy growth in the coming quarters since ever increasing the health consciousness among people, growth of income of people & their spending capacity and willingness to buy the packaged foods.

(a) **INDUSTRY STRUCTURE AND DEVELOPMENTS**
During the financial year 2018-19, India is the leading milk producing country in the world, accounting for 21% of the global market share. The milk processing industry in India is expected to expand at a compound annual growth rate (CAGR) of ~14.8% between FY 2018 and FY 2023. Apart from milk, the revenue of the Indian dairy and milk processing industry is generated from several value-added products such as butter, curd, paneer, ghee, whey, flavoured



milk, ultra-high temperature (UHT) milk, cheese, and yogurt. The market size of butter is expected to grow by 14.5%, curd by 14.4%, paneer by 14.1%, and ghee by 14.1%, among others.

(b) OPPORTUNITIES AND THREATS:

Opportunity: Expanding market will see creation of enormous job and self employment opportunities. Economy is growing at the rate of nearly 6.8% of GDP. Consequently, the investment opportunities are also increasing continually. Demand for dairy products is income elastic. Continued rise in middle class population will see shift in the consumption pattern in favour of value added products besides the growth in demand for dairy products. Opening of the world market offers opportunities for utilization of by products of the dairy industry for manufacturing value added products for import substitution. Interest subvention of 2% for farmers availing loan under Kisaan Credit Card (KCC) for pursuing activities of animal husbandry and fisheries. Additional 3% interest subvention on timely repayment of loans. Positive for the dairy sector as this will encourage farmers to invest in dairy farming as a stable source of income. Dairy is one of key focus areas for doubling farmers income and increase milk production in milk deficient regions like South India and East India

Threat: the company has been facing the copying, duplicating and adulteration of our products by a few mal practitioners. It has been rising continuously. Excessive grazing pressure on marginal and small community lands has resulted in almost complete degradation of land. Indiscriminate crossbreeding for raising milk productivity could lead to disappearance of valuable indigenous breeds. Organized dairy industry handles only 28% of the milk produced. Cost effective technologies, mechanization, and quality control measures are seldom exercised in unorganized sector and remain key issues to be addressed. There is a gross lack of awareness among farmers about the quality parameters, including microbiological and chemical contaminants as well as residual antibiotics.

(c) SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

The primary business segment of your company is ghee, cow ghee, milk, butter milk.

Ghee: Durga ghee is the most premium brand among the all brands of ghee and its brand name is ever increasing and management is putting all efforts to strengthen its position.

Kamadhenu cow ghee

It is used mainly for pooja purposes and the demand for this product is steadily rising. The company expects more revenue from this brand as increasing the awareness among the people by strengthening its marketing.

(d) OUTLOOK

According, "Indian Dairy Industry Outlook 2022" report, with an annual output of 179 Million Tonnes, India is the largest producer of milk in the world. It is also one of the largest producers and consumers of dairy products. Indian dairy industry also offers good opportunities to both domestic and foreign investors for entry and expansion. Due to their rich nutritional qualities, dairy products' consumption has been growing exponentially in the country; and considering various facts and figures, the study anticipates that milk production in India will further grow at a CAGR of around 3.5% by 2021-22.

(e) RISKS AND CONCERNS Climate, water scarcity and geography Climate change and scarcity of water is a major threat to the dairy industry. Milk production could go down by 3 million tonne over the next three years as the average temperatures rise, creating problems of water scarcity and reduced availability of green and dry fodder for the cattle. Temperate with milder seasons put less stress on cows than climates with more extreme weather. Geography is closely tied to weather. Heat and humidity are the factors with largest impact. If nighttime temperatures cool, cows get a chance for cover even in hot seasons. However, if they don't have a chance to cool down, they will eat less feed and produce less milk. Survival of the fittest It is expected that the competition will increase steadily as more and more companies targeting dairy sector and a few Multinational Corporations (MNC) too eyeing for increasing market share. Large established players are launching new products. New Product Risk by MNCs who have better brand equity Over the years a few private players have been able to anticipate and respond to changing consumer preferences which helped in building strong consumer demand for their brands. However continuous investment in research and development along with introduction of new products and different variants of existing products by MNCs, based on consumer preferences and demand, can be a risk for smaller players. Rising labor cost Over the last decade labor cost has also increased significantly. Cost of keeping and maintaining bovine is very high.

KEY INDUSTRY GROWTH DRIVERS

Young India and increase in population India is the second most populated country in the world with nearly a fifth of



the world's total population. India is relatively young country with rising expectations. 65% of India's population is below 40 and working age population (between 15 and 64 years) is expected to touch 1b mark surpassing China by 2030. With 50% of the population under 25 years of age, the large Indian young population is ready to experiment and try out new milk products. The opportunity is there for domestic players to capitalize on their understanding of taste and preferences of Indians. Dual income households leading to higher usage of VAP due to lack of time The number of dual household incomes is gradually increasing, leading to higher disposable incomes and readiness to try out value added products. Both rural and urban households have increased their expenditure on VADP at ~16% CAGR compared to liquid milk CAGR of 10-12%. Traditional milkmen selling curd have disappeared today at least in urban areas with many of branded dairies launching their better quality curds and buttermilk. Dairy sector will be one of the key beneficiaries of Indian consumption story. Value-added products have been gaining importance due to changes in demographic and dietary patterns. While demand for branded milk has grown at 15%, growth in value added products has been even stronger at 23% in last decade. Rising urbanization and disposable income With rising urbanization and disposable income, there is growing brand awareness amongst consumers, which is driving demand for branded products. Also, there is a growing preference for clean, hygienic and ready-to-eat milk & dairy products that will boost organized dairy industry. Rising health awareness Over the last decade, there has been a growing awareness towards health and nutrition. This has led to increasing quality and safety concerns fuelling demand for packaged food. Younger consumers are especially trending towards more health conscious eating habits driving growth of value added dairy products. Rising vegetarian population India has ~28% of population who follow vegetarianism and this number is gradually increasing over last decade. A large vegetarian population is a key driver for dairy industry.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY The Company has a well-defined and documented internal audit & control system, which is adequately monitored. Checks & balances and control systems have been established to ensure that assets are safe guarded, utilized with proper authorization and recorded in the books of account. The Internal control systems are improved and modified continuously to meet the changes in business conditions, statutory and accounting requirements. Your Company has an Audit Committee

consisting of three Directors in whom all are Non-Executive and two are independent Directors. The Audit Committee of the Board of Directors and Statutory Auditors are periodically apprised of the internal audit findings and corrective actions taken. The Audit Committee of the Board of Directors reviews the adequacy and effectiveness of internal control system and suggests improvements if any for strengthening them.

COMPANY'S FINANCIAL PERFORMANCE

During the Year under review revenue from operations for the financial year 2018-19 is Rs.85.78 Crores. It was decreased by 2.57% over the last financial year (Rs.88.05 Crores in 2017-18). Profit after tax (PAT) for the financial year 2018-19 is Rs.6.80 Crores. It was increased by 09.72% over last year (Rs.6.20 Crores in 2017-18). The revenue was increased though the company was facing rigid competition in the industry. It was due to management commitment and high quality products of the company.

Details of Significant changes (ie change of 25% or more as compared to immediately previous financial year) in the following key financial ratios along with explanations:

Inventory turnover ratio was 9.29 times in the financial year 2018-19 and it was 7.41 times in the financial year 2017-18. Hence it was increased by 25.37% in the financial year 2018-19 compared to the previous financial year 2017-18.

Explanation:

Previous year stock levels are too high since the variability of prices in the market and during the financial year 2018-19 at the end of the year the prices had gone up so the inventory levels were reduced.

Current ratio was 1.79 times in the financial year 2018-19 and it was 1.15 times in the financial year 2017-18. Hence it was increased by 55.65% in the financial year 2018-19 compared to the previous financial year 2017-18.

Explanation:

In the previous year total advance tax was paid

Creditors were reduced in the current financial compared to previous financial year as the stock levels were reduced due to the high prices of the stock.

Details of non Significant changes (ie change of less than 25% or more as compared to immediately previous financial year) in the following key financial ratios along with explanations:



Debtor's turnover ratio was 19.85 times in the financial year 2018-19 and it was 21.64 times in the financial year 2017-18. Hence it was decreased by 8% in the financial year 2018-19 compared to the previous financial year 2017-18.

Debt equity ratio was 0.629 times in the financial year 2018-19 and it was 0.62 times in the financial year 2017-18. Hence it was increased by 1.45% in the financial year 2018-19 compared to the previous financial year 2017-18.

Operating profit ratio was 10.19 times in the financial year 2018-19 and it was 11.20 times in the financial year 2017-18. Hence it was increased by 9.91% in the financial year 2018-19 compared to the previous financial year 2017-18.

Net profit ratio was 7.05 times in the financial year 2018-19 and it was 7.94 times in the financial year 2017-18. Hence it was increased by 12.62% in the financial year 2018-19 compared to the previous financial year 2017-18.

Interest coverage ratio was 26.59 times in the financial year 2018-19 and it was 27.72 times in the financial year 2017-18. Hence it was decreased by 04.07% in the financial year 2018-19 compared to the previous financial year 2017-18.

Details of Changes in return on net worth compared to the immediately previous financial year:

Return on net worth was 18.13 times in the financial year 2018-19 and it was 17 times in the financial year 2017-18. Hence it was decreased by 6.23% in the financial year 2018-19 compared to the previous financial year 2017-18.

(H) HUMAN RESOURCES AND INDUSTRIAL RELATIONS

Your Company has laid high emphasis on driving an effective and transparent performance culture with an open mindset. This is evident in the way performance is closely tracked and its impact on your Company's financial sustainability monitored. Leaders today provide feedback not only on performance but also on demonstration of Core Values and Leadership skills defined for each layer of Organization hierarchy. Top performers and high achievers are recognized for their exemplary performance as part of the rewards and recognition program. In the year gone by, your Company has focused on functional training programs such as Food Safety and Regulations, Energy Management, Lean Sigma, TQM, Industrial Safety, Your Company provides learning opportunities through facilitator led learning, workshops and experiential learning through projects, programs and assignments.

Your Company has continued to maintain amicable Industrial Relation footprints by focusing on increased

worker level engagement through formal and informal communication and training forums.

There were no material developments in human resources /Industrial relations during the financial year 2018-19.

As of 31st March 2019, your Company had 70 permanent employees on its rolls.

Disclosure of Accounting Treatment:

Where in the preparation of financial statements, during the year there was no different treatment from that prescribed in an Accounting Standard has been followed, the fact shall be disclosed in the financial statements.

Annexure -VI

Corporate Governance Report

1. Company's Philosophy on Code of Governance

Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. The Company's philosophy on corporate governance ensures fiscal accountability, ethical corporate behaviour and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large. The Company has a strong legacy of fair, transparent and ethical governance practices. The Company has adopted a code of conduct for its employees including the managing director and the executive directors. In addition, the Company has adopted a code of conduct for its non-executive directors and independent directors. The Company's corporate governance philosophy has been further strengthened through the, the Virat Crane Industries Limited Code of Conduct for prevention of insider trading. The Company is in compliance with the requirements of SEBI (LODR) Regulations 2015 and Listing Agreement entered into with the stock exchanges with regard to corporate governance.

2. Board of Directors

The Board of Directors is entrusted with the ultimate responsibility of the management, general affairs, direction and performance of the Company and has been vested with requisite powers, authorities and duties.

