



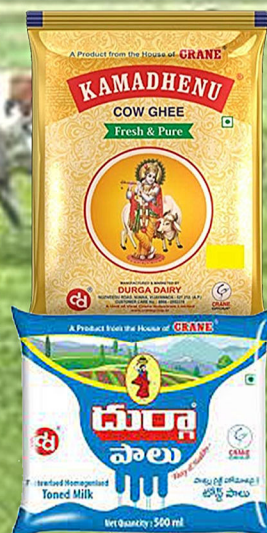
**VIRAT CRANE INDUSTRIES LIMITED**  
**GUNTUR**

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

**30<sup>th</sup> ANNUAL REPORT  
2021-22**



**CRANE  
GROUP**



**30<sup>TH</sup> ANNUAL REPORT****2021-2022**

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## **CORPORATE INFORMATION**

### **Board of Directors:**

Mr.G.V.S.L.Kantha Rao,	Managing Director
Mrs. M.Himaja	Non Executive Director
Mr. P.V.Srihari	Non Executive Director
Mr.P.Bhaskara Rao	Independent Director
Mr. M.V. Subba Rao	Independent Director
Mr. J. Gopala Krishna Murthy	Non Executive Director

### **Depositories :**

Central Depository Services Limited.  
National Security Depository Services Limited.

### **Key Managerial personnel**

Mr.G.V.S.L.KanthaRao	Managing Director
Mr. P.V.Srihari	CFO
Mr.AdiVenkataRama.R	Company Secretary

### **Banker's :**

Andhra Bank, Kothapet, Guntur

### **Stock Exchange:**

BSE Limited

### **Registered Office :**

D.no -25-18-54, opp. Crane Betel nut powder works office,  
Main road, Sampathnagar,Guntur-522004

### **Statutory Auditors:**

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

### **Email:**

viratcraneindustriesltd@gmail.com  
vcil@cranegroup.in

### **Secretarial Auditors:**

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

### **Website:**

www.cranegroup.in

### **Registrars & Share Transfer Agents:**

D.no -25-18-54, opp. Crane Betel nut powder works office,  
Main road, Sampathnagar,Guntur-522004

### **Factory Address:**

Nunna,  
Nuziveedu Road,  
Vijayawada.

**Notice of the 30<sup>th</sup> Annual General Meeting**

Notice Is hereby given that the 30<sup>th</sup> Annual General Meeting of the members of M/s Virat Crane Industries Limited will be held on Monday, September 26, 2022 at 11:00 A.M. IST (“AGM”) through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”), to seek the consent of the shareholders of the Company (“Members”), on the agenda herein below through remote electronic voting (“E-voting”).

In view of the pandemic situation of novel strain of corona virus (“COVID-19”) and pursuant to the guidelines and notification issued by the Ministry of Home Affairs, Government of India and in light of the MCA Circulars and pursuant to applicable provisions of the Companies Act and rules made there under. The proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the AGM.

**Ordinary Business:**

1. To receive, consider and adopt the Standalone Audited Financial Statements of the Company for the year ended 31<sup>st</sup> March, 2022 and together with the reports of the Board of Directors and Auditors there on.
2. To appoint a Director in place of Sri Venkata Srihari Puvvada (DIN 03452957) who retires by rotation and being eligible, offers himself for reappointment.

3. To re-appoint M/s Anantha & Associates (FRN:010642S), Chartered Accountants, Guntur, as Statutory as statutory auditors of the company for a term of five years, to hold office till the conclusion of 35<sup>th</sup> Annual General Meeting of the company to hold in the year 2027 and to fix remuneration for the financial year ending 31<sup>st</sup> march, 2023.

**Special Business**

4. To appoint Sri Venkata Nageswara Rao Kota (Din:09718689) as an Independent Director in this regard **To consider and if thought fit to pass with or without modification the following resolution as ordinary resolution:**

**“RESOLVED THAT** Sri Venkata Nageswara Rao Kota (Din:09718689), who was appointed as an additional and independent director, pursuant to Sections 149, 152 and 161 and other relevant provisions of the Companies Act, 2013 and Rules made there under (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and whose term of office expires at this Annual General Meeting and who is eligible for appointment as an Independent Director and in respect of whom the Company has received a recommendation from the Nomination and Remuneration Committee and the Board of Directors of the Company, be and is hereby appointed as an independent director, not liable to retire by



rotation, for a period of five years w.e.f 30.08.2022 to 30.08.2027.

**RESOLVED FURTHER THAT** any one of the Directors of the Company be and are hereby severally authorized to do all such acts, deeds and things, and to execute all such documents, instruments and writings as may be required to give effect to this resolution.”

5. To appoint Sri Venkata Santhi Kumar Nerella (Din:08949327), as an Independent Director in this regard **To consider and if thought fit to pass with or without modification the following resolution as ordinary resolution:**

“RESOLVED THAT Sri Venkata Santhi Kumar Nerella (Din:08949327), who was appointed as an additional and independent director, pursuant to Sections 149, 152 and 161 and other relevant provisions of the Companies Act, 2013 and Rules made there under (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and whose term of office expires at this Annual General Meeting and who is eligible for appointment as an Independent Director and in respect of whom the Company has received a recommendation from the Nomination and Remuneration Committee and the Board of Directors of the Company, be and is hereby appointed as an independent director, not liable to retire by rotation, for a period of five years w.e.f 30.08.2022 to 30.08.2027.

**RESOLVED FURTHER THAT** any one of the Directors of the Company be and are hereby severally authorized to do all such acts, deeds and things, and to execute all such documents, instruments and writings as may be required to give effect to this resolution.”

For and on behalf of Board Of directors of  
**M/s Virat Crane Industries Limited.**

Sd/-

CS.Adi Venkata Rama. R  
(Company Secretary & Compliance Officer)  
A46744  
Place: Guntur  
Date: 30.08.2022

**NOTES:**

1. The Register of Members and Share Transfer Books of the Company shall remain closed from Tuesday 20<sup>th</sup> September, 2022 to Monday, 26<sup>th</sup> September, 2022 (both days inclusive), for annual closing (for Annual General Meeting).
2. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its General Circular nos. 14/2020 and 17/2020 dated April 8, 2020 and April 13, 2020 respectively, in relation to “Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made there under on account of the threat posed by COVID-19”, General Circular no. 20/2020 dated May 5, 2020, General Circular nos. 02/2021 and 21/2021 dated January 13, 2021 and

December 14, 2021 respectively in relation to “Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)”, (collectively referred to as “MCA Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars, the AGM of the Company is being held through VC/OAVM. The registered office of the Company shall be deemed to be the venue for the AGM.

3. In compliance with the provisions of the Companies Act, 2013 (the “Companies Act”), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“SEBI Listing Regulations”) and the MCA Circulars, the AGM of the Company is being held through VC / OAVM, without the physical presence of the Members at a common venue. In accordance with the Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India (“ICSI”) read with Clarification/Guidance on applicability of Secretarial Standards - 1 and 2 dated 15th April, 2020 issued by the ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the AGM.

5. This AGM Notice is being sent to all the Members, whose names appear in the Register

of Members/ List of Beneficial Owners as received from National Securities Depository Limited (“NSDL”) / Central Depository Services (India) Limited (“CDSL”) as on 23<sup>rd</sup> August, 2022.

6. The Board of Directors of the Company (the “Board”, which term shall be deemed to include any Committee(s) constituted/ to be constituted by the Board, from time to time) has appointed M/s. K. Srinivasa Rao & Nagaraju Associates, Practicing Company Secretaries, Vijayawada as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

7. Pursuant to the provisions of Section 105 of the Companies Act, a Member entitled to attend and vote at the AGM is entitled to appoint a Proxy to attend and vote on his/ her behalf and the Proxy need not be a Member of the Company. However, since this AGM is being held pursuant to the applicable MCA and SEBI Circulars as mentioned hereinabove, through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of Proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this AGM Notice.

8. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRIs, etc.) are required to send a scanned certified true copy (PDF Format) of the Board Resolution/ Authority Letter, etc., authorizing their



representative to attend the AGM through VC / OAVM on their behalf and to vote through remote e-voting or during the AGM. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to [ksrao21@gmail.com](mailto:ksrao21@gmail.com) (or) [vcil@cranegroup.in](mailto:vcil@cranegroup.in)

9. The Member's log-in to the Video Conferencing platform using the remote e-voting credentials shall be considered for record of attendance at the AGM and such Member attending the Meeting will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act.