I. Composition of the Board : The Board comprises such number of Non-Executive, Executive and Independent Directors as required under regulation 17 of the SEBI (LODR) Regulations 2015 and other applicable legislations. As on date of this Report, the Board consists of Five Directors comprising two Independent Directors, One



Managing Director and Two non-executive directors. The composition of the Board represents an optimal mix of professionalism, knowledge and experience and enables the Board to discharge its responsibilities and provide effective leadership to the business

ii. None of the directors on the board hold directorships in more than ten public companies. Further, none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he is a director. Necessary disclosures regarding committee positions in other public companies as on March 31, 2019 have been made by the directors.

iii. Independent directors are non-executive directors as defined under regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015. The maximum tenure of the

independent directors is in compliance with the Companies Act, 2013 (“Act”). All the Independent Directors have confirmed that they meet the criteria as mentioned under regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015 and Section 149 of the Act. Details of familiarization programmes imparted to independent directors is available at www.Cranegroup.in

iv. The names and categories of the directors on the board, their attendance at board meetings held during the year and the number of directorships and committee chairmanships / memberships held by them in other public companies as on March 31, 2019 are given here in below.

Name of the Director	Category	Number of board meetings during the year 2018-19		Whether attended last AGM held on 28-09-18	Number of directorships in other Listed Companies	Number of positions held in committees & other positions in other Listed companies	
		Held	Attended			Chairman	Member
G.V.S.L.Kantha Rao (Din:01846224)	Managing Director	9	9	Yes	1	1	0
Manepalli Himaja (Din: 065057820)	Non-Executive Director Non-Independent (Woman Director)	9	9	Yes	1	0	3
Puvvada Venkata Srihari (Din:03452957)	Director & CFO	9	9	Yes	0	0	0
Bhaskar Rao Potti (Din:01846243)	Non-Executive Director (Independent)	9	9	Yes	1	2	2
Mattupalli Venkata Subba Rao (06959568)	Non-Executive Director (Independent)	9	9	Yes	1	1	1



v. **Nine** meetings of the board were held during the financial year 2018-19 on 10.05.2018, 30.05.2018, 29.06.2018, 13.08.2018, 14.11.2018, 25-11-2018, 17-01-2019, 14.02.2019 and 04.03.2019, with a gap between not exceeding the period of 120 days between any of the two meetings as prescribed under the Act and all the members were present at the above meetings, so the necessary quorum was present for all the meetings.

vi. During the year four separate meetings of the independent directors were held on 28.05.2018, 14-08-2018, 16-11-2018, 13-02-2019 inter-alia to review the performance of non-independent directors and the board as a whole.

Vii. The Board periodically reviews compliance reports of all laws applicable to the Company, prepared by the Company.

Viii. Relationships between directors inter-se Except the Two Independent Directors all the other directors of the company are having relationship with each other.i.e relatives.

3. Committees of the board

A. Audit Committee

i. The audit committee of the Company is constituted in line with the provisions of Regulation 18 of the SEBI(LODR) Regulations 2015 read with Section 177 of the Companies Act,2013.

ii. The terms of reference of the audit committee are broadly as under:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommend the appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditors' report thereon before submission to the board for approval, with particular reference to:
- Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section 3 of section 134 of the Act

- Changes, if any, in accounting policies and practices and reasons for the same Major accounting entries involving estimates based on the exercise of judgment by management
- Significant adjustments made in the financial statements arising out of audit findings Compliance with listing and other legal requirements relating to financial statements
- Disclosure of any related party transactions
- Qualifications in the draft audit report
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- Review and monitor the auditors' independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a



failure of internal control systems of a material nature and reporting the matter to the board;

- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- Establish a vigil mechanism for directors and employees to report genuine concerns in such manner as may be prescribed;
- To review the functioning of whistle blower mechanism.
- Approval of appointment of CFO;
- The audit committee may call for the comments of the auditors about internal control systems,
- the scope of audit, including the observations of the auditors and review of financial statement
- before their submission to the board and may also discuss any related issues with the internal and statutory auditors and the management of the Company;
- Carrying out any other function as is mentioned in the terms of reference of the audit Committee;
- Oversee compliance with legal and regulatory requirements
- To mandatorily review the following information:
 - Management discussion and analysis of financial condition and results of operations;
 - Statement of significant related party transactions (as defined by the audit committee), submitted by management;
 - Management letters / letters of internal control weaknesses issued by the statutory Auditors;
 - Internal audit reports relating to internal control weaknesses; and
 - The appointment, removal and terms of remuneration of the chief internal auditor.

iii. The audit committee invites executives, as it considers appropriate (particularly the head of the finance function) representatives of the statutory auditors and

representatives of the internal auditors to be present at its meetings. The Company Secretary or in absence of company secretary, compliance officer acts as the secretary to the audit committee.

The scope of the Audit Committee also includes matters which are set out in SEBI (LODR) Regulations 2015 ,read with Section 177 of the Companies Act, 2013 and the rules made there under, as amended from time to time.

iv. The previous annual general meeting (AGM) of the Company was held on September 28th, 2018 and Mr.Potti Bhaskara Rao , Chairman of the audit committee attended to this meeting.

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

The audit committee comprises of total three Non-Executive Directors in which two are Independent Director.

The committee comprises as follows:

1. Mr. P. Bhaskara Rao (Chairman)
2. Mr. MV Subba Rao - Member
3. Mrs. M. Himaja - Member

Four audit committee meetings were held during the year and the gap between two meetings did not exceed 120 days. The dates on which the said meetings were held on 30.05.2018, 13.08.2018, 14-11-2018, and 14.02.2019. The necessary quorum was present for all the meetings.

Attendance of members of Audit committee to its meetings is given below:

Name	Category	Number of meetings during the financial year 2018-19	
		Hel d	Attended
P.Bhaskar Rao (Chairman)	I&NED	4	4
MV Subbarao	I&NED	4	4
M.Himaja	NED	4	4

B. Nomination And Remuneration Committee:

i. In compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulations 2015 Nomination and Remuneration Committee comprises of One Non-Executive Director and



Two Independent Directors throughout the financial year.

This committee comprises of total three Non-Executive Directors in which two are Independent Director.

The committee comprises as follows :

1. Mr. P. Bhaskar Rao
2. Mr. M.V.Subba Rao
3. Smt. M.Himaja

The Chairman of the Committee is an Independent Director.

ii. The policy of the Company on directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under Sub-section (3) of section 178 of the Companies Act, 2013, adopted by the Board is recommended by the Nomination and Remuneration Committee. We affirm that the remuneration paid to the directors is as per the terms laid out in the nomination and remuneration policy of the Company.

(a) Terms of Reference

The Company had constituted the Nomination and Remuneration Committee under Section 178 of the Companies Act, 2013. The broad terms of reference are to determine and recommend to Board, Compensation payable to Executive Directors, appraisal of the performance of the Managing Directors / Whole-time Directors and to determine and advise the Board for the payment of annual commission/compensation to the Non-Executive Director and to recommend to the Board appointment/ reappointment and removal of Directors. To frame criteria for determining qualifications, positive attributes and Independence of Directors and to create an evaluation framework for Independent Directors and the Board.

(b) Composition, Meetings and Attendance during the year :

The composition of the nomination and remuneration committee and the details of meetings and attendance of its members are given below:

Name	Category	Number of meetings during the Financial Year 2018-19	
		Held	Attended
P.Bhaskar Rao (Chairman)	I& NED	4	4
MV Subba Rao	I& NED	4	4
M. Himaja	NED	4	4

Four Nomination and Remuneration Committee meetings were held during the year and the gap between two meetings did not exceed 120 days. The dates on which the said meetings were held on 30.05.2018, 13.08.2018, 14.11.2018 and 14.02.2019. The necessary quorum was present for all the meetings.

(c) Selection and Evaluation of Directors:

The Board has based on recommendations of the Nomination and Remuneration Committee, laid down following policies:

- Policy for Determining Qualifications, Positive Attributes and Independence of a Director
- Policy for Board & Independent Directors' Evaluation

(d) Performance Evaluation of Board, Committees and Directors

Based on the criteria laid down in the Policy for evaluation of Board and Independent Directors, the Board carried out the annual performance evaluation of Board Committees and the Independent Directors, whereas at a separate meeting, Independent Directors evaluated the performance of Executive Directors, Board as a whole and of the Chairman. Nomination and Remuneration Committee also evaluated individual directors' performance.

- As per the said Policy, evaluation criteria for evaluation Board inter alia covers: Composition in light of business complexities and statutory requirements; establishment of vision, mission, objectives and values for the Company; laying down strategic road map for the Company & annual plans; growth attained by the Company; providing leadership and directions to the Company and employees; effectiveness in ensuring statutory compliances and discharging its duties / responsibilities towards all stakeholders; Identification, monitoring & mitigation of significant corporate risks; composition of various committees, laying down terms



of reference and reviewing committee's working etc.

- Performance evaluation criteria for Executive Directors inter alia include: level of skill, knowledge and core competence; performance and achievement vis-à-vis budget and operating plans; Effectiveness towards ensuring statutory compliances; discharging duties/responsibilities towards all stakeholders; reviewing/monitoring Executive management performance, adherence to ethical standards of integrity & probity; employment of strategic perception and business acumen in critical matters etc.
- Performance of Independent Directors is evaluated based on: objectivity & constructively while exercising duties; providing independent judgment on strategy, performance, risk management and Board's deliberations; devotion of sufficient time for informed decision making; exercising duties in bona fide manner; safeguarding interests of all stakeholders, particularly minority shareholders; upholding ethical standards of integrity & probity; updating knowledge of the Company & its external environment etc
- Committees of the Board are evaluated for their performance based on: effectiveness in discharging duties and functions conferred; setting up and implementation of various policies, procedures and plans, effective use of Committee's powers as per terms of reference, periodicity of meetings, attendance and participation of committee members; providing strategic guidance to the Board on various matters coming under committee's purview etc

(e) Remuneration Policy for Directors:

The Committee has formulated Policy for Remuneration of Directors, KMP & other employees. As per the Policy, remuneration to Non-executive Independent Directors include:

- Sitting Fees for attending meetings of the Board as well as Committees of the Board as decided by the Board within the limits prescribed under the Companies Act.
- Travelling and other expenses they incurred for attending to the Company's affairs, including attending Committee and Board Meetings of the Company.

(f) Remuneration to Executive Directors:

The appointment and remuneration of Executive Directors including Managing Director, Joint Managing Director and Whole Time Director is governed by the recommendation of the Remuneration and Nomination Committee, resolutions passed by the Board of Directors and Shareholders of the Company. The remuneration package of Managing Director, Joint Managing Director and Whole

Time Director comprises of salary, perquisites, allowances and other retirement benefits as approved by the shareholders at the General Meetings of the Company.

Name	Salary (RS.in lacs)	Benefits/ Perquisites and allowances	Commission
G.V.S.L. Kantha Rao	60.00	-	-

(g) Remuneration to Non-Executive Directors:

The Non-Executive Directors are paid remuneration by way of Sitting Fees. The Non Executive Directors are paid sitting fees for each meeting of the Board and Committee of Directors attended by them :- Nil

(h) Employee stock option scheme:

The Company does not have any employee stock option scheme

C. Stakeholders' Relationship Committee

i. The stakeholders relation ship committee of the Company is constituted in line with the provisions of read with Section 178 of the Companies Act and Regulation 20 of the SEBI (LODR) Regulations 2015.

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

It comprises of two Independent Directors and one executive director as follows

1. MV Subba Rao
2. P. Bhaskar rao
3. GVSL Kantha Rao

The composition of The Stakeholders relationship committee and the details of meetings and attendance of its members are given below:

Name	Category	Number of meetings during the financial year 2018 -19	
		Held	Attended
MV Subba Rao	I&NED	4	4
P.Bhaskar Rao	I&NED	4	4
GVSL Kantha Rao	M.D	4	4

Four stakeholders relationship committee meetings were held during the year and the gap between two meetings did not exceed 120 days . The dates on which the said meetings



were held on 30.05.2018, 13.08.2018, 14.11.2018, and 14.02.2019 the necessary quorum was present for all the meetings. (Please check Corporate Governance)

SEBI vide Circular Ref: CIR/OIAE/2/2011 dated June 3, 2011 informed the company that they had commenced processing of investor complaints in a web based complaints redress system “SCORES”. Under this system, all complaints pertaining to companies are electronically sent through SCORES and the companies are required to view the complaints pending against them and submit Action Taken Report (ATRs) along with supporting documents electronically in SCORES.

All the requests and complaints received from the shareholders were attended to within the stipulated time and nothing was pending for disposal at the end of the year.

4. Name, designation and address of Compliance Officer:

Mr. Adi Venkata Rama.R

(Company Secretary and Compliance Officer)

Virat Crane Industries Limited, Main Road

Sampath Nagar, Guntur

Telephone: 0863-2223311

Email:viratcraneindustriesltd@gmail.com

vcil@cranegroup.in

7. General Share holder information

i. General meeting

a. Annual general meeting:

Financial year	Date	Time	Venue
2015-16	26-09-2016	10.30A.M	Crane Infrastructure Ltd Factory Premises, NH- 5Ankireddypalem Village, Chilakaluripet pet Road, Guntur
2016-17	29-09-2017	11.00A.M	Crane Infrastructure Ltd Factory Premises, NH- 5Ankireddypalem Village, Chilakaluripet pet Road, Guntur
2017-18	28-09-2018	11.00A.M	Crane Infrastructure Ltd Factory Premises, NH- 5Ankireddypalem Village, Chilakaluripet pet Road, Guntur

5. Details of investor complaints received and redressed during the year 2018-19 are as follows

Opening balance	Received during the year	Resolved during the year	Closing balance
0	07	07	0

6. Compliance certificate from either the auditors regarding compliance of conditions of corporate governance: Compliance certificate from the auditors shall be annexed as Annexure ix to this report



b. Extraordinary general meeting:

- No extraordinary general meeting of the members was held during the year 2018-19.
- Special resolutions passed by the Company in any of its previous three AGMs:

One special resolution was passed by the Company in its AGM held on 29.09.2017. and

One special resolution was passed in the Previous AGM held on 26.09.2016

- Details of special resolution passed through postal ballot, the persons who conducted the postal ballot exercise and details of the voting pattern.

No special resolution has been passed through the exercise of postal ballot. None of the items to be transacted at the ensuing meeting is required to be passed by postal ballot.

8. Disclosures

I. Related Party transactions

All material transactions entered into with related parties as defined under the Act and SEBI (LODR) Regulations 2015, during the financial year were in the ordinary course of business. These have been approved by the audit committee.

ii. Details of non-compliance by the Company for which penalties imposed on the Company by the stock exchanges or the securities and exchange board of India or any statutory authority, on any matter related to capital markets, during the last three years 2015-16, 2016-17 and 2017-18 respectively: NIL

iii. The Company has adopted a whistle blower policy and has established the necessary vigil mechanism for employees and directors to report concerns about unethical behaviour. No person has been denied access to the chairman of the audit committee. Whistle blower policy of Virat Crane Industries Limited given as **Annexure vii** to this report.

iv. Reconciliation of share capital audit:

A qualified practicing Company Secretary carried out a share capital audit to reconcile the total admitted equity share capital with the NSDL and Central Depository services (India) Limited (CDSL) and the total issued and listed equity share capital. The audit report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with CDSL.

Details of shareholding in physical mode and electric mode with NSDL and CDSL as on 31.03.2019.

S.NO	Particulars	No. of Shares	% equity
1	CDSL	16584015	81.20
2	NSDL	2102135	10.29
3	Physical	1897100	08.51
4	Total	20423750	100.00

v. Code of Business Conduct and Ethics for Directors and Management Personnel

The members of the board and senior management personnel have affirmed the compliance with the Code applicable to them during the year ended March 31, 2019. A declaration signed by the Managing Director is given below:

Reporting of Internal Auditor

The internal Auditor of the company directly report to the audit committee. The company has complied with the provisions related to the constitution of internal complaints committee under the sexual harassment of women at work place (prevention, prohibition and redressal) Act, 2013.

Declaration regarding compliance by board members and senior management personnel with the company's code of conduct

This is to confirm that the Company has adopted a Code of Conduct for its employees including the Managing Director and Executive Directors. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors and Independent Directors. I confirm that the Company has in respect of the year ended March 31, 2019, received from the Senior Management Team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

Guntur
14.08.2019

G.V.S.L.Kanta Rao
(Managing Director)
(DIN : 01846224)

9. Subsidiary companies

The company does not have any subsidiary Companies



10. Means of communication

a. As required under the SEBI (LODR) Regulations 2015 and Listing Agreement entered into with the stock exchange, particulars of directors seeking appointment / re-appointment at the forthcoming AGM are given in the Annexure to the notice the AGM to be held on 30th September, 2019.

- b. The quarterly, half-yearly and annual results of the Company are published in English *i.e Business Standard* and vernacular Language *i.e Andhra Prabha/Vishalandhra*
- c. The Company's results were disseminated on website of Bombay Stock Exchange and company's website **www.cranegroup.in**
- d. The Management Discussion and Analysis Report is included as **Annexure v** in this Report

11. General shareholder information

Particulars	Information
27 th Annual General Meeting:	
Date:	September 30, 2019
Time:	11.00 AM.
Venue:	Premises of Crane Infrastructure Limited , NH-5, Ankireddypalem Village Chilakaluripet pet Road, Guntur
Financial Year ended	31.03.2019 (2018-19)
Date of book closure / record date	24-09-2019 to 30-09-2019/23-09-2019
Listing on stock exchanges :	BSE Limited (BSE)
Stock Codes / Symbol:	Security Id: VIRATCRA
Scrip Code:	519457
Listing Fees.	paid
vi. Corporate identity number (CIN) :	L74999AP1992PLC014392

12. Dividend policy:

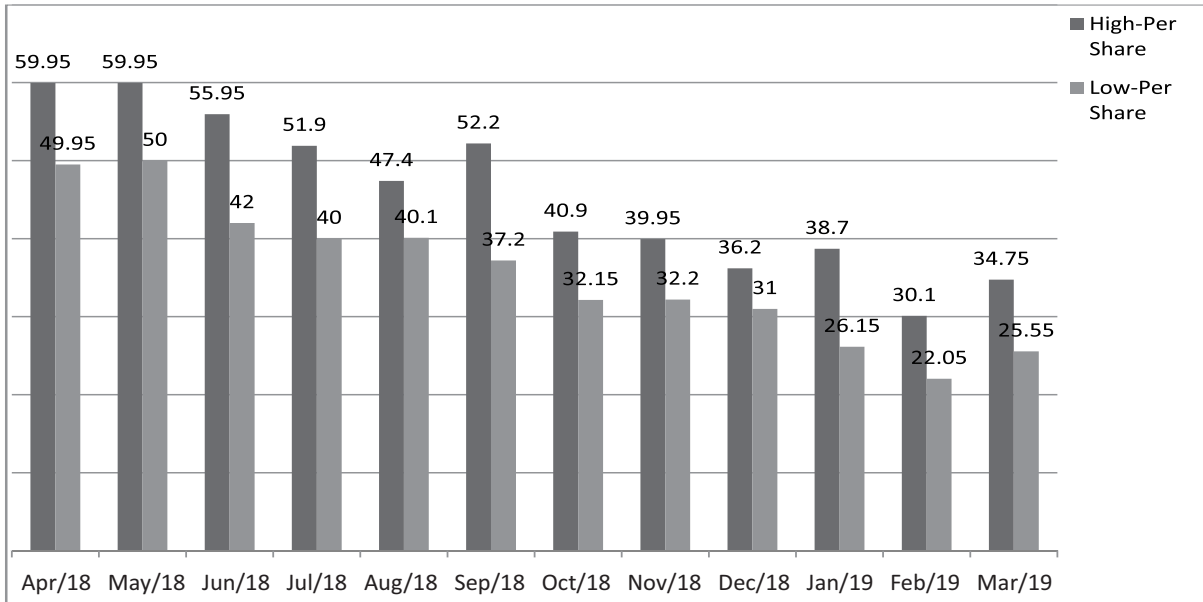
Dividends, other than interim dividend(s), are to be declared at the annual general meetings of shareholders based on the recommendation of the board of directors. Generally, the factors that may be considered by the board of directors before making any recommendations for dividend include, without limitation, the Company's future expansion plans and capital requirements, profits earned during the fiscal year, cost of raising funds from alternate sources, liquidity position, applicable taxes including tax on dividend, as well as exemptions under tax laws available to various categories of investors from time to time and general market conditions.



13. Market price data:

High, low (based on daily closing prices) and number of equity shares traded during each month in the year 2018-19 on BSE:

Month	High	Low	Total number of equity shares traded
April 2018	59.95	49.50	95,414
May 2018	59.95	50.00	67,031
June 2018	55.95	42.00	55,915
July 2018	51.90	40.00	22,587
August 2018	47.40	40.10	56,362
September 2018	52.20	37.20	48,876
October 2018	40.90	32.15	23,359
November 2018	39.95	32.20	44,014
December 2018	36.20	31.00	14,852
January 2019	38.70	26.15	29,984
February 2019	30.10	22.05	48,982
March 2019	34.75	25.55	64,608



14. Registrars and transfer agents:

Name and Address

M/s Big Share Services Private Limited

306, 3rd floor, Right Wing, Amrutha Ville, Opp: Yasodha Hospital,

Rajbhavan Road, Somajiguda, Hyderabad- 500082

15. Share transfer system:

Transfers of the shares are done through the depositories with no involvement of the Company. As regards transfer of shares held in physical form the transfer documents can be lodged with M/s Big Share Services Private Limited at the above mentioned addresses. Transfer of shares in physical form is normally processed within ten to twelve days from the date of receipt, if the documents are complete in all respects. The Directors and certain Company officials (including Chief Financial Officer and Company Secretary), under the authority of the board, severally approve transfers, which are noted at subsequent board meetings



16. Shareholding as on March 31, 2019:

a. Distribution of equity shareholding as on March 31, 2019:

Number of shares	No. of Shares holders	% Percentage	No. of shares	% Percentage
1 - 500	6064	85.74	1271556	6.22
501 - 1000	475	6.71	391237	1.91
1001 - 2000	222	3.13	327872	1.60
2001 - 3000	114	1.61	287957	1.40
3001 - 4000	46	0.65	163285	0.79
4001 - 5000	44	0.62	211917	1.03
5001 - 10000	47	0.66	349427	1.71
10001 & above	60	0.84	17420499	85.29
Grand Total	7072	100	20423750	100

b. Categories of equity shareholders as on March 31, 2019:

Category	Number of equity shares held	Percentage of holding
Promoters	1,49,86,194	73.38
Other Entities of the Promoters Group	-	-
Insurance Companies	-	-
Indian Public and others	49,13,688	24.06
Mutual Fund and UTI	5,000	0.02
Corporate Bodies	3,36,322	1.65
Banks, Financial Institutions, State and Central Government	22,300	0.11
Foreign Institutional Investors	-	-
Foreign Portfolio Investor - CORP	-	-
NRI's / OCBs / Foreign Nationals, clearing members, Trusts	1,60,246	0.78
GRAND TOTAL	2,04,23,750	100

17. Dematerialisation of shares and liquidity

As on 31.03.2019, **91.49%** of the equity shares of the Company are in Demat form. The Company's shares are compulsorily traded in dematerialized form. The Company's equity shares are regularly traded on BSE, in dematerialized form investors are therefore advised to open a Demat account with the depository participant of their choice to trade in Demat form. under the depository system, the international securities identification number (ISIN) allotted to the Company's shares is ISN: INE295C01014



18. Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion date and likely impact on equity:

The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments in the past and hence as on March 31, 2019, the Company does not have any outstanding GDRs / ADRs / Warrants or any convertible instruments.