10. Since the AGM will be held through VC/OAVM, the route map is not annexed to this AGM Notice.

11. Members are requested to intimate immediately, any change in their address to their depository participants with whom they are maintaining their demat accounts. If the shares are held in physical form, change in address has to be intimated to the company's registrar and transfer agent (RTA) for any future communication by the company. RTA Addresses is: Bigshare Services Private Limited, 306, Right Wing, 3rd Floor, Amrutha Ville, Opp. Yashoda Hospital, Rajbhavan Road, Hyderabad 500 082, Telangana, India Tel: +91-40-2337 4967, Fax: +91-40-2337 0295, e-mail ID: [bsshyd@bigshareonline.com](mailto:bsshyd@bigshareonline.com)

12. SEBI has mandated the submission of permanent account number (PAN) by every participant in securities market. Members

holding shares in electronic form are, therefore, requested to submit their PAN to their depository participants with whom they are maintaining their Demat accounts. Members holding shares in physical form should submit their PAN to the company or its RTA.

13. In terms of Schedule I of the Listing Regulations, listed companies are required to use the Reserve Bank of India's approved electronic mode of payment such as electronic clearance service (ECS), LECS (Local ECS)/RECS (Regional ECS)/NECS (National ECS), direct credit, real time gross settlement, national electronic fund transfer (NEFT), etc. for making payments like dividend etc if paid, to the members. Accordingly, members holding securities in Demat mode are requested to update their bank details with their depository participants. Members holding securities in physical form should send a request updating their bank details, to the company's RTA. In compliance with the aforesaid Circulars and upon normalization of the postal services, the company shall dispatch by post the dividend warrants if any paid in future, to those members who have not registered their bank mandate with company.

14. Pursuant to the changes introduced by the Finance Act 2020 ('the Act'), dividend income will be taxable in the hands of the members w.e.f. 1 April 2020 and the company is required to deduct tax at source (TDS) from dividend paid to members at the prescribed

rates if paid by the company as the company has not paid any dividend.

15. Pursuant to Section 72 of the Companies Act, 2013, members are entitled to make a nomination in respect of shares held by them. Members desirous of making a nomination, pursuant to the Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014 are requested to send their requests in form no. SH-13. To the RTA of the company. Further, members desirous of cancelling/varying nomination pursuant to the Rule 19(9) of the Companies (Share Capital and Debentures) Rules, 2014, are requested to send their requests in form no. SH-14/Form ISR-3, to the RTA if shares are in physical form or to their DP in case the shares are held by them in dematerialized form. These forms will be made available on request.

16. The members may note that, pursuant to SEBI Notification dated 8<sup>th</sup> June 2018 and Press Release dated 3 December 2018, transfer of shares (except transmission and transposition of shares) will be in dematerialized form only. Although, the members can continue to hold shares in physical form, they are requested to consider dematerializing the shares held by them in the company.

17. Your company is pleased to provide the facility of live webcast of proceedings of AGM. Members who are entitled to participate in the AGM can view the live proceedings of

AGM by logging on the CDSL e-voting system at [www.evotingindia.com](http://www.evotingindia.com) using their secure login credentials. Members are encouraged to use this facility of the live webcast. The webcast facility will be available from 11.00 am onwards on 26<sup>th</sup> September 2022.

18. Since the AGM will be held through VC/OAVM, the route map is not annexed in this notice.

19. In accordance with the aforesaid Circulars, no physical copy of the notice of the AGM and the annual report for the financial year 2021-22 will be sent to members who have not registered their e-mail addresses with the company/depository participants. The members will be entitled to a physical copy of the annual report for the financial year 2021-22, after paying the pre determined charges for sending physical copy, upon sending a request to the company secretary at D.no -25-18-54, opp. Crane Betel nut powder works office, Main road, Sampathnagar, Guntur-522004.

20. The Company's Registrar and Transfer Agents for its Share Registry Work (Physical and Electronic) are Bigshare Services Private Limited, having their office at 306, Right Wing, 3rd Floor, Amrutha Ville, Opp. Yashoda Hospital, Rajbhavan Road, Hyderabad 500 082, Telangana, India Tel: +91-40-2337 4967, Fax: +91-40-2337 0295, e-mail ID: [bsshyd@bigshareonline.com](mailto:bsshyd@bigshareonline.com)



21. In compliance with the aforesaid MCA Circulars and SEBI Circular dated 12th May, 2020, AGM Notice is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ RTA/ Depositories. Members may note that the AGM Notice will also be available on the Company's website [www.cranegroup.in](http://www.cranegroup.in) (or) on the company's portal of the website of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com). For any communication, the Members may also send a request to the Company's email id at [vcil@cranegroup.in](mailto:vcil@cranegroup.in)

22. Shareholder will be provided with a facility to attend the EGM/AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com>

Shareholders/members can login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.

Members can join the AGM 15 minutes before and up to after the scheduled time of commencement of the AGM. The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 Members on first come first served basis, in accordance with the MCA Circulars. Shareholders are encouraged to join the Meeting through Laptops / I Pads for better experience.

Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

1. Shareholders who are desirous to speak in AGM through VC should get pre-registered with company by sending email not later than 72 hours before the date of AGM to [agmparticipant@bigshareonline.com](mailto:agmparticipant@bigshareonline.com)

2. Shareholder should send a mail mentioning the company name and AGM date in subject line.

On receipt of request from shareholder company's RTA shall share a link with shareholder for joining the meeting before 48 hours before of the date of AGM.

Other e-voting instructions shall remain same as issued by CDSL/NSDL

Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

Members who need assistance before or during the AGM may contact Mr. Adi venkata Rama Rajenedi, Company Secretary & Compliance officer at Tel: +0863-2223311

(or) send an email request at the email id: vcil@cranegroup.in (or) to the registrar email bsshyd@bigshareonline.com

Instructions for Members for Voting during the AGM is given in the Page No. : 14

The procedure for remote e-voting during or at the AGM is same as the instructions mentioned above for remote e-voting since the AGM is being held through VC/OAVM.

The e-voting window shall be activated upon instructions of the Chairman of the Meeting during the AGM.

E-voting during the AGM is integrated with the VC platform and no separate login is required for the same. The Members shall be guided on the process during the AGM.

iv. Only those Members/Shareholders, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolution through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system at the AGM.

#### **Voting through electronic means:**

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide CircularNo.14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13,2020 and Circular No. 20/2020 dated May 05, 2020.The

forth coming AGM/EGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM/EGM through VC/OAVM.

2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April13,2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM/EGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the EGM/AGM will be provided by CDSL.

3. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more

shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stake holders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.

4. The attendance of the Members attending the AGM/EGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM/EGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM/EGM through VC/OAVM and cast their votes through e-voting.

6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM/EGM has been uploaded on the website of the Company at [www.cranegroup.in](http://www.cranegroup.in). The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) The AGM/EGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM/EGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).

7. The AGM/EGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

8. In continuation of this Ministry's General Circular No. 20/2020, dated 05th May, 2020 and after due examination, and also extension circulars on May 2022 in it has been decided to allow companies whose AGMs were due to be held in the year 2022, or become due in the year 2022, to conduct their AGMs on or before 31.12.2022, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January, 13, 2021

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 the 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 will begin on Friday 23<sup>rd</sup> September, 2022 at 09.00 AM and will end on



Sunday, 25<sup>th</sup> September, 2022 at 5.00 PM. During this period shareholders' of the Company, holding shares either in physical form or in Dematerialized form, as on the cut-off date of Monday, 19<sup>th</sup> September 2022, may cast their vote electronically. The e-voting module shall be disabled for voting thereafter.

Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

The instructions for shareholders voting electronically are given at Page No 14 of this Annual Report.

Procedure for registering the email addresses and obtaining the AGM Notice and e-voting instructions by the Members whose email addresses are not registered with the Depositories (in case of members holding shares in Demat form) or with Bigshare services private limited (in case of Members holding shares in physical form):

Those Members who have not yet registered their email addresses are requested to get their email addresses registered by following the procedure given below:

- a. Members holding shares in demat form can get their email ID registered by contacting their respective Depository Participant.
- b. Members holding shares in physical form may register their email address and mobile number with Company's Registrar and Transfer Agents, big share services Private Limited by sending an email request at the

email id [bsshyd@bigshareonline.com](mailto:bsshyd@bigshareonline.com). Come along with signed scanned copy of the request letter providing the email address, mobile number, self attested copy of the PAN card and copy of the Share Certificate for registering their email address and receiving the AGM Notice and the e-voting instructions.

- c. To facilitate Members to receive this AGM Notice electronically and cast their vote electronically, the Company has made special arrangements with big share services private limited for registration of email addresses of the Members in terms of the MCA Circulars. Eligible Members who have not submitted their email address to the Company or bigshare services private limited are required to provide their email to [bsshyd@bigshareonline.com](mailto:bsshyd@bigshareonline.com) on or before 5:00 p.m. (IST) on 11<sup>th</sup> September, 2022. The voting rights of Members shall be in proportion to the paid-up value of their shares in the Equity Share capital of the Company as on the cut-off date ie. 23<sup>rd</sup> August, 2022. Members are eligible to cast their vote either through remote e-voting or in the AGM, only if they are holding Shares as on that date. A person who is not a Member as on the cut-off date is requested to treat this AGM Notice for information purposes only.

The Scrutinizer after scrutinizing the votes through remote e-voting and e-votes cast at the Meeting will, not later than 48 hours of conclusion of the Meeting, make a



consolidated Scrutinizer's Report of the votes cast in favor or against, if any and submit the same forthwith to the Chairman or a person duly authorized by the Chairman who shall counter sign the same and declare the results of the voting. The results declared along with the consolidated Scrutinizer's Report will be placed on the website of the Company on or before 28<sup>th</sup> September, 2022 immediately after the results are declared and will simultaneously be forwarded to BSE Limited, where the Equity Shares are listed.

d. The Resolution shall be deemed to be passed on the date of the Meeting, ie. 26<sup>th</sup> September, 2022, subject to receipt of the requisite number of votes in favor of the Resolution. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to [vcil@cranegroup.in](mailto:vcil@cranegroup.in) or [bsshydbigshareonline.com](mailto:bsshydbigshareonline.com). The same will be replied by the Company suitably.

As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in

dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of Registrars holding shares in physical form are portfolio management, members requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's and Transfer Agent M/s Big share services private Limited for assistance in this regard.

The Results shall be declared on or after the AGM of the company and shall be deemed to be passed on the date of AGM. The results along with the Scrutinizer's Report shall be placed on the website of the Company [www.cranegroup.in](http://www.cranegroup.in) within 2 days of passing of the resolutions at the Annual General Meeting of the Company and shall be communicated to BSE Limited

For and on behalf

**M/s Virat Crane industries Limited**

Sd/-

CS. Adi Venkata Rama .R

(Company Secretary & Compliance Officer)

A46744

Place : Guntur

Date : 30.08.2022



### **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 30<sup>th</sup> Annual General Meeting to be held on Monday, 26<sup>th</sup> September, 2022, at 11.00 AM.

- (i) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (ii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iii) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

### Information regarding the E-Voting :

The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com). The E-Voting Event Number and period of E-voting are set out below: Evsn (e-voting Sequence Number) : **220829035**. Commencement Of E-voting: Friday 23<sup>rd</sup> September 2022 at 9.00 A.M. End Of E-voting : Sunday, 25<sup>th</sup> September, 2022 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 19<sup>th</sup> September, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

Steps & Instructions For E-voting : The Instructions For Shareholders Voting Electronically Are As Under:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on</li> </ol>

	<p><a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS” Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</li> </ol>
Individual Shareholders	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-</p>



(holding securities in demat mode) login through their <b>Depository Participants</b>	Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
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Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

(iv) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on “Shareholders” module.
- 3) 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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.

If you are a first-time user follow the steps given below:

	<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>
PAN	<p>Enter your 10digit 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"> <li>Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

- (v) After entering these details appropriately, click on “SUBMIT” tab.
- (vi) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.



- (vii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (viii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (ix) 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.

- (x) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xi) 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.
- (xii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xiv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xv) **Additional facility for non – individual shareholders and custodians for remote voting only.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - 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.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - 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.
  - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [vcil@cranegroup.in](mailto:vcil@cranegroup.in) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.



**Instructions for shareholders attending the AGM through VC/OAVM & e-voting during meeting are as under:**

1. The procedure for attending meeting & e-Voting on the day of the AGM/EGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least **Three days** prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **Two days** prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.

10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

**Process for those shareholders whose email/mobile no. Are not registered with the company/depositories.**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id.**

2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)

3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022-23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43

Additional Information with respect to Item No. 2,3,4 and 5 in this Notice, under regulation 36(3) of SEBI (LODR) Regulations and as per Secretarial Standard on General Meetings (“SS-2”), issued by The Institute of Company Secretaries of India, Details of Directors Seeking Appointment / Re- and are provided herein below regarding re-appointment of Directors who retire by rotation i.e. Srihari Puvvada as Non- Executive Directors of the Company and also Sri Venkata Nageswara Rao Kota, and Sri Venkata Santhi Kumar Nerella as independent directors of the company,

Particulars	Information		
Name	Sri Venkata Sri Hari Puvvada	Sri Venkata Nageswara Rao Kota	Sri Venkata Santhi Kumar Nerella
DIN	03452957	09718689	08949327
Date of Birth			
Date of appointment/ reappointment	26-09-2022	30-08-2022	30-08-2022
Appointment/Re-appointment	Re-appointment	Appointment	Appointment
Designation	Director & CFO	Non Executive-Independent Director	Non Executive-Independent Director
Qualifications	B.Com	MBA	Ms
Brief resume and justification for Appointment /reappointment and expertise in specific functional areas and nature of expertise. the skills and capabilities required for the role and the manner in which	He is graduate in commerce and has wide experience in the marketing. He has good experience in the fields of business like finance and investment.	he has good educational track record since he is holding master degree in business administration and as well as he has exceptional knowledge in business fields like Finance, accounts, Corporate Laws marketing, management, human resources, logistics etc as he has more than 25 years of business experience and Qualified/certified in the online proficiency self assessment test for independent directors’ data	he has exceptional educational track record since he is holding master degree in electronics and communication from university of Houston (USA) and Qualified/certified in the online proficiency self assessment test for independent directors’ data bank by the Indian institute of corporate affairs, as well as he has

the proposed person meets such requirements.		bank by the Indian institute of corporate affairs. He have Expertise/ Competencies in Finance, accounts, Corporate Laws marketing, management, human resources, logistics corporate governance,	outstanding knowledge in business fields like marketing, management, Financial reporting, Corporate Laws human resources, logistics etc .He have Expertise/ Competencies, in marketing, management, Financial reporting human resources , logistics, corporate governance.
Directorships & Committees membership held in other listed companies	Nil	Nil	Nil
Number of meetings of the Board attended during the financial year 2021-22	8	NA	NA
listed entities from which the person has resigned in the past three years	Nil	Nil	Nil
Number of shares held	7719	0	0
Relationship with other directors	He is relative of GVSL Kantha Rao, Managing Director of the company.	No relationship	No relationship

Information as required under Circular No.Lf ST/COMP/14/2018 -19 dated June 20, 2018 issued by the BSE.	Sri Venkata Sri Hari Puvvada is not debarred from holding office of a Director by virtue of any SEBI Order or any other such authority.	Sri Venkata Nageswara Rao Kota is not debarred from holding office of a Director by virtue of any SEBI Order or any other such authority.	Sri Venkata Santhi Kumar Nerella is not debarred from holding office of a Director by virtue of any SEBI Order or any other such authority.
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The above director is not disqualified from being the provisions of (i) SEBI (Listing Obligations and appointed as a Director/s in terms of Section 164 of the Disclosure Requirements) Regulations, 2015 and (ii) Act and have given their consent to act as a Director.

### Item No.3

Information to shareholders under regulation 36 of SEBI (LODR) Regulations includes Basis of recommendation for appointment including the details in relation to and credentials of the statutory auditor(s) proposed to be appointed and Proposed fees payable to the statutory auditor(s) along with terms of appointment and in case of a new auditor, any material change in the fee payable to such auditor from that paid to the outgoing auditor along with the rationale for such change.

The Members of the Company at the 25<sup>th</sup> Annual General Meeting (“AGM”) held on September 29, 2017 had approved the appointment of M/s .Anantha & Associates (FRN: 010642S) , Chartered Accountants, Guntur as the Statutory Auditors of the Company for a period of 5 (five) years from the conclusion of the 25<sup>th</sup> AGM to the conclusion of the 30<sup>th</sup> AGM. Accordingly, The Board of Directors of the Company (“the Board”), on the recommendation of the Audit Committee (“the Committee”), has recommended for the approval of the Members, the re-appointment of M/s .Anantha & Associates(FRN: 010642S), Chartered Accountants, Guntur as the Statutory Auditors of the Company for the second term of 5 (Five) years in accordance with the requirements of the Companies Act, 2013 (“the Act”), to hold office from the conclusion of this AGM till the conclusion of the 35<sup>th</sup> AGM.