19. Equity shares in the suspense account: Nil

20. Transfer of unclaimed / unpaid amounts to the investor education and protection fund (IEPF):

Pursuant to sections 123 of the Companies Act, 2013 and other applicable provisions, if any, of the Act, all unclaimed / unpaid dividend, remaining unclaimed / unpaid for a period of seven years from the date they became due for payment, in relation to the Company, have been transferred to the IEPF established by the Central Government.

Unclaimed Dividend with details as on 31.03.2019

Sr.No	Nature of Dividend	Financial Year	Unclaimed Dividend (Amount in Rs)
1	Final Dividend	2017-18	6,51,411
2	Interim Dividend	2017-18	7,64,580
3	Final Dividend	2016-17	7,51,927
4	Final Dividend	2015-16	7,28,695
5	Interim Dividend	2015-16	8,27,834
6	Final Dividend	2014-15	11,84,848
7	Final Dividend	2013-14	6,30,624
8	Final Dividend	2012-13	6,57,029.5

- Details of Unclaimed/ Unpaid dividend, remaining unclaimed / unpaid for a period of seven years from the date they became due for payment which was not Transferred to IEPF: Nil
- Details of Unclaimed/ Unpaid dividend/unpaid for a period of seven years from the date of they became due for payment which is due for transfer to the IEPF: Nil

21. Address for correspondence:

Virat Crane Industries Limited

D.NO.25-18-54,

Opp: Crane Betel Nut Powder Works,

Main Road,Sampath Nagar,Guntur.

email:viratcraneindustriesltd@gmail.com

vcil@cranegroup.in



Annexure-VII

Whistle Blower Policy

1. SPIRIT AND SCOPE OF THE POLICY

(a) This policy aims to:

Provide avenues for Employees and Directors to raise concerns and receive feedback on

- any action taken;
- Provide avenue for Employees and Directors to report breach of Company's policies
- Reassure Employees and Directors that they will be protected from reprisals or
- Victimization for Whistle Blowing in good faith.

(b) There are existing procedures in place to enable employees to lodge a grievance relating to their own employment. This Whistle Blowing Policy is intended to cover concerns that fall outside the scope of other procedures. That concern may be about an act or omission that:

- is unlawful or in breach of any law;
- Is against the Company's Polices;
- Falls below established standards or practices; or
- Amounts to improper conduct, unethical behaviour or suspected fraud

2. SAFEGUARDS

(a) Harassment or Victimization the Company recognizes that the decision to report a concern can be a difficult one to make, not least because of the fear of reprisal from those responsible for the malpractice or from superiors. The Company will not tolerate harassment or victimisation and will take action to protect an individual when they raise a concern in good faith. In case, a Whistle Blower is already the subject of any disciplinary action those procedures will not be halted as a result of their Whistle Blowing.

(b) Confidentiality: The Company will do its best to protect an individual's identity when s/he raises a concern and does not want their name to be disclosed. It must be appreciated that a statement from the Whistle Blower may be required as part of the evidence in the investigation process.

(c) Anonymous Allegations: This Policy encourages individuals to put their names to allegations. However, individuals may raise concerns anonymously. Concerns expressed anonymously will be evaluated by the Company for investigation. In exercising this discretion, the factors to

be taken into account would include:

- The seriousness of the issue raised;
- The credibility of the concern; and
- The likelihood of confirming the allegation from attributable sources.

(d) Untrue Allegations If the Whistle Blower makes an allegation in good faith, which is not confirmed by the investigation, no action will be taken against the Whistle Blower. If a complaint is malicious or vexatious, disciplinary action will be taken.

3. RAISING A CONCERN

(a) Operational concerns shall be raised with Line Manager or Skip Line Manager. Whistle blowing mechanism should be used for potentially serious or sensitive issues.

(b) The first step should be to approach the relevant Business Head. In case the Business Head or Senior Management is the subject of complaint, the employees can directly reach out to HR Director or Legal Director. If the Business Head finds the Whistle Blower complaint to be substantiated, s/he will consult with the HR Director or Legal Director on referring it to the appropriate body formed by the Company for such purposes. Employees of the HR/ Legal Director's Services should raise their concerns with the Finance Director.

(c) Employees may send in written communications to Manager – Corporate Policies and Compliances, C/o Legal Department at HO.

(d) The background and history of the concern, giving names, dates and places where possible, should be set out and the reason why the individual is particularly concerned about the situation. Those who do not feel able to put their concern in writing can telephone or meet the appropriate officer (immediate superior or Legal Director).

(e) The complainant is not expected to prove the truth of allegation, but should be able to demonstrate that there are sufficient grounds for concern. Employees must raise concerns immediately. This will support investigation process and enable faster implementation of corrective actions, if any.

(f) Advice and guidance on how matters of concern may be pursued can be obtained from the Code Officer.

(g) In case of any serious concerns, the Whistle Blower may also directly approach the Chairperson of the Audit Committee.



4. HOW THE COMPLAINT WILL BE DEALT WITH

- (a) The concerns raised may be dealt in following ways:
- form the subject of an independent inquiry;
 - be investigated internally;
 - be referred to the external Auditor; or
 - be referred to the police; if required.
- (b) Upon receipt of a concern, an initial enquiry will be made to decide whether an investigation is appropriate and, if so, what form it should take. Some concerns may also be resolved by an agreed action without the need for investigation.
- (c) After the concern has been evaluated, the Company will write to the complainant: acknowledging that the concern has been received;
- indicating how it is proposed to be dealt with;
 - Informing whether further investigations will take place, and if not, why not.
- (d) The amount of contact between the body considering the issues and the complainant will depend on the nature of the matters raised, the potential difficulties involved and the clarity of the information provided. If necessary, further information will be sought from the complainant.
- (e) The Company will take steps to protect the Whistle Blower from victimization and minimize any difficulties which a person reporting under Whistle Blowing may experience as a result of raising a concern.
- (f) The Company accepts and would take such steps as may be required to assure the Whistle Blower that the matter has been appropriately addressed.

5. REPORTING

The concerns raised under Whistle Blowing shall be reported periodically to Management Committee and Audit Committee of the Company.

A. The Compliance Officer

The Company Secretary acting as the Compliance Officer of the Company shall also act as the Compliance Officer under the Whistle Blowing Policy.

B. Address For Reporting And Communication:

Write to the Compliance Officer - Corporate Policies and Compliances,
Company Secretary / Managing Director
Virat Crane Industries Limited,
opp. CBNP Works,
Main Road, Sampath Nagar,
Guntur.

Declaration regarding compliance by board members and senior management personnel with the company's code of conduct

This is to confirm that the company has adopted code of conduct for its employees including the managing director. In addition the company has adopted its code of conduct for its non executive directors. I confirm that the company in respect of the financial year ended march 31, 2019 received declaration regarding the adherence to the code of conduct from its senior management of the company and the members of the board of directors of the company.

Date:14-08-2019

Place: Guntur

GVSL Kantha Rao
Managing Director
(DIN : 01846224)



Annexure - VIII
MANAGING DIRECTOR & CHIEF FINANCIAL OFFICER
CERTIFICATE PURSUANT TO Regulation 17(8) OF THE SEBI (LODR) REGULATIONS, 2015

To
 The Board of Directors
 Virat Crane Industries Limited
 Guntur

We, the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of Virat Crane Industries Limited (“the Company”), to the best of our knowledge and belief certify for the financial year ended 31st March, 2019 that:

- (a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
- i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or volatile of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit committee
- i. That there are no significant changes in internal control over financial reporting during the year;
 - ii. That there are no significant changes in accounting policies during the year; and
 - iii. That there are no instances of significant fraud of which we have become aware.

for Virat Crane Industries Ltd.
Sd/-

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

Sd/-

P.V. Srihari
Chief Financial Officer

Date: 30.05.2019
 Place: Guntur

**Annexure - IX****INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE****To The Members of Virat Crane Industries Limited**

1. We, Anantha & Associates, Chartered Accountants, the Statutory Auditors of Virat Crane Industries Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company for the year ended on March 31, 2019, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

Managements' Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

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

4. We have examined the books of accounts and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India ("ICAI"), the standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Controls for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of Listing Regulations during the year ended March 31, 2019.

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

For **Anantha & Associates**

Chartered Accountants

(Firm's Registration No. 010642S)

CA Srinivasulu Anantha

Partner (Membership No. 214253)

Guntur,
May 30, 2019



Annexure - X

INDEPENDENT AUDITOR'S REPORT

To The Members of Virat Crane Industries Limited Report on the Audit of the Financial Statements Opinion

We have audited the accompanying financial statements of **Virat Crane Industries Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, and 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.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS"), and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the 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 that there are no key audit matters to communicate in our report.

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

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

- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these 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 the Ind AS and other accounting principles generally accepted in India. This responsibility also includes 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 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 financial statement that give a true and fair view and are free from material



misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for 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 management 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 the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls 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 the 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 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 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 Section 143(3) of the Act, based on our audit 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.

c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid financial statements comply with the Ind AS prescribed under Section 133 of the Act.

e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 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 controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) 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, as amended 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 financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were

any material foreseeable losses.

iii. There are no amounts that are required to be transferred, to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For ANANTHA & ASSOCIATES

Chartered Accountants

(Firm's Registration No. 010642S)

CA Srinivasulu Anantha

Partner

Place: Guntur

Date: 30 May, 2019

(Membership No. 214253)

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls over financial reporting of **Virat Crane Industries Limited** ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 judgement, 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the criteria for internal financial control over financial reporting 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 ANANTHA & ASSOCIATES

Chartered Accountants

(Firm's Registration No. 010642S)

CA Srinivasulu Anantha

Partner

Place: Guntur

Date: 30 May, 2019

(Membership No. 214253)



ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(I(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(b) The Company has a program of verification of property, plant and equipment to cover all the items in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.

(ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.

(iii) According to the information and explanations given to us, the Company had granted unsecured loans to four bodies corporate, covered in the register maintained under section 189 of the Companies Act, 2013, in respect of which:

(a) The terms and conditions of the grant of such loans are, in our opinion, *prima facie*, not prejudicial to the Company's interest.

(b) The terms of repayment do not stipulate any repayment schedule and the loans are repayable on demand. The loans bear no interest. The loans to Virat Crane Bottling Limited and Virat Crane Agri Tech Limited are outstanding for a long time and no provision has been considered by the management in the accounts.

Nature of Transaction	Party Name	Max. Amt involved (in Lakhs)	Closing Balance As on 31.03.19 (in Lakhs)
Advance	Virat Crane Agri Tech Ltd	631.44	631.44
Advance	Crane Infrastructure Ltd	121.18	121.18
Advance	Crane Global Solutions Ltd	200.00	200.00
Advance	Virat Crane Bottling Ltd	3.92	3.92

The above transactions are related by virtue of Sri GVSL Kantha Rao being director in their respective boards.

(c) There are no overdue amounts in respect of the above loans granted to the bodies corporate as there is no repayment schedule and bear no interest.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposit falling under the purview of the provisions of section 73 to 76 of the Companies Act, 2013 during the year and does not have any unclaimed deposits, and hence reporting under clause (v) of the order is not applicable.

(vi) The maintenance of cost records has not been specified for the Company by the Central Government under section 148(1) of the Companies Act, 2013 and hence reporting under clause (vi) of the order is not applicable.

(vii) According to the information and explanations given to us, in respect of statutory dues:

a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Customs Duty, Goods and Services Tax, cess and other material statutory dues applicable to it to the appropriate authorities.

b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Value Added Tax, Goods and Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues in



arrears as at March 31, 2019 for a period of more than six months from the date they became payable.

c) Details of dues of Income-tax, Sales Tax, Custom Duty, Excise Duty, Value Added Tax and Entry Tax which have not been deposited as on March 31, 2019 on account of disputes are given below:

Nature of Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount (Rs)
Agriculture Market Committee Cess	Cess	Supreme Court	1994-95 to 2000-01	10,55,689
Agriculture Market Committee Cess	Cess	Secretary, AMC (Vijayawada)	2011-12 to 2015-16	1,06,29,410
Sales Tax & VAT Act	Sales Tax	AP High Court	2006-07 to 2011-12	73,27,091
Sales Tax Act	Sales Tax	Sales Tax Appellate Tribunal	1999-20	1,95,000
Luxury Tax	Luxury Tax	AP High Court	2005-06	3,47,484

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and government. The Company has not issued any debentures.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under Clause 3 (ix) of the Order is not applicable to the Company.

(x) To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of Order is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its subsidiary company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For ANANTHA & ASSOCIATES

Chartered Accountants

(Firm's Registration No. 010642S)

CA Srinivasulu Anantha

Partner

(Membership No. 214253)

Place: Guntur

Date: 30 May, 2019



VIRAT CRANE INDUSTRIES LIMITED

#25-18-54, Opp: Crane Betel Nut Powder Works
Main Road, Sampath Nagar, Guntur 522004

BALANCE SHEET AS ON 31-3-2019

(in Rupees)

<i>Particulars</i>	<i>Note No</i>	<i>As at</i>	
		<i>March 31, 2019</i>	<i>March 31, 2018</i>
ASSETS			
NON-CURRENT ASSETS			
a. Plant, Property & Equipment	2	83,944,343	86,128,457
b. Capital work-in-progress		-	-
c. Goodwill		99,942,953	99,942,953
d. Financial Assets			
i. Investments	3	41,242,800	41,242,800
ii. Loans	4	83,535,893	87,642,845
e. Deferred Tax Asset (Net)		812,264	1,259,128
f. Other Non Current Assets	5	1,766,401	2,785,087
TOTAL NON-CURRENT ASSETS		311,244,654	319,001,270
CURRENT ASSETS			
a. Inventories	6	92,263,802	118,587,854
b. Financial Assets			
i. Trade Receivables		43,183,775	40,644,079
ii. Cash & Cash Equivalentents	7	30,524,834	34,222,787
iii. Loans	8	12,475,224	13,888,465
c. Other Current Assets	9	26,092,506	30,832,322
TOTAL CURRENT ASSETS		204,540,141	238,175,507
TOTAL ASSETS		515,784,795	557,176,777

(Continued)



VIRAT CRANE INDUSTRIES LIMITED

#25-18-54, Opp: Crane Betel Nut Powder Works
Main Road, Sampath Nagar, Guntur 522004

BALANCE SHEET AS ON 31-3-2019

(in Rupees)

Particulars	Note No	As at	
		March 31, 2019	March 31, 2018
EQUITY & LIABILITIES			
EQUITY			
a. Equity Share Capital	10	204,237,500	204,237,500
b. Other Equity	11	193,738,602	137,933,331
TOTAL EQUITY		397,976,102	342,170,831
LIABILITIES			
NON-CURRENT LIABILITIES			
a. Financial Liabilities			
Borrowings		-	360,000
b. Other Non-current Liabilities	12	3,786,773	8,867,417
TOTAL NON-CURRENT LIABILITIES		3,786,773	9,227,417
CURRENT LIABILITIES			
a. Financial Liabilities			
i. Borrowings	13	34,242,645	40,198,146
ii. Trade payables		54,515,542	104,717,157
b. Provisions	14	2,084,355	507,011
c. Current Tax liabilities		-	22,971,380
d. Other Current Liabilities	15	23,179,378	37,384,835
TOTAL CURRENT LIABILITIES		114,021,920	205,778,529
TOTAL EQUITY & LIABILITIES		515,784,795	557,176,777

The accompanying notes from an integral part of the financial statements
As per our report of even date

For Anantha & Associates

Chartered Accountants

FRN:0106452S

for and on behalf of the Board of Directors

CA Srinivasulu Anantha

Partner M. No; 214253

P. V. Srihari

CFO

GVSL Kantha Rao

Managing Director

DIN:01846224

Guntur

May 30, 2019

M. Himaja

Director

DIN:06505782

R. Adi Venkata Ramnaa

Company Secretary



VIRAT CRANE INDUSTRIES LIMITED

#25-18-54, Opp: Crane Betel Nut Powder Works
Main Road, Sampath Nagar, Guntur 522004

STATEMENT OF PROFIT & LOSS AS ON 31-3-2019

(in Rupees)

Particulars		Note No.	Year ended	
			March 31, 2019	March 31, 2018
I.	Revenue from operations	16	857,224,402	879,755,387
II.	Other income	17	599,886	746,278
III.	Total Revenue (I + II)		857,824,288	880,501,664
IV.	Expenses			
	Cost of materials consumed	18	643,177,814	708,341,694
	Purchase of Stock in trade		-	-
	Changes in inventories of Work-in-progress, Stock in trade and finished goods	19	5,114,396	(12,293,401)
	Employee Benefit Expenses	20	16,794,900	16,911,957
	Depreciation	2	3,036,372	2,847,932
	Other expenses	21	89,272,885	62,166,102
	Finance Costs	22	4,377,627	6,507,991
	Total expenses (IV)		761,773,994	784,482,276
V.	Profit before Tax (III-IV)		96,050,294	96,019,389
VI.	Tax Expense	23	27,954,247	33,953,557
VII.	Profit for the year (V-VI)		68,096,047	62,065,832
VIII.	Other Comprehensive Income		-	-
	Items that will not be reclassified to Profit and Loss		-	-
	Items that will be reclassified to Profit and Loss		-	-
IX.	Total Comprehensive Income for the Year (VIII-VII)		68,096,047	62,065,832
X.	Earnings per equity share	24		
	Equity Shares of Rs. 10 each			
	Basic		3.33	3.04
	Diluted		3.33	3.04

The accompanying notes from an integral part of the financial statements
As per our report of even date

For Anantha & Associates
Chartered Accountants
FRN:0106452S

for and on behalf of the Board of Directors

CA Srinivasulu Anantha
Partner M. No; 214253

P. V. Srihari
CFO

GVSL Kantha Rao
Managing Director
DIN:01846224

Guntur
May 30, 2019

M. Himaja
Director
DIN:06505782

R. Adi Venkata Ramnaa
Company Secretary



VIRAT CRANE INDUSTRIES LIMITED

#25-18-54, Opp: Crane Betel Nut Powder Works
Main Road, Sampath Nagar, Guntur 522004

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED ON 31-3-2019

(in Rupees)

Particulars	Year ended	
	March 31, 2019	March 31, 2018
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit for the year	68,096,047	62,065,832
Adjustments for		
Depreciation	3,036,372	2,847,932
Current-tax & Previous Years	27,507,383	33,314,900
Deferred Tax Expense	446,864	638,657
Rental Income	(144,000)	(144,000)
	98,942,666	98,723,321
Working Capital adjustments		
Decrease in Trade payables	-50,201,615	28,761,748
Decrease in Other Current Liabilities	-14,205,458	17,917,839
Increase in Provisions (Current Liabilities)	1,577,344	-185,389
Decrease in Inventory	26,324,052	(63,604,452)
Increase in Trade receivables	(2,539,696)	(26,755,383)
Decrease in Other Current Assets	4,739,816	15,602,484
Decrease in Other Non Current Liabilities	(5,080,644)	(1,606,994)
	59,556,465	68,853,174
Income Tax Paid	(50,478,763)	(30,005,900)
NET CASH FLOWS FROM OPERATING ACTIVITIES (A)	9,077,702	38,847,274
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(1,122,258)	(47,773,509)
Rental Income	144,000	144,000
Sale of Vehicle	270,000	-
NET CASH CASH FLOW FROM INVESTING ACTIVITIES (B)	(708,258)	(47,629,509)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Decrease in borrowings (Non Current)	-360,000	360,000
Decrease in borrowings (Current)	-5,955,500	34,796,131
Decrease in Loans (Non current Assets)	4,106,952	-20,005,000
Decrease in Other Non Current Assets	1,018,686	29,721,753
Decrease in Loans (Current Assets)	1,413,241	1,026,893
Payment of Dividend & dividend Tax	(12,290,775)	(24,581,549)
NET CASH FLOW FROM FINANCING ACTIVITIES (C)	-12,067,396	21,318,228
Net Cash Flow from the Total Activities (A+B+C)	-3,697,952	12,535,993
Cash & Cash equivalents at the beginning of the year	34,222,787	21,686,794
Cash & Cash equivalents at the year end	30,524,834	34,222,787
Reconciliation of Cash & Cash Equivalents with Balance Sheet (Refer Note 7)	30,524,834	34,222,787

The accompanying notes from an integral part of the financial statements
As per our report of even date

For Anantha & Associates

Chartered Accountants
FRN:0106452S

for and on behalf of the Board of Directors

CA Srinivasulu Anantha
Partner M. No; 214253

P. V. Srihari
CFO

GVSL Kantha Rao
Managing Director
DIN:01846224

Guntur
May 30, 2019

M. Himaja
Director
DIN:06505782

R. Adi Venkata Ramnaa
Company Secretary



STATEMENT OF CHANGES IN EQUITY (SOCIE) for the year ended March 31,2019

A. EQUITY SHARE CAPITAL

(in Rupees)

Balance as at 1 April 2017	204,237,500
Changes in Equity share capital during FY 2017-18	-
Balance as at 31 March 2018	204,237,500
Changes in Equity share capital during FY 2018-19	-
Balance as at 31 March 2019	204,237,500

B. OTHER EQUITY

(in Rupees)

<i>Particulars</i>	<i>Reserves & Surplus</i>			<i>Total</i>
	<i>General Reserve</i>	<i>Retained Earnings</i>	<i>Other Reserves</i>	
Balance as at April 1, 2017				
Profit for the year	20,562,798	79,886,250	-	100,449,048
Transfer to General Reserve	-	62,065,832	-	62,065,832
Dividends (incl. Dividend Distribution Tax)	6,206,583	(6,206,583)	-	0
	-	(24,581,549)	-	(24,581,549)
Balance as at April 1, 2018	26,769,381	111,163,950	-	137,933,331
Profit for the year	-	68,096,046	-	68,096,046
Transfer to General Reserve	6,809,604	(6,809,604)	-	-
Dividends (incl. Dividend Distribution Tax)	-	(12,290,775)	-	(12,290,775)
Balance as at March 31, 2019	33,578,985	160,159,617	-	193,738,602

The accompanying notes from an integral part of the financial statements

As per our report of even date

For Anantha & Associates

Chartered Accountants

FRN:0106452S

for and on behalf of the Board of Directors

CA Srinivasulu Anantha

Partner M. No; 214253

P. V. Srihari

CFO

GVSL Kantha Rao

Managing Director

DIN:01846224

Guntur

May 30,2019

M. Himaja

Director

DIN:06505782

R. Adi Venkata Ramnaa

Company Secretary



VIRAT CRANE INDUSTRIES LIMITED

Notes to the Financial Statements

1. Corporate information and significant accounting policies

a) Corporate Information

Virat Crane Industries Limited ("the Company") was incorporated under the Companies Act, 1956 as a public limited company on June 18, 1992. The Company has its registered office at Guntur. The Company has its primary listing on the BSE Limited, India.

The Company is a pioneer in production of Dairy products. It is engaged in the business of procurement and processing of Milk and Milk Products like Ghee, Curd and Butter Milk etc. It caters to the needs of retail trade sector.

The financial statements are approved for issue by the Company's Board of Directors on May 30, 2019.

b) Significant accounting policies

statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India and guidelines issued by the Securities and Exchange Board of India (SEBI).

(ii) Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for net realizable value in Ind AS 2 or value in use in Ind AS 36 that have some similarities to fair value but are not fair value.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value

measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

(iii) Use of estimates

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 the 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.