Before recommending the appointment of M/s .Anantha & Associates(FRN: 010642S) , Chartered Accountants, Guntur, as the Statutory Auditors of the Company, the Committee considered various parameters like capability to serve a diverse and complex business landscape as that of the Company, previous tract record in the company as statutory Auditors, audit experience in the Company’s operating segments, market standing of the firm, clientele served, technical knowledge etc., and opinioned that M/s .Anantha & Associates(FRN: 010642S) , Chartered Accountants, Guntur, to be





justifiable, suitable to handle the scale, diversity and complexity associated with the audit of the financial statements of the Company. The Statutory Auditors fulfil the eligibility criteria, including relating to independence and conflict. M/s .Anantha & Associates (FRN: 010642S) , Chartered Accountants, Guntur is a Chartered Accountant Firm registered with Institute of Chartered Accountants of India. The firms have vast experience in the Auditing and financial reporting. The firm provides a range of services which include audit & assurance, taxation, advisory & accounting. The firm has significant experience in providing auditing, taxation and advisory services to banks and other financial services clients. They have given their consent to act as the Statutory Auditors of the Company and have confirmed that the said appointment, if made, will be in accordance with the conditions prescribed under Sections 139 and 141 of the Act. The proposed remuneration to be paid to M/s .Anantha & Associates(FRN: 010642S) , Chartered Accountants, Guntur, for F.Y 2022-22 for statutory audits mutually decided by the Board and Auditors which shall not exceed Rs 5 Lakhs. In view of the aforesaid, the Board recommends the resolution set forth in Item No. 3 for approval of the Members. None of the Directors, Key Managerial Personnel and their relatives, other than to the extent of their shareholding in the Company, are concerned / interested, financially or otherwise, in the said resolution.

For and on behalf of  
M/s Virat Crane Industries Limited  
Sd/-

Place: Guntur  
Date: 30-08-2022

CS. Adi Venkata Rama  
(Company Secretary & Compliance Officer)

**A46744**

**EXPLANATORY STATEMENT PURSUANT TO U/S 102(1) OF THE COMPANIES ACT 2013:****Item No: 4**

The candidature for appointment of Sri Venkata Nageswara Rao Kota (Din: 09718689) as independent director of the company was recommended by nomination and remuneration committee as he has good educational track record since he is holding master degree in business administration as well as he has exceptional knowledge in business fields like Finance, accounts, marketing, management, human resources, logistics etc, as he has more than 25 years of business experience. Hence upon recommendation of nomination and remuneration committee the board considered and approved his candidature for independent director designation in the company as the board believes that his experience and knowledge would help the business growth in the future.

Accordingly, the board proposed appointment of Sri Venkata Nageswara Rao Kota (Din: 0009718689) as an independent director of the company not liable to retire by rotation and to hold for the five years on the board of the company with effective from 30th August 2022, Sri Venkata Nageswara Rao Kota (Din: 0009718689) 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 director of the company. the company has received a notice in writing from a member along with the deposit of a requisite amount under section 160 of the act proposing the candidature of Sri Venkata Nageswara Rao Kota (Din:0009718689) for the office of independent director of the company and the company has received a declaration from Sri Venkata Nageswara Rao Kota (Din: 0009718689) that he meets the criteria of independence as prescribed both under sub section (6) of section 149 of the act under regulation 16(1)(b) of SEBI (listing obligations and disclosure requirements).in the opinion of the board , Sri Venkata Nageswara Rao Kota (Din: 0009718689) fulfills the conditions for his appointment as an independent director as specified in the act read with the rules made there under and the listing regulations Sri Venkata Nageswara Rao Kota (Din: 0009718689) is independent of the management.

**Item No:5**

The candidature for appointment of Sri Venkata Santhi Kumar Nerella (Din:08949327) as independent director of the company was recommended by nomination and remuneration committee as he has exceptional educational track record since he is holding master degree in electronics and communication from university of Houston, USA as well as he has outstanding knowledge in business fields like marketing, management, human resources, logistics etc .Hence upon recommendation of nomination and remuneration committee the board considered and approved his candidature for independent director designation in the company as the board believes that his experience and knowledge would help the business growth in the future.



Accordingly ,the board proposed appointment of Sri Venkata Santhi Kumar Nerella (Din:08949327)as an independent director of the company not liable to retire by rotation and to hold for the five years on the board of the company with effective from 30th August 2022 Sri Venkata Santhi Kumar Nerella (Din:08949327) 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 director of the company and the company has received a notice in writing from a member along with the deposit of a requisite amount under section 160 of the act proposing the candidature of Sri Venkata Santhi Kumar Nerella (Din:08949327) for the office of independent director of the company. the company has received a declaration from Sri Venkata Santhi Kumar Nerella (Din:08949327)that he meets with the criteria of independence as prescribed both under sub section (6) of section 149 of the act under regulation 16(1)((b)of SEBI(listing obligations and disclosure requirements).in the opinion of the board,, Sri Venkata Santhi Kumar Nerella (Din:08949327)fulfills the conditions for his appointment as an independent director as specified in the act read with the rules made there under and the listing regulations Sri Venkata Santhi Kumar Nerella (Din:08949327)is independent of the management.

## **BOARD'S REPORT**

To  
The members,  
Virat Crane Industries Limited,  
Guntur.

The directors submit 30<sup>th</sup> annual report of Virat Crane Industries Limited along with the audited financial statements for the financial year ended March 31, 2022.

### **Standalone Financial Results:**

Particulars	2021-22 (Rs.In lacs)	2020-21 (Rs.In lacs)
Revenue from Operations & Other Income	9636.91	8509.58
Profit/(Loss) Before Interest & Depreciation	864.44	881.95
Interest	30.18	28.16
Depreciation	32.41	32.50
Profit before exceptional and extraordinary items	801.85	821.29
Profit/ (Loss) before Tax	801.85	821.29
Income Tax-(Current Tax)	204.52	214.79
Profit (Loss) after Taxation	597.33	606.50
EPS-Basic	2.92	2.97
EPS-Diluted	2.92	2.97

**Dividend**

The Board of Directors has not recommended any dividend for the financial year 2021-22. The Board of Directors wanted to keep its profits at the company for strengthening the business of the company in the future.

**Transfer to reserves**

The Company proposes to transfer Rs. 5.97 Crores which is total profit of the financial year 2021-22 to the general reserve, hence no amount was kept in profit & loss account out of the profits of financial year 2021-22 as total profit was transferred to general reserve.

**Company's performance**

During the Year under review revenue from operations for the financial year 2021-22 is Rs.96.07 Crores. It was increased by 13.05% over the last financial year (Rs.84.98 Crores in 2020-21). Profit after tax (PAT) for the financial year 2021-22 is Rs.5.97 Crores. It was decreased by 0.01% over last year (Rs.6.06 Crores in 2020-21). The company has improved its revenue decently and profit almost as previous years though there were many hindrances and continuous lockdowns across country due to the pandemic covid-19 in the first half of financial year.

**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.

**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. Mrs. Himaja, (Din: 06505782), Non Executive Director, liable to retire by rotation under the Articles of Association of the Company, and the applicable provisions of the companies act, 2013, in the 29th Annual General Meeting and being eligible, offers herself for reappointment as Director. The Shareholders approved her re-appointment as Director of the company at the 29<sup>th</sup> Annual General Meeting of the company held on 30.09.2021.

ii. Mr. Gopala Krishna Murthy, J., (Din: 00930747), Non Executive Director, liable to retire by rotation under the Articles of Association of the Company, and the applicable provisions of the companies act, 2013, in the 29th Annual General Meeting and being eligible, offers himself for reappointment as Director. The Shareholders approved his re-appointment as Director of the company at the 29<sup>th</sup> Annual General Meeting of the company held on 30.09.2021

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

Mr. Venkata Sri Hari, P., (Din: 03452957) Non Executive Director, liable to retire by rotation under the Articles of Association of the Company in ensuing Annual General Meeting and being eligible, offer himself for reappointment as a Director. The Board recommends his 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. web link where details of familiarization programs imparted to Independent Directors : [www.cranegroup.in](http://www.cranegroup.in)

#### **Independent directors to be appointed in ensuing AGM:**

Subject to approval of shareholders at this ensuing Annual General Meeting of the company, as per the recommendation of the Nomination and Remuneration Committee the Board has proposed to appoint Sri. Venkata Santhi Kumar Nerella (DIN: 08949327) and Sri Venkata Nageswara Rao Kota (DIN: 09718689) as independent Directors of the company for a period of five years w.e.f 30.08.2022 for first term, their appointment effective from 30.08.2022 and the Board have opinion that it is very much beneficial to the company and therefore it is desirable to appoint and avail their services as Independent Directors. Accordingly, it is proposed to appoint Sri. Venkata Santhi Kumar Nerella (DIN:08949327) and Sri Venkata Nageswara Rao Kota (DIN: 09718689) as Independent Directors of the Company not liable to retire by rotation and to hold office for the first term of 5 (five) consecutive years on the Board of the Company.