(iv) Revenue recognition

a) Product Sales:

Revenue from sale of goods in the course of ordinary activities is measured at the fair value of the consideration receivable, net of trade discounts and volume rebates. Revenue is recognized when significant risks and rewards of their ownership are transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing effective control over, or managerial involvement with, the goods, and the amount of revenue can be measured reliably.

b) Other Income:

Other items of income are accounted as and when the right to receive payment is established.

(v) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Borrowing costs are



recognized in the Statement of Profit and Loss using the effective interest method.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized in the statement of profit and loss in the period in which they are incurred.

(vi) Taxation

Income tax expense represents the sum of current tax and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognized in profit or loss,

except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

(vii) Property, plant and equipment

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and borrowings costs attributable to acquisition of qualifying property, plant and equipment up to the date the asset is ready for its intended use. Freehold land is not depreciated.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalized in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives.

Depreciation on plant and machinery and railway siding is charged under straight line method and on other assets depreciation is charged under Straight Line method, based on the useful life prescribed in Schedule II to the Companies Act, 2013.

Assets individually costing less than Rs. 20,000 are fully written off in the year of purchase at the discretion of management.

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end.

(viii) Inventories

Inventories which comprise raw materials, finished goods and stock-in-trade are carried at the lower of cost and net



realizable value. Cost of inventories comprises cost of purchases, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. In determining cost "First in First out" method is used.

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

Raw material and other supplies held for use in production of inventories are not written down below cost, except in cases where material price have declined and it is estimated that the cost of the finished products will exceed their net realizable value.

(ix) Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand, in bank and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

Cash flows are reported using indirect method whereby profit/(loss) after tax is adjusted for the effects of transaction of non-cash nature and any deferrals or accruals of past or future cash receipts and payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

(x) Financial Instruments:

(A) Initial recognition:

Financial assets and financial liabilities are recognized when a Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial asset or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or liabilities at fair value through profit or loss are recognized immediately in profit or loss.

(B) Subsequent measurement:

a. Financial assets carried at amortized cost:

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset

give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b. Financial assets at fair value through other comprehensive income:

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

c. Financial assets at fair value through profit or loss: A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

d. Financial liabilities: Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(C) De-recognition of financial assets and liabilities:

a. Financial assets:

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset.

b. Financial liabilities:

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.



(xi) Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

(xii) Provisions and Contingencies

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost. Expected future operating losses are not provided for.

Provision in respect of loss contingencies relating to claims, litigations assessment, fines, penalties etc. are recognized when it is probable that a liability has been incurred and the amount can be estimated reliably.

(xiii) Operating cycle

Based on the nature of activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as twelve months for the purpose of classification of its assets and liabilities as current and non-current.

(xiv) Segment Reporting

The Company is primarily engaged in the business of processing of milk and manufacturing of dairy products. Therefore, the Company is of the view that revenue from processing of milk and manufacturing of dairy products is a single component of the Company for assessing its performance. Hence, processing of milk and manufacturing of dairy products is the only reportable segment. The Company's operations are primarily in India, accordingly there is no reportable secondary geographical segment.

(xv) Recent accounting pronouncements

Standards issued but not yet effective:

Ind AS 116 Leases

On March 30, 2019, the Ministry of Corporate Affairs (MCA) has notified Ind AS 116 Leases, under Companies (Indian Accounting Standards) Amendment Rules, 2019 which is applicable with effect from April 01, 2019.

Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lease accounting model for lessee and requires the lessee to recognize right of use assets and lease liabilities for all leases with a term of more than twelve months, unless the underlying asset is low value in nature. Currently, operating lease expenses are charged to the statement of profit and loss. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17

As per Ind AS 116, the lessee needs to recognize depreciation on rights of use assets and finance costs on lease liabilities in the statement of profit and loss. The lease payments made by the lessee under the lease arrangement will be adjusted against the lease liabilities.

(xv) Recent accounting pronouncements

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As per Ind AS 116, the lessee needs to recognize depreciation on rights of use assets and finance costs on lease liabilities in the statement of profit and loss. The lease payments made by the lessee under the lease arrangement will be adjusted against the lease liabilities.



2. PLANT, PROPERTY & EQUIPMENT

(in Rupees)

Particulars	Free Hold Land	Buildings	Plant & Machinery	Furniture & Fixtures	Vehicles	Office Equipment	Total
Gross carrying amount as at April 1, 2018	51,024,838	10,114,194	26,162,929	73,368	3,217,251	1,085,576	91,678,156
Additions	-	-	911,499	21,200	-	189,559	1,122,258
Disposals	-	-	-	-	766,672	-	766,672
Gross carrying amount as at March 31, 2019	51,024,838	10,114,194	27,074,428	94,568	2,450,579	1,275,135	92,033,742
Accumulated Depreciation	-	471,283	3,606,013	1,084	629,730	344,918	5,053,027
Depreciation expense for the year	-	316,484	1,973,395	13,103	511,177	222,214	3,036,372
Closing Accumulated Depreciation	-	787,767	5,579,407	14,187	1,140,907	567,132	8,089,399
Carrying value as at March 31, 2019	51,024,838	9,326,427	21,495,021	80,381	1,309,672	708,003	83,944,343
Gross carrying amount as at April 1, 2017	6,715,310	6,562,520	23,098,188	73,368	3,217,251	865,836	40,532,473
Additions	44,309,528	3,551,674	3,064,741	-	-	219,740	51,145,683
Disposals	-	-	-	-	-	-	-
Gross carrying amount as at March 31, 2018	51,024,838	10,114,194	26,162,929	73,368	3,217,251	1,085,576	91,678,156
Accumulated Depreciation	-	214,367	1,762,379	542	563,201	161,278	2,701,767
Depreciation charge for FY 17-18	-	256,916	1,843,634	542	563,201	183,640	2,847,932
Closing Accumulated Depreciation	-	471,283	3,606,013	1,084	1,126,402	344,918	5,549,699
Carrying value as at March 31, 2018	51,024,838	9,642,911	22,556,917	72,284	2,090,849	740,658	86,128,457

Depreciation Charge

Depreciation expense for FY 18-19 **3,036,372 Rupees**

(in Rupees)

Note 9: Fixed Assets

	Gross Block				Depreciation			Net Block		
	As at 31 March 2018	Additions	Disposals	As at 31 March 2019	Accumulated Depreciation as on 31/03/2018	Depreciation for the Year	Adjustment for Disposal/Sale	Accumulated Depreciation as on 31/03/2019	As at 31 March 2019	As at 31 March 2018
TANGIBLE ASSETS	51,024,838	-	-	51,024,838	-	-	-	-	51,024,838	51,024,838
Land (A)	10,885,914	-	-	10,885,914	1,243,003	316,484	-	1,559,487	9,326,427	9,642,911
Buildings	47,444,663	911,499	-	48,356,162	24,887,747	1,973,395	-	26,861,142	21,495,020	22,556,917
Plant and Equipment	1,250,765	21,200	-	1,271,965	1,178,481	13,103	-	1,191,584	80,381	72,284
Furniture and Fixtures	5,469,050	-	766,672	4,702,378	3,378,201	511,177	-	3,392,706	1,309,672	2,090,849
Vehicles	3,991,941	189,559	-	4,181,500	3,251,283	222,214	-	3,473,497	708,003	740,658
Office equipment	69,042,333	1,122,258	766,672	69,397,919	33,938,715	3,036,372	496,672	36,478,415	32,919,504	35,103,619
Sub Total (B)	120,067,171	1,122,258	766,672	120,422,757	33,938,715	3,036,372	496,672	36,478,415	83,944,342	86,128,457
Grand Total (A+B)										

**3. INVESTMENTS (NON CURRENT)***(in Rupees)*

<i>Particulars</i>	<i>As at</i>	
	<i>March 31, 2019</i>	<i>March 31, 2018</i>
<u>Non Quoted Shares</u>		
Virat Crane Agri Tech Limited (FV Rs. 10 each) (35,81,300 Equity shares have been pledged to IDBI out of 39,66,780 Equity Shares)	39,667,800	39,667,800
Yenkey Drugs and Pharma Limited (FV Rs. 10 each)	1,250,000	1,250,000
Symphony Studios Pvt Limited (FV Rs. 10 each)	300,000	300,000
Crane Food Products Pvt Ltd.	25,000	25,000
Total	41,242,800	41,242,800

4. LOANS (NON CURRENT)*(in Rupees)*

<i>Particulars</i>	<i>As at</i>	
	<i>March 31, 2019</i>	<i>March 31, 2018</i>
<u>a. Loans & Advances to Related Parties</u>		
Crane Global Solutions Ltd	20,000,000	20,000,000
Virat Crane Agritech Ltd	63,144,293	63,144,293
Virat Crane Bottling Ltd	391,600	350,000
<u>b. Other Loans & Advances</u>		
Himaja Enterprises	-	300,000
Vintage Enterprises	-	1,248,552
Jain Brothers	-	1,300,000
D.J Machine (India) Ltd	-	1,300,000
Total	83,535,893	87,642,845

5. OTHER NON CURRENT ASSETS*(in Rupees)*

<i>Particulars</i>	<i>As at</i>	
	<i>March 31, 2019</i>	<i>March 31, 2018</i>
Recurring deposit		836,000
EPF Deposit		125,000
Security Deposits with government Authorities	1,500	203,646
Electricity	724,970	724,970
Telephones	182,729	185,229
Other Deposits	703,202	556,242
Rent	154,000	154,000
Total	1,766,401	2,785,087

6. INVENTORIES*(in Rupees)*

<i>Particulars</i>	<i>As at</i>	
	<i>March 31, 2019</i>	<i>March 31, 2018</i>
Raw Materials and components	68,574,510	89,887,745
Packing Material	5,765,193	5,661,615
Finished goods	17,924,099	23,038,495
Total	92,263,802	118,587,854

**7. CASH & CASH EQUIVALENTS***(in Rupees)*

<i>Particulars</i>	<i>As at</i>	
	<i>March 31, 2019</i>	<i>March 31, 2018</i>
Balances with banks	270,926	6,600,054
Cash in Hand	24,056,959	24,192,905
Earmarked balances for Unpaid Dividend	6,196,949	3,429,828
Total	30,524,834	34,222,787

8. LOANS (CURRENT)*(in Rupees)*

<i>Particulars</i>	<i>As at</i>	
	<i>March 31, 2019</i>	<i>March 31, 2018</i>
Crane Infrastructure Ltd	12,118,101	13,650,753
AP Civil Supplies Corporation	224,712	224,712
Virat Crane Agritech Ltd	132,411	13,000
Total	12,475,224	13,888,465

9. OTHER CURRENT ASSETS*(in Rupees)*

<i>Particulars</i>	<i>As at</i>	
	<i>March 31, 2019</i>	<i>March 31, 2018</i>
Advance to Suppliers	1,000,000	5,362,195
Advance to Expenses	6,279,927	1,000,628
Taxes paid under protest	1,556,367	1,606,408
Other Advances Recoverable	3,523,699	4,456,835
Residual Value of Scrap	2,222,670	2,222,670
VAT Refund Receivable	-	7,311,094
Others	-	105,779
Creditors with Debit Balance	1,485,700	1,485,700
Creditors for Expenses & Services with Debit Balance	10,024,142	7,281,013
Total	26,092,506	30,832,322

10. EQUITY SHARE CAPITAL*(in Rupees except No. of Shares)*

<i>Particulars</i>	<i>As at</i>	
	<i>March 31, 2019</i>	<i>March 31, 2018</i>
Authorised		
2,20,00,000 Equity Shares of Rs. 10 each	220,000,000	220,000,000
Issued		
2,04,23,750 Equity Shares of Rs. 10 each	204,237,500	204,237,500
Subscribed & Paid up		
2,04,23,750 Equity Shares of Rs. 10 each fully paid	204,237,500	204,237,500
Total	204,237,500	204,237,500

The Company has issued only one class of shares referred to as Equity shares having a par value of Rs. 10 each. Equity shareholder is entitled to one vote per share.


Reconciliation of Number of Shares and amount of Share Capital

Description	As at March 31, 2019		As at March 31, 2018	
	No. Of Shares	Share Capital	No. Of Shares	Share Capital
Number of equity shares at the beginning	20,423,750	204,237,500	20,423,750	204,237,500
Movement during the year	-	-	-	-
Number of equity shares at the closing	20,423,750	204,237,500	20,423,750	204,237,500

In the last 5 years, the Company has not :

- allotted any shares fully paid up pursuant to contracts without payment being received in cash
- allotted any bonus shares
- bought back its shares

Particulars of shareholders holding more than 5% of shares

Name of the Shareholder	As at March 31, 2019		As at March 31, 2018	
	No. Of Shares held	% of shareholding	No. Of Shares held	% of shareholding
G V S L Kantha Rao	14,593,500	71.45	14,593,500	71.45

11. OTHER EQUITY
(in Rupees)

Particulars	As at	
	March 31, 2019	March 31, 2018
General Reserve		
Opening Balance	26,769,381	20,562,798
Add: Additions during the year	6,809,604.00	6,206,583
Sub Total	33,578,985	26,769,381
Retained Earnings		
Opening Balance	111,163,950	79,886,250
Add: Profit for the year	68,096,046	62,065,832
Less: Transfer to General Reserve	6,809,604	6,206,583
Dividend & Dividend Tax paid during the year	12,290,775	24,581,549
Sub Total	160,159,617	111,163,950
Total	193,738,602	137,933,331

12. OTHER NON CURRENT LIABILITIES
(in Rupees)

Particulars	As at	
	March 31, 2019	March 31, 2018
Deferred Sales Tax & CST	614,545	2,384,040
APGST	2,384,040	5,695,189
Gratuity	788,188	788,188
Total	3,786,773	8,867,417

**13. BORROWINGS (CURRENT LIABILITIES)***(in Rupees)*

Particulars	As at	
	March 31, 2019	March 31, 2018
Andhra Bank Cash Credit	34,242,645	40,198,146
Total	34,242,645	40,198,146

Loan from Andhra Bank by way of Cash Credit is secured by Hypothecation of Raw Materials, Finished goods and book debts. Land & Buildings, Plant & Machinery situated at Durga Dairy Unit, Nunna is offered as Collateral security. It is further secured by personal guarantee of GVSL Kantha Rao, Managing Director, M. Himaja Director, P.V Sri Hari Director & CFO, M.V. Subba Rao Director, P. Bhaskar Rao Director.

14. PROVISIONS (CURRENT LIABILITIES)*(in Rupees)*

Particulars	As at	
	March 31, 2019	March 31, 2018
P.F payable	133,284	122,934
ESI payable	38,108	39,634
Leave Encashment	322,168	336,843
Professional Tax payable	2,100	7,600
Bonus	463,277	-
Consultancy Charges payable	4,500	
Electricity Charges Payable	598,318	
Rent Payable	15,000	
Salaries & Wages payable	507,600	
Total	2,084,355	507,011

15. OTHER CURRENT LIABILITIES*(in Rupees)*

Particulars	As at	
	March 31, 2019	March 31, 2018
a. Advances from Customers	241,161	456,477
b. Duties & Taxes	6,408,562	5,557,795
c. Outstanding Expenses	-	449,124
d. Creditors for Land	-	10,170,000
e. Creditors for Expenses & Services	6,263,451	8,902,740
f. Creditors for Capital Goods	1,523,360	1,645,335
g. Banks with Credit Balance	-	30,978
h. <u>Statutory Liabilities</u>		
i. Taxes payable	-	50,068
ii. TDS payable	539,470	1,027,671
iii. Agricultural Cess payable	1,762,675	1,490,727
i. Others	6,440,699	7,603,922
Total	23,179,378	37,384,835

16. REVENUE FROM OPERATIONS*(in Rupees)*

Particulars	Year ended	
	March 31, 2019	March 31, 2018
Sale of Products	857,224,402	879,755,387
Total	857,224,402	879,755,387

**17. OTHER INCOME***(in Rupees)*

Particulars	Year ended	
	March 31, 2019	March 31, 2018
Interest received	407,300	-
Chit dividend	-	519,900
Rental Income	144,000	144,000
Discount	-	22,059
Other income	48,586	60,319
Total	599,886	746,278

18. COST OF RAW MATERIAL CONSUMED*(in Rupees)*

Particulars	Year ended	
	March 31, 2019	March 31, 2018
Opening Stock of Raw Materials & Packing Material	95,549,360	44,238,309
Add: Purchases & Carriage Inwards	621,968,159	759,652,745
	717,517,518	803,891,054
Less: Closing Stock	74,339,704	95,549,360
Cost of Raw Materials Consumed	643,177,814	708,341,694

19. CHANGE IN INVENTORIES OF FINISHED GOODS*(in Rupees)*

Particulars	Year ended	
	March 31, 2019	March 31, 2018
Opening Balance		
Finished Goods	23,038,495	10,745,094
<i>Sub Total</i>	23,038,495	10,745,094
Closing Balance		
Finished Goods	17,924,099	23,038,495
<i>Sub Total</i>	17,924,099	23,038,495
Increase/ (Decrease) in Inventories of FG	(5,114,396)	12,293,401

20. EMPLOYEE BENEFIT EXPENSES*(in Rupees)*

Particulars	Year ended	
	March 31, 2019	March 31, 2018
a. Salaries, wages and incentives	8,220,524	11,425,780
b. Remuneration to MD	6,000,000	4,200,000
c. Employers Contributions to Provident Fund & ESI	1,000,060	809,814
d. Leave with wages	322,168	270,142
e. Bonus	900,849	-
f. Staff welfare expenses	100,455	62,339
g. Professional Tax	-	10,050
h. Gratuity	250,844	133,832
Total	16,794,900	16,911,957

**21. OTHER EXPENSES***(in Rupees)*

Particulars	Year ended	
	March 31, 2019	March 31, 2018
a. Advertisement	5,123,124	6,944,599
b. Audit Fees	250,000	73,750
c. Agricultural Cess	-	2,494,942
d. Bad Debts	180,867	-
e. Business Promotion	26,523,788	8,550,920
f. Depot Maintenance Expenses	428,829	165,404
g. Factory Expenses	13,743,558	5,385,013
h. Insurance	165,804	232,911
i. Legal & Professional Fees	792,625	755,170
j. Professional Charges	138,000	548,700
k. Remuneration to Company Secretary	380,000	180,000
l. Secretarial Expenses	494,759	164,196
m. Marketing Consultant Remuneration	-	750,000
n. Rent	4,229,948	2,456,760
o. Miscellaneous Expenses	215,738	829,184
p. Office Maintenance	878,157	438,475
q. Telephone Charges	252,447	441,897
r. Power & Fuel	7,519,286	5,297,875
s. Rates & taxes	2,921,145	1,420,926
t. Repairs and Maintenance	2,130,677	3,630,956
u. Security Charges	651,149	598,759
v. Selling & Dist. Expenses	11,366,685	7,741,354
w. Shortages and Damages	1,181,903	269,488
x. Deferred Revenue Exp. W/o	-	2,115,000
y. Travelling & Conveyance	5,716,456	7,093,551
z. Central Excise Duty	-	2,115,812
aa. VAT adjustment	2,466,587	-
ab. Interest paid on VAT	334,354	-
ac. CSR Expenses	1,187,000	1,412,500
ad. Assets W/o	-	57,960
Total	89,272,885	62,166,102

22. FINANCE CHARGES*(in Rupees)*

Particulars	Year ended	
	March 31, 2019	March 31, 2018
a. Bank Charges	401,040	94,480
b. Interest Expense	-	415,056
c. Interest on Cash Credit	3,753,766	3,592,614
d. Interest on TDS Late payment	587	4,190
e. Loss on Chits	-	2,236,153
f. Financial charges	222,234	165,498
Total	4,377,627	6,507,991

**23. TAX EXPENSE***(in Rupees)*

Particulars	Year ended	
	March 31, 2019	March 31, 2018
a. Income Tax Expense		
Current Tax	27,007,113	33,000,000
Previous Years Tax	500,270	314,900
	27,507,383	33,314,900
b. Deferred Tax	446,864	638,657
Total	27,954,247	33,953,557

24. EARNINGS PER SHARE(EPS)

Basic EPS is calculated by dividing the profit for the year attributable to the equity share holders of the Company by the weighted average number of Equity shares outstanding at the end of the year.

Particulars	Year ended	
	March 31, 2019	March 31, 2018
Net profit attributable to Equity share holders (A)	68,096,047	62,065,832
Weighted Average number of equity shares of Rs. 10 each outstanding at the end of the year (B)	20,423,750	20,423,750
Basic and diluted EPS per equity share of Rs. 10 each	3.33	3.04

25. PAYMENTS TO AUDITOR*(in Rupees)*

Particulars	Year ended	
	March 31, 2019	March 31, 2018
a. As Auditor	250,000	73,750
b. Other Capacities	-	-
Total	250,000	73,750

26. RELATED PARTY RELATIONSHIPS, TRANSACTIONS & BALANCES**a) Key Management Personnel (KMP)**

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

Mr. P.V. Sri Hari, Chief Financial Officer

Mr. Adi Venkata Rama, Company Secretary

b) Names of the related parties with whom transactions were carried out during the period and description of relationship:**Relatives of Key Management Personnel**

K. Praveen

Enterprises in which KMPs or their relatives exercise significant influence:

- a) Crane Infrastructure Limited
- b) Crane Global Solutions Limited
- c) Virat Crane Agri Tech Limited
- d) Virat Crane Bottling Limited



c) Disclosure of related party transactions

Managerial Remuneration

G V S L Kantha Rao - Rs. 60,00,000

Salary & Allowances

K. Praveen - Rs. 12,00,000

Nature of Transaction	Party	Max. Amount Outstanding during the year (Rs. in Lakhs)	Closing Balance as on 31.03.2019 (Rs. in Lakhs)
Advance	Virat Crane Agri Tech Ltd	631.44	631.44
Advance	Crane Infrastructure Ltd	121.18	121.18
Advance	Crane Global Solutions Ltd	200.00	200.00
Advance	Virat Crane Bottling Ltd	3.92	3.92

No interest is being charged on the above advances.

27. CONTINGENT LIABILITIES (not provided for in the Books of Account)

a. Demands for which liability is not created:

Nature of Statute	Nature of Dues	Forum where Dispute is pending	Period to Which the amount relates	Amount (Rs)
Agriculture Market Committee Cess	Cess	Supreme Court	1994 -95 to 2000 -01	10,55,689
Agriculture Market Committee Cess	Cess	Secretary, AMC (Vijayawada)	2011 -12 to 2015 -16	1,06,29,410
Sales Tax & VAT Act	Sales Tax	AP High Court	2006 -07 to 2011 -12	73,27,091
Sales Tax Act	Sales Tax	Sales Tax Appellate Tribunal	1999 -20	1,95,000
Luxury Tax	Luxury Tax	AP High Court	2005 -06	3,47,484

Management is confident of favorable decision in the above cases and hence no provision is made in the books.

b. Corporate Guarantees:

The Company has given Guarantee of Rs. 10.00 Crores to IDBI taken by Virat Crane Bottling Limited. The Company is contingently liable for equal amount of guarantee given to Virat Crane Bottling Limited and is not provided in the books of account.



28. FINANCIAL INSTRUMENTS:

Capital Management:

Company's Capital Management objectives are to:

- ensure the company's ability to continue as a going concern
- provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

For the purpose of the Company's Capital Management, capital includes issued capital and all other equity reserves. Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of financial covenants.