#### **Independent Directors To Be Ceased After The Closure Of The Financial Year**

Mr Potti Bhaskara Rao have to be completed their second term of five year period as Independent directors on 26.09.2022 and

shall not eligible for re-appointment as independent directors for another term. Hence the said independent directors shall be retired as Directors of the company i.e. 26.09.2022 and the Board has not recommended to continue them as a Directors of the company.

### **Independent Directors Meeting**

During the year under review, four meetings of independent directors were held on 26-06-2021, 01-09-2021, 27-10-2021 and 31-01-2022 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.

### **Annual Return**

Pursuant to Section 92 read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2022 is available on the Company's website on [www.cranegroup.in](http://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 Auditors**

The Shareholders at the 25th Annual General Meeting held on 29th September, 2017, have appointed M/s Anantha & Associates, Chartered Accountants, (FRN:010642S) as Statutory Auditors of the Company to hold office until the conclusion of 30th Annual General Meeting, who have expressed their consent to continue and the Audit Committee has explored for the re-appointment of statutory auditors and recommended the same to the Board to re-appoint, M/s Anantha & Associates, Chartered Accountants, (FRN:010642S), for a period of five years from the conclusion of the ensuing Annual General Meeting till the conclusion of 35th Annual General Meeting.

The remuneration of the auditors will be decided by the Audit Committee in addition to the reimbursement of taxes and actual out of pocket expenses incurred in connection with the audit of accounts of the Company for the financial year ending 31st March, 2023 and thereafter each year from time to time. The Statutory Auditors have confirmed their eligibility under Sec. 141 of the Companies Act 2013 and have also expressed their willingness to be appointed as Statutory auditors of the Company.

Pursuant to the provisions of 139 of the act and rules framed there under, M/s. Anantha & Associates, (FRN:010642S), Chartered Accountants, Guntur, retiring auditors are eligible for

re-appointment as statutory auditors of the company for the financial year 2022-23 till the conclusion of annual general will be held for the financial year 2026-27.

The necessary resolution for shareholders regarding re-appointment of the statutory Auditors shall be placed in the Notice of 30<sup>th</sup> AGM of the company.

The Report given by the Auditors on the financial statement of the Company is part of this Report.

#### **Auditor's report**

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

There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their 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 reenactment(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, 2022.

#### **Secretarial Auditors Report**

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

#### **Board Clarification on Secretarial Auditors**

**Qualifications**': Nil as there were no qualifications, reservations or adverse remarks given by Secretarial Auditors of the Company.

#### **Cost Audit**

Cost Audit is not applicable to the company for the financial year 2021-22.

#### **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 I** 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 II** of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. The policy is available on [www.cranegroup.in](http://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	1:44
--------------------	------

During the financial year 2021-22 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: Nil%

c. The percentage increase in the median remuneration of employees in the financial year: 37.6%

d. The number of permanent employees on the rolls of Company: 68

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: Nil

The percentage increase in the median remuneration of employees in the financial year: 37.6%

**Justification:**

Percentage of Employees median remuneration was increased more than Thirty Seven percent during the financial year compared to the previous financial year. The percentage of increase of managerial remuneration was nil. The employees' median remuneration increased 37.6% compared to the increment of median remuneration of managerial remuneration. The Managerial remunerations were not increased with respect to the growth and revenue perspective of the company but the median remuneration of employees of the company during the financial year 2021-22 was significantly increased compare to previous year. The non incremental in Managerial remuneration was justified as the management was willing to cater more funds at the company at the cost of their own benefits.

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 and all type of pollutions in all its operating areas of business through all possible initiatives like

- (a) Green infrastructure,
- (b) Operational energy efficiency,
- (C) Reducing Power consumption
- (D) Decreasing consumption of fossil fuels

**Technology absorption, adaption and innovation**

The Company continues to use the latest technologies for improving the productivity and quality of its services in all its areas wherever is possible to the company and strive to achieve optimal utilization of resources there by increasing the productivity.

**Foreign exchange earnings and outgo**

Your Company did not have any foreign exchange earnings and outgo's as the company had no exports and imports from foreign countries during the financial year 2021-22.

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

**Information regarding 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 IV**

**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 :

The Final dividend amount of Rs.6,28,425 which was declared and paid for the financial year 2013-14 has been unpaid/unclaimed for a period of seven years till the end of the financial year 31-03-2021. The same amount has been transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government .

The Final dividend amount of Rs.11,80,048 which was declared and paid for the financial year 2014-15 has been unpaid/unclaimed for a period of seven years till the end of the financial year 31-03-2022. The same amount, subject to if any amount will be claimed by the shareholders in given due time before transfer to the Investor Education and Protection Fund (IEPF) will be transferred to Investor Education and Protection Fund (IEPF) in the

financial year 2022-23.

### **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 V** 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 Code of conduct or ethics policy. The details are reported in report on corporate governance which forms part of this report as Annexure VII

The policy is available on [www.cranegroup.in](http://www.cranegroup.in)

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 No: VI** and the policy shall be available at [www.cranegroup.in](http://www.cranegroup.in)

### **Acknowledgement**

The Directors Thank the Company Employees, Customers and Vendors and investors for their continues support. The Directors also thank Government of India and Concerned Departments for their Cooperation.

**Annexure - I**
**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	Names: 1 .Mr. PV Sri Krishna 2.Mr. K. Praveen 3.Mr.GVSL Kantha Rao 4.Mr.Adi Venkata Rama 5.Crane Golbal Solutions Limited 6.Crane Infrastructure Limited  Relationship:

		<p>1.Mr.PV Sri Krishna and</p> <p>2.Mr.KPraveen are relatives of</p> <p>Key Managerial person namely Sri GVSL Kantha Rao</p> <p>3.Mr.GVSL Kantha Rao is Managing Director of the company</p> <p>4.Mr.Adi Venkata Rama is company secretary of the company</p> <p>5.Common Promoters</p> <p>6.Common Promoters</p>
b)	Nature of contracts/arrangements/transaction	<p>1.Rs.15 Lakhs paid as salary</p> <p>2. Rs.12 Lakhs paid as salary</p> <p>3. Rs.60 Lakhs Paid as salary</p> <p>4. Rs.7.2 Lakhs paid as salary</p> <p>5. R.s 65.63 lakhs received as repayment of advances given.</p> <p>6. R.s 1.07 crores of amount was given as advance.</p>
c)	Duration of the contracts/arrangements/transaction	<p>The transaction related to point five of above is for two years hence repaid the amount.</p> <p>The transaction related to point 6 of above is related development of software and is for one year.</p>
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	All the transactions either received or paid or taken for the business purpose only.
e)	Date of approval by the Board/Share holders	20/05/2021
f)	Amount paid as advances, if any	

On behalf of the board of directors,

**For Virat Crane Industries Limited.**

Guntur G.V.S.L. Kantha Rao

30.08.2022 (Managing Director)

Din: 01846224

**Annexure: II**
**Annual Report on CSR Activities to be Included in the Board's Report**

1. Brief outline on CSR Policy of the Company: Virat Crane Industries Limited Policy is 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. Composition of CSR Committee:

Sl.No.	Name of the Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of .CSR Committee. attended during the year
1	Sri MV Subba Rao	Chairman	3	3
2	Sri. G V S L Kanta Rao	Member	3	3
3	Sri MHimaja	Member	3	3

Meetings held during the financial year: 20-05-2021, 20-06-2021,09-08-2021,01-09-2021,11-11-2021,and 31-01-2022

3. Web link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company: [www.cranegroup.in](http://www.cranegroup.in)
4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report): **Not Applicable**
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: NA
6. Average Net Profit of the Company as per Section 135(5):Rs.8,74,69,485.67
7. (a) Two percent of average net profit of the company as per section 135(5): Rs.17,49,389.71
  - (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil
  - (c) Amount required to be set off for the financial year: Nil

(d) Total CSR obligation for the financial year (7a+7b-7c):Rs.17,49,389.71

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in Rs.) Rs.17,49,389.71	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
	0	0	0	0	0

(b) Details of CSR amount spent against ongoing projects for the financial year: Nil

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

S N.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No)	Location of the project 1. State 2. District	Amt.spent for the project (in Rs.)	Mode of implementation Direct (Yes/No)	Mode of implementation – Through implementing agency	
							Name	CSR Reg. No
1.	Distribution of Scholarships to students through Crane Foundation	Development of education	Yes	1.Andhra Pradesh 2.Guntur	Rs. 17,49,389.71	No	Crane Foundation	NA



(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: Not Applicable

(f) Details of CSR Spent during the financial year, if any (8b+8c+8d+8e): Rs. 17,49,389.71

(g) Excess amount for set off, if any: Nil

9. (a) Details of Unspent CSR amount for the preceding three financial years:

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): NA

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details) – Not Applicable

11. Specify the reasons, in case, the Company has failed to spend two per cent of the average net profit as per Section 135(5): Not applicable

**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/-

GVSLKantaRao  
Member

Sd/-

M.Himaja  
Member



**Annexure: III**

**FORM NO. MR-3**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2022**

*[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 (here in after 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 31<sup>st</sup> March, 2022 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 31<sup>st</sup> March, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, 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;
- (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(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 Agreements entered into by the Company with the Stock Exchanges in India.