Categories of Financial Assets & Financial Liabilities as at 31st March, 2019

(in Rupees)

<i>Particulars</i>	<i>Amortised Cost</i>	<i>Fair Value through Profit & Loss</i>	<i>Fair Value through OCI</i>	<i>Total carrying value</i>	<i>Total Fair value</i>
<i>Financial Assets</i>					
Non - Current					
Investments	41,242,800	-	-	41,242,800	-
Loans	83,535,893	-	-	83,535,893	-
Sub Total	124,778,693	-	-	124,778,693	-
Current					
Trade Receivables	43,183,775	-	-	43,183,775	-
Cash & Cash Equivalents	30,524,834	-	-	30,524,834	-
Loans	12,475,224	-	-	12,475,224	-
Sub Total	86,183,833	-	-	86,183,833	-
Total Financial Assets	210,962,526	-	-	210,962,526	-
<i>Financial Liabilities</i>					
Non - Current					
Borrowings	-	-	-	-	-
Sub Total	-	-	-	-	-
Current					
Borrowings	34,242,645	-	-	34,242,645	-
Trade Payables	54,515,542	-	-	54,515,542	-
Sub Total	88,758,187	-	-	88,758,187	-
Total Financial Liabilities	88,758,187	-	-	88,758,187	-



Categories of Financial Assets & Financial Liabilities as at 31st March, 2018

(in Rupees)

<i>Particulars</i>	<i>Amortised Cost</i>	<i>Fair Value through Profit & Loss</i>	<i>Fair Value through OCI</i>	<i>Total carrying value</i>	<i>Total Fair value</i>
<i>Financial Assets</i>					
Non - Current					
Investments	41,242,800	-	-	41,242,800	-
Loans	87,642,845	-	-	87,642,845	-
Sub Total	128,885,645	-	-	128,885,645	-
Current					
Trade Receivables	40,644,079	-	-	40,644,079	-
Cash & Cash Equivalents	34,222,787	-	-	34,222,787	-
Loans	13,888,465	-	-	13,888,465	-
Sub Total	88,755,330	-	-	88,755,330	-
Total Financial Assets	217,640,975	-	-	217,640,975	-
<i>Financial Liabilities</i>					
Non - Current					
Borrowings	360,000.00	-	-	360,000	-
Sub Total	360,000.00	-	-	360,000	-
Current					
Borrowings	40,198,146	-	-	40,198,146	-
Trade Payables	104,717,157	-	-	104,717,157	-
Sub Total	144,915,303	-	-	144,915,303	-
Total Financial Liabilities	145,275,303	-	-	145,275,303	-

Financial Risk Management Framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established a Risk Management Framework which is reviewed and monitored by the Risk Management Committee. The Committee reports regularly to the board of directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate limits and controls and to monitor risks and adherence to limits. The Company, through its training and established procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's activities expose it to Credit risk and Liquidity risk.

Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss.

Based on the overall credit worthiness of Receivables coupled with their past track record, Company expects No/Minimum risk with regard to its outstanding receivables. Also, there is a mechanism in place to periodically track the outstanding amount and assess the same with regard to its realisation. Company expects that all the debtors will be realised in full, and accordingly, no provision has been made in the books of account for doubt receivables.



Liquidity Risk

The Company's principal sources of liquidity are cash and cash equivalents, working capital facility with banks and the cash flows that are generated from operations.

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and by continuously monitoring, forecasting and actual cash flow and by matching the maturity profiles of financial assets and liabilities.

29. INVESTMENTS:

Durga Dairy Limited before merger and Virat Crane Industries before merger have pledged their investments in the Equity shares totalling to 35,81,300 equity shares (Durga Dairy Limited – 16,62,900 & Virat Crane Industries Limited – 19,18,400) of Virat Crane Agri tech Limited to IDBI for the loan granted by IDBI to Virat Crane Agri Tech Limited vide their agreement for pledge of shares dated 19-04-2001 for Rs. 177.30 Lakhs term loan sanctioned to Virat Crane Agri Tech Limited.

30. MICRO, SMALL AND MEDIUM ENTERPRISES:

The identification of Micro, small and medium enterprises as defined under the provisions of "Micro, Small and Medium Enterprises Act, 2006" is based on Management's knowledge of their status. There are no dues to Micro, small and medium enterprises as on 31st March 2019 & 31st March 2018.

31. EVENTS AFTER THE REPORTING PERIOD:

No adjusting or significant events have occurred after the reporting period.

32. Balances of sundry debtors & Creditors are subjected to confirmation.

33. Previous year's figures have been regrouped wherever necessary.

As per our report of even date

For Anantha & Associates

Chartered Accountants
FRN:0106452S

for and on behalf of the Board of Directors

CA Srinivasulu Anantha
Partner M. No; 214253

P. V. Srihari
CFO

GVSL Kantha Rao
Managing Director
DIN:01846224

Guntur
May 30,2019

M. Himaja
Director
DIN:06505782

R. Adi Venkata Ramnaa
Company Secretary

VIRAT CRANE INDUSTRIES LIMITED

D. No - 25-18-54, Opp. Crane Betel Nut Powder Works Office, Main Road, Sampathnagar, Guntur - 522 004
email: viratcraneindustriesltd.@gmail.com, vcil@cranegroup.in, Website; www.cranegroup.in CIN: L74999AP1992PLC014392

ATTENDANCE SLIP

I/We.....R/o..... hereby record my/our presence at the 27th Annual General Meeting of the Virat Crane Industries Limited at 11.00 A.M. on Monday, 30th day of September, 2019 at Crane Infrastructure Limited Premises ,NH-5, Ankireddy palem Village , Chilakaluripet Road, Guntur, Andhra Pradesh.

DPID * :	Folio No. :
Client Id * :	No. of Shares :

* Applicable for investors holding shares in electronic form.

Signature of shareholder(s)/proxy

Note:

1. Please fill this attendance slip and hand it over at the entrance of the hall.
2. Please complete the Folio / DP ID-Client ID No. and name, sign this Attendance Slip and hand it over at the Attendance Verification Counter at the ENTRANCE OF THE MEETING HALL.

VIRAT CRANE INDUSTRIES LIMITED

D. No - 25-18-54, Opp. Crane Betel Nut Powder Works Office, Main Road, Sampathnagar, Guntur - 522 004
email: viratcraneindustriesltd.@gmail.com, vcil@cranegroup.in, Website; www.cranegroup.in CIN: L74999AP1992PLC014392

Name of the Member(s)		
Registered Address		
E-mail Id	Folio No /Client ID	DP ID

Proxy form

I/We, being the member(s) of shares of the above named company. Hereby appoint
 1).....of having email ID.....or failing him
 2).....of having email ID.....or failing him
 3).....of having email ID.....or failing him
 As my/ our proxy to attend and vote(on a poll) for me/us and on my/our behalf at the 27th Annual General Meeting of the company, to be held on Monday, the 30th day of September 2019 at 11.00 A.M. at Crane Infrastructure Limited Factory premises, NH-5, Ankireddy palem Village, Chilakaluripet Road, Guntur, and at any adjournment thereof in respect of such resolutions as are indicated below:

Sl. No.	Resolution(S)	Vote	
		For	Against
1.	To receive, consider and adopt the Audited standalone Financial Statements of the Company for the financial year ended 31st March, 2019 and the Reports of the Board of Directors and the Auditors.		
2.	To appoint a Director in place of Mrs. Himaja Manepalli (DIN 06505782) who retires by rotation and being eligible, offers herself for reappointment.		
	Special Business		
3.	SPECIAL RESOLUTION: To re-appoint Sri Mattupalli Venkata Subba Rao (DIN 06959568) as an Independent Director.		

* Applicable for investors holding shares in Electronic form.

Signed this ____ day of ____ 20__

Signature of Shareholder

Signature of Proxy holder



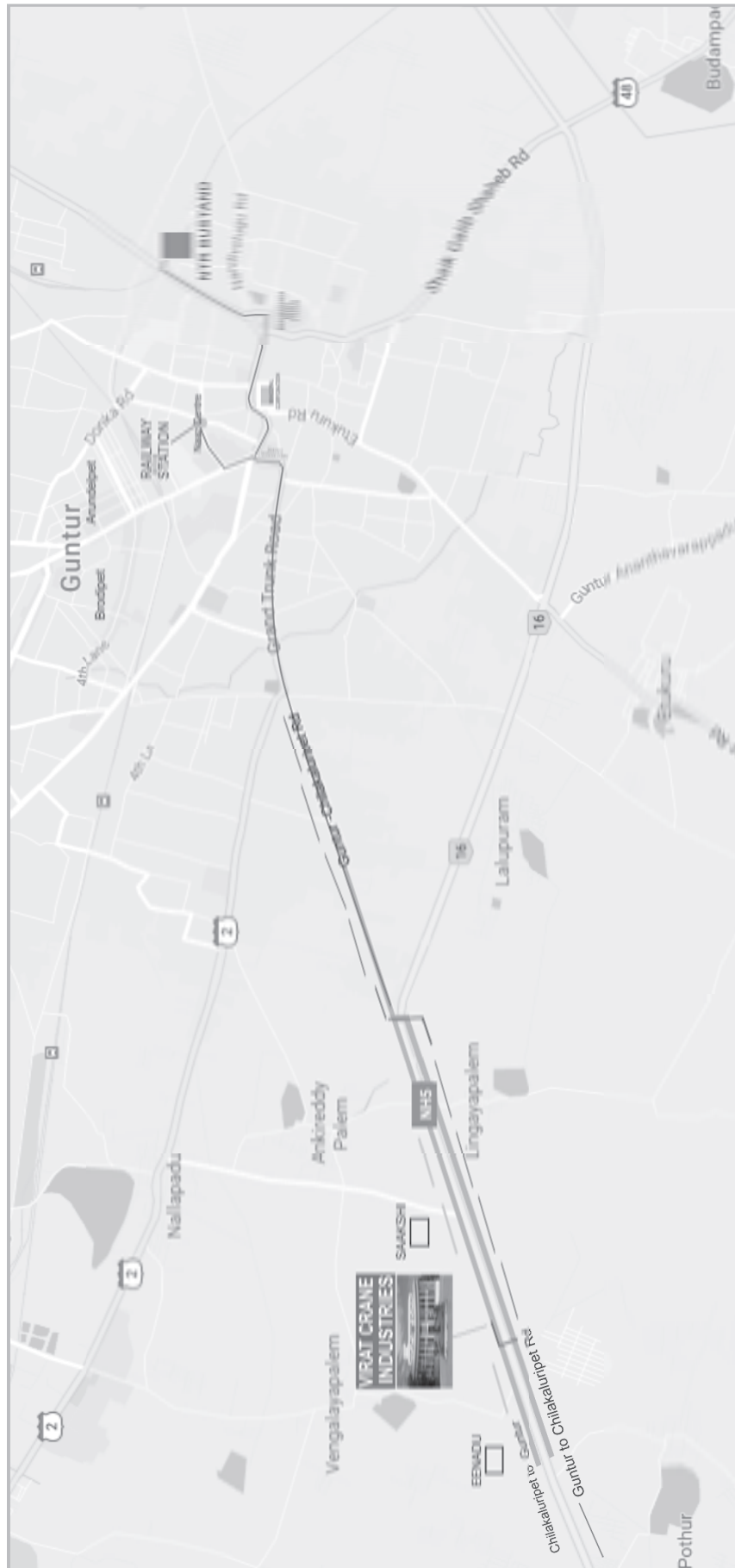
Signature of the shareholder

Note:

- 1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
- 2) The proxy need not be a member of the company



ROUTE MAP



BOOK-POST

To

.....

.....

.....

If Undelivered Please Return to :



VIRAT CRANE INDUSTRIES LIMITED

#25-18-54, Opp. CBNP works,
Sampath Nagar Main Road,
Guntur-522004.

Andhra Pradesh

☎ 0863-2223311

✉ vcil@cranegroup.in