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

We further report that,



The Board of Directors of the Company 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. SrinivasaRao&Nagaraju Associates.,  
Company Secretaries.,

Place: Vijayawada  
Date: 30.08.2022

C.N.V.S.NagaRaju, Partner  
ACS.No. 37767/ C. P. No: 14940  
UDIN: A037767D000877474

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**

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. SrinivasaRao&Nagaraju Associates.,  
Company Secretaries.,

Place: Vijayawada  
Date: 30.08.2022

C.N.V.S.NagaRaju, Partner  
ACS.No. 37767/ C. P. No: 14940  
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**Annexure-IV****Management Discussion & Analysis****Corporate Overview**

Virat Crane Industries Limited (the Company) has been a promising company in the Dairy Industry. Your Company now has over 30 years of outstanding journey in the Indian dairy industry.

Your Company has adopted Indian Accounting Standard (Ind AS) notified under Companies (Indian Accounting Standard) Rules 2015 and accordingly the Standalone & Consolidated Financial Statements have been prepared in accordance with Ind AS prescribed under Section 133 of the Companies Act, 2013 read with the Rules made there under.

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, 2022.

**Global Economic Review:**

The Global Economy – World View  
The global economy grew at a rate of 5.5 per cent in FY 2021, after declining by 3.4 per cent in FY 2020. The rebound was mostly fuelled by a significant increase in family spending and a minor increase in investments, both of which had previously been impacted adversely due to the lockdown restrictions. In FY 2021, the global gross product was 1.9 per cent higher than in 2019, although it was still 3.3 percent below the actual expected levels before the epidemic

Global inflation has been steadily increasing, with the median headline Consumer Price Index (CPI) expected to reach 4.6 percent in May 2021, up from 1.2 per cent in May 2020. Increasing food costs around the world, supply chain disruptions, and a recovery of demand are the main factors of rising headline inflation.

**Outlook**

Global growth is expected to touch 4.4 per cent in 2022, down 0.5percentage point from previous projections. This is mostly due to the slowing of growth in the United States and China as a result of the fiscal and monetary policies, as well as ongoing supply chain issues. Inflation is projected to last longer in both developed and developing countries. Supply chain disruptions are expected to ease during FY2022 as demand is expected to gradually rebalance. Energy and food prices are projected to rise moderately in FY 2022.



**Indian****Economy**

The economic impact of the second wave of Covid-19 was smaller than the impact of the first. The GDP has shown signs of recovery since the second half of FY 2020-21. The Indian economy is expected to experience a growth in GDP at the rate of 9.2 per cent in FY2021-22 compared to a contraction by 6.6 per cent in FY 2020-21. Trade took hold in the first half of FY 2021, after which it started progressing in the second half. The third quarter experienced a slowdown in growth, after which trade picked up again in the fourth quarter. The value of trade in goods increased to \$5.8 trillion and services rose to \$50 billion. The overall value of global trade reached the value of \$28.5 trillion in FY 2021, 25 per cent higher than FY 2020. India's exports of both goods and services have been good in 2021-22. Despite rising trade costs, merchandise exports have crossed the US\$30 billion mark in eight consecutive months in FY 2021-22. The reasons for rising trade costs are global supply constraints such as fewer operational shipping vessels, exogenous events such as blockage of the Suez Canal and the Covid-19 pandemic in China's port city, Shenzhen, etc. Manufacturing is expected to grow at 12.5 per cent FY2022 after contracting by 7.2 per cent in FY2021. The services sector has been the most impacted during the pandemic. It is projected to grow at a rate of 8.2 per cent after contracting by 8.4 per cent in FY 2020-21.

**Outlook**

The GDP of India is expected to grow to 8 % to 8.5 % in FY 2022-23, primarily due to the

widespread vaccine coverage, supply-side reforms, export growth, easing of regulations and increase in capital spending. The projection for inflation in FY 2022-23 is 4.5 % with Q1 inflation being 4.9 %, Q2 at 5 %, Q3 being 4 % and Q4 being 4.2 %. The Indian economy is well prepared for any challenges that it might face in FY 2022-23. The Government is focusing on supply-side reforms too rather than just on demand management. These reforms will include more simplified and efficient processes, deregulation of multiple sectors, product-linked incentive (PLI) schemes etc. Global Dairy Industry. According to a report from IMARC, the industry is expected to grow over 5.09 per cent between FY 2022 to FY 2027. Milk production in New Zealand increased by 9.8 % in March, 2021 compared to March, 2020 even after drier climate conditions in the country. Production was down by 0.8 % in February, 2021 compared to the same period last year. The major reason for decreasing production was reducing herds, labor challenges and farm exits. EU's milk production dropped by 3.8 % in February, 2021 and many EU countries like Germany, France and Netherlands faced this problem. The US experienced an increase in the production of milk by 1.8 %. Dairy Industry in India. India is the largest producer and consumer of dairy products in the world. It produces 22 % of the total global dairy production. The dairy industry is an essential part of the rural economy and is one of the major sources of employment and income for the rural population. According to a report by

IMARC, the dairy industry is expected to grow at a CAGR of 14.98 % between FY2022-2027. Majority of the dairy produced in India is consumed domestically, most of which is liquid milk. As per a report by CRISIL, revenue from the organized dairy sector will rebound by 12 % in FY 2022 compared to the growth of approximately 1 % in FY 2020-21. The growth would be largely due to the pick-up in demand of value added products (VAP), steady sales of liquid milk and rising retail rates in the year. Operating profitability is expected to reach its pre-pandemic levels as a result of high packaging and transport costs and high raw milk prices. Government Initiatives The Government of India has implemented the Rashtriya Gokul Mission from FY 2021-22 to improve productivity and enhance milk production. These schemes aim to improve remuneration for farmers. An allocation of ₹ 2400 crore has been made over the next five years. Many new technologies have been made available to the farmers under these schemes which focus on promoting private entrepreneurs to enhance affordability and increase access. With efficient implementation, it is expected that 8 crore farmers involved in the dairy industry will benefit directly as a result of the increased milk production, which is expected to increase from 198.4 million metric tonnes in FY 2019-20 to 300 million metric tonnes in FY 2024-25

### **Opportunities**

**Increasing Health Awareness** - As an after effect of Covid people are opting more for nutrient-rich and immunity-boosting foods. **Rising Income levels** - With income levels

rising, the spending on dairy and value-added products has been on the rise. Affordable innovation would help people buy more of the products from the Company.

**Rising young working population** - An increasing young urban population is expected to grow from 31 per cent in FY 2011 to 36 per cent in FY 2036. The food sector is thus likely to see a growth in consumption. Demand for premium products - As income levels rise and lifestyles change, consumers are demanding products with innovation and benefits. This provides an opportunity for the food and dairy companies to innovate and launch products that will attract the consumers to the Company

### **Challenges**

Y Increased competition from local players and international companies

Y Lack of awareness among the farmers and dairy farms not being in the best of the conditions

Y Extensive cross-breeding for raising milk productivity may lead to disappearance of indigenous cattle

Y Unusual climate change and adverse weather conditions

Y Rapidly changing preferences amongst customers

The global economy witnessed an unprecedented crisis in 2020 as the outbreak of the novel corona virus (COVID-19) in China towards the end of 2019 spread rapidly across the globe. The rising human toll worldwide and the millions of people that remain unemployed have resulted in the extreme social and

economic strain that the global community still confronts. While ensuing lockdowns announced by all major economies played a critical role in saving lives, they resulted in severe damage to economic activities, thereby plunging the world economy into a recession.

As per the International Monetary Fund (IMF), the global economy contracted by 3.3% vis-à-vis 2.8% growth registered in 2019. While Advanced Economies (AEs) declined by 4.7%, with the USA and Europe contracting by 3.5% and 6.6% respectively, Emerging Markets and Developing Economies (EMDEs) clocked a relatively less contraction of 2.2%, the improvement largely reflects rebound in the Chinese economy in the second half of CY 2020 post successful containment of virus spread in the country. Following the devastating health and economic crisis, the global economy appears to be emerging from one of its deepest recessions and beginning a subdued recovery. Substantial fiscal and monetary stimulus packages enforced by the governments and central banks across the globe have been playing a pivotal role in the economic recovery. Successful vaccination programs will boost investor sentiment and will lead to kick start private capital inflows and fixed capital formation. Backed by improving macro-economic indicators, the IMF estimates the global economy to grow at 6.0% in 2021. However, limiting the spread of the new strain of the virus; providing relief to vulnerable populations; and overcoming vaccine-related

challenges are key policy priorities. (Source: IMF WEO April, 2021)

**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 still remains the most premium brand among the all brands of ghee and its brand name is strongly positioning itself more and more in the minds of people,

Kamadhenu cow ghee:

It is used mainly for pooja purposes and the demand for this product has been steadily rising. The company's management has been making efforts to position this product as a brand in this category of products.

**Durga Milk:**

The milk sales are steadily rising. Though the main product is ghee still the management is striving to increase milk sales.

**Outlook**

As said earlier According to the “Indian Dairy Industry Outlook 2022” report, with an annual output of 179 Million Tones, 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 has been a major threat to the dairy industry as reported earlier. Milk production could go down by 3 million tons 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. Heat and humidity are the factors with largest impact.

**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 performance**

During the Year under review revenue from operations for the financial year 2021-22 is Rs.96.07 Crores. It was increased by 13.05% over the last financial year (Rs.84.98 Crores in 2020-21). Profit after tax (PAT) for the financial year 2021-22 is Rs.5.97 Crores. It was decreased by 0.01% over last year (Rs.6.06 Crores in 2020-21).The company has improved its revenue decently and profit almost as previous years though there were many hindrances and continuous lockdowns across country due to the pandemic covid-19 in the first half of financial year.

**Details of significant changes (i.e. change of 25% or more as compared to the previous**

financial year) in the following key financial ratios along with explanations: Nil

**Details of change in return on Capital Employed compared to immediately previous financial year:-**

**Return on capital Employed:**

*Earnings before interest, exceptional items and taxes/ Average Capital Employed*

It was 14.34 percentage in the financial year 2021-22 and it was 16.32 times in the previous financial year 2020-21.

Hence it was decreased by 12.13% in the financial year 2021-22 compared to the previous financial year 2020-21.

**Details of non significant changes :  
(I.e. change of less than 25% or less as compared to the previous financial year)  
in the following key financial ratios :**

**Current ratio:**

*Current Assets / Current Liabilities*

It was 2.08 times in the financial year 2021-22 and it was 2.15 times in the previous financial year 2020-21

Hence it was decreased by 3.39% in the financial year 2021-22 compared to the previous financial year 2020-21.

**Debt equity ratio:**

*(Long Term Borrowings + Short Term Borrowings) / Net Worth*

It was 0.004 times in the financial year 2021-22 and it was 0.005 times in the previous financial year 2020-21.

Hence it was decreased by 10.29% in the financial year 2021-22 compared to the previous financial year 2020-21.

**Debt Service Coverage Ratio:**

*EBITDA (before exceptional items) / Interest + Installments s: Nil*

**Return on Equity Ratio:**

*Net Profit after tax / Average of Total Equity*

It was 10.29% in the financial year 2021-22 and it was 11.65% in the previous financial year 2020-21.

Hence it was decreased by 11.65% in the financial year 2021-22 compared to the previous financial year 2020-21.

**Inventory turnover ratio:**

*COGS / Average Inventory for the period*

It was 5.49 times in the financial 2021-22 and it was 5.04 times in the previous financial year 2020-21.

.Hence it was increased by 8.86% in the financial year 2021-22 compared to the previous financial 2020-21.

**Trade Receivables Turnover Ratio:**

*Revenue from Operations / Average Trade Receivables*

It was 10.64 times in the financial 2021-22 and it was 12.45 times in the previous financial year 2020-21.

.Hence it was decreased by 14.51% in the financial year 2021-22 compared to the previous financial 2020-21.

**Trade Payable Turnover Ratio:**

*COGS & Other expense / Average Trade payables*

It was 12.14 times in the financial 2021-22 and it was 10.77 times in the previous financial year 2020-21.

Hence it was increased by 12.76% in the financial year 2021-22 compared to the previous financial 2020-21.

**Net Capital Turnover Ratio :**

*Revenue from Operations / Working Capital*

It was 7.36 times in the financial 2021-22 and it was 6.36 times in the previous financial year 2020-21.

Hence it was increased by 15.77% in the financial year 2021-22 compared to the previous financial 2020-21.

**Net profit ratio:**

*Net Profit after tax / Revenue from Operations*

It was 6.22 percentage of revenue in the financial year 2021-22 and it was 7.14% in the previous financial year 2020-21.

Hence it was decreased by 12.89% in the financial year 2021-22 compared to the previous financial year 2020-21.

**Return on Investment: NA****Human Resources And Industrial Relations**

Your Company has been putting 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. As of 31<sup>st</sup> March 2022 , your Company had 68 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 V:****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 behavior 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, 2022 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 programme's imparted to independent directors is available at [www.cranegroup.in](http://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, 2022 are given herein below

Name of the Director	Category	Number of board meetings during the year 2021-22		Whether attended last AGM held on 30-09-2021	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.KanthaRao (Din:01846224)	Managing Director	8	8	Yes	1	1	0
Manepalli Himaja (Din: 065057820)	Non-Executive Director Non-Independent (Woman Director)	8	8	Yes	1	0	3
Puvvada Venkata Srihari (Din:03452957)	Director & CFO	8	8	Yes	0	0	0
BhaskarRaoPotti (Din:01846243)	Non-Executive Director (Independent)	8	8	Yes	1	1	2
MattupalliVenkata SubbaRao (Din:06959568)	Non-Executive Director (Independent)	8	8	Yes	1	1	1
Javvagi Gopala Krishna Murthy (Din:00930747)	Non Executive Director-(Non Independent)	8	8	Yes	0	0	0

v. During the Financial year 2021-22 **eight** meetings of the board were held on the following dates:  
20-05-2021,26-06-2021,09-08-2021,01-09-2021,09-10-2021,27-10-2021,11-11-2021,31-01-2022, 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.

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 as they are relatives.

### **3. Committees of the board**

#### **I. 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.

- a. 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 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 30<sup>th</sup>, 2021 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.BhaskaraRao(Chairman)
2. Mr.MV SubbaRao–Member
3. Mrs. M Himaja- Member



The composition, details of meetings and attendance of its members are given below:

Name	Category	Number of meetings during the Financial Year 2021-22	
		Held	Attended
P.BhaskarRao (Chairman)	I& NED	6	6
M V Subba Rao(Member)	I& NED	6	6
M.Himaja (Member)	NED	6	6

Six 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 20-05-2021,26-06-2021,09-08-2021,01-09-2021,11-11-2021,31-01-2022. The necessary quorum was present for all the meetings.

## II. 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.BhaskaraRao(Chairman)
2. Mr.MV SubbaRao–Member
3. Mrs. M Himaja- Member

The Chairman of the Committee is an Independent Director.

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 or 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, details of meetings and attendance of its members are given below:

Name	Category	Number of meetings during the financial year 2021-22	
		Held	Attended
P.BhaskarRao (Chairman)	I&NED	6	6
MV Subbarao (Member)	I&NED	6	6
M.Himaja (Member)	NED	6	6

Six 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 20-05-2021,26-06-2021,09-08-2021,01-09-2021,11-11-2021,31-01-2022.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:

1. Policy for Determining Qualifications, Positive Attributes and Independence of a Director
2. 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.

i) 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.

ii) 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.

iii) 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

iv) 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:

a. 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.

b. 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
<b>G.V.S.L.K KanthaRao</b>	60.00	-	-

2. P.Bhaskarrao(Member)
3. GVSL KanthaRao(Member)

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 2021-22	
		Held	Attended
MvSubbaRao (Chairman)	I&NED	6	6
P.Bhaskarrao (Member)	I&NED	6	6
GVSL KanthaRao (Member)	M.D	6	6

(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

### III. Stakeholders' relationship committee:

i. The stakeholder's relationship 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. MvSubbaRao(Chairman)

Six 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 20-05-2021, 20-06-2021, 09-08-2021, 01-09-2021, 11-11-2021, 31-01-2022. The necessary quorum was present for all the meetings.

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.

There were no requests and complaints received from the shareholders and nothing was pending for disposal at the end of the year.

4) Name, designation & address of Compliance Officer:

Mr. Adi Venkata Rama.R  
(Company Secretary and Compliance Officer)  
Virat Crane Industries Limited  
Sampath Nagar, Main Road  
Guntur-522001  
Telephone: 0863-2223311  
Email: viratcraneindustriesltd@gmail.com  
vcil@cranegroup.in

Details of investor complaints received and redressed during the year 2021-22 are as follows

Opening balance	Received during the year	Resolved during the year	Closing balance
0	00	00	00

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

7. General Share holder information

i. General meeting

a. Annual general meeting:

Financial year	Date	Time	Venue
<b>2018-19</b>	30-09-2019	11.00A.M	Crane Infrastructure Ltd Factory Premises, NH- 5 Ankireddypalem Village, Chilakaluripet pet Road, Guntur
<b>2019-20</b>	30-09-2020	11.00A.M	Meeting was Held through “VC” and “OVAM”. Hence AGM Venue was treated as Register address



			of the Company.
<b>2020-21</b>	30-09-2021	11.00A.M	Meeting was Held through “VC” and “OVAM”. Hence AGM Venue was treated as Register address of the Company.

**b. Extraordinary general meeting:**

No extraordinary general meeting of the members was held during the year 2021-22.

**ii. 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 30.09.2019.

**iii. 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**

There were no material transactions entered with relate parties during the year. All other non 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 and reviewed by the audit committee whenever necessary.

**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 2018-19 , 2019-20 and 2020-21 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 behavior. No person has been denied access to the chairman of the audit committee. Whistle blower policy of Virat Crane Industries Limited given as Annexure VI 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 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 and NSDL.

Details of shareholding in physical mode and electric mode with NSDL and CDSL as on 31.03.2022:

S.NO	Particulars	No. of Shares	% equity
1	CDSL	15094158	73.9
2	NSDL	4525282	22.16
3	Physical	804310	3.94
4	Total	20423750	100

#### **Vi.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, 2022. A declaration signed by the Managing Directors given below:

#### **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, 2022, 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

30.08.2022

(G.V.S.L.KantaRao)                      Sri Hari Puvvada  
(Managing Director)                      (CFO & Director)  
Din: 01846224                                  Din: 03452957

#### **09. Subsidiary companies**

The company has no any subsidiary Company/ies

#### **10. Directors seeking appointment/Re appointment:**

As required under the SEBI (LODR) Regulations 2015 and Listing Agreement entered into with the stock exchange, particular of directors seeking appointment / re-appointment at the forthcoming AGM are given in the notice of the AGM to be held on 30<sup>th</sup> September, 2022.

#### **11. Means of communication**

- The quarterly, half-yearly and annual results of the Company were published in the following daily news papers: English language: **Business Standard** and vernacular Language: **Andhra Prabha/ Vishalandhra**
- The Company's results were disseminated on website of Bombay Stock Exchange and company's website **www.cranegroup.in**

- c. The Management Discussion and Analysis Report is included as **Annexure IV** in this Report

## 12. General shareholder information:

Details of 30 <sup>th</sup> Annual General Meeting	Information
Date	September 26 <sup>th</sup> , 2022
Time	11.00 AM.
Venue	AGM Will be held through VC/OVAM. It is treated as meeting would have held at registered address of the company.
Financial Year ended	31.03.2022(2021-22)
Date of book closure / record date	20-09-2022 to 26-09-2022
Listing on stock exchanges :	BSE Limited (BSE)
Stock Codes / Symbol:	Security Id: VIRATCRA
Scrip Code:	519457
Listing Fees.	paid
Corporate identity number (CIN) :	L74999AP1992PLC014392

### vii. Dividend policy:

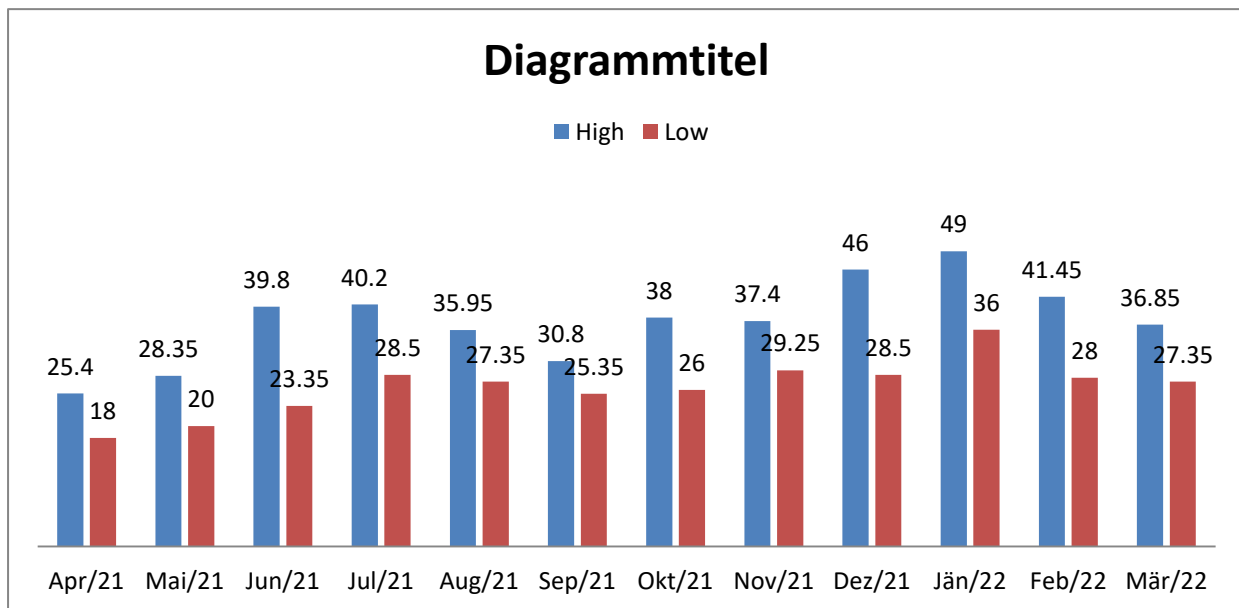
Dividends, other than interim dividend(s), are to be declared at the annual general meetings of shareholders based on the recommendation of the board of directors. Generally, the factors that may be considered by the board of directors before making any recommendations for dividend include, without limitation, 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.

viii. Market price data:

High, low (based on daily closing prices) and number of equity shares traded during each month in the year 2021-22 on BSE:

Month	High	Low	Total number of equity shares traded
April 2021	25.40	18.00	1,31,462
May 2021	28.35	20.00	4,98,070
June 2021	39.80	23.35	7,39,663
July 2021	40.20	28.50	5,28,672
August 2021	35.95	27.35	1,13,660
September 2021	30.80	25.35	1,95,757
October 2021	38.00	26.00	2,82,100
November 2021	37.40	29.25	76,137
December 2021	46.00	28.50	6,64,755
January 2022	49.00	36.00	6,23,002
February 2022	41.45	28.00	1,36,262
March 2022	36.85	27.35	2,00,353



**Performance comparison between VCIL and BSE Sensex (Last Five Years)**

**13. Registrars and transfer agents:**
**Name and Address**

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

**14. 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.

15. Details of Top ten shareholders as on 31-03-2022 (Other Than Promoters)

Sr.No	Share Holders Name	No Shares	Percentage
1	Investor education and protection Fund authority	788107	3.85
2	Dipak Kanayalal Shah	265000	1.29
3	M Divakar	222500	1.08
4	Bharath C Jain	176922	0.86
5	Dheeraj Kumar Lohia	173227	0.84
6	Batakurki Hemantraj Bheemappa	159868	0.78
7	Mahendra Girdharilal	106063	0.51
8	Parag Jhavar	88630	0.43
9	First call india equity advisors pvt Ltd	71703	0.35
10	Richa Bhutra	61558	0.30

16. Shareholding as on March 31, 2022:

a. Distribution of equity shareholding in rupees as on March 31, 2022:

Shareholding of Nominal (In R.s)	No. Of Shares holders	% Percentage	Share Amount	% Percentage
1 - 5000	3967	81.77	72,05,950	3.52
5001 - 10000	399	08.22	32,93,660	1.61
10001 - 20000	211	04.34	32,15,830	1.57
20001 - 30000	100	02.06	25,53,770	1.25
30001 - 40000	35	00.72	12,25,040	0.59
40001 - 50000	32	00.65	15,59,020	0.76
50001 - 100000	32	01.09	39,87,810	1.95
100001 & above	54	01.11	18,11,96,420	88.71
<b>GRAND TOTAL</b>	4851	100	20,42,37,500	100



b. Categories of equity shareholders as on March 31, 2022:

Category	Number of equity shares held	Percentage of holding
<b>Promoters</b>	15185983	74.35
<b>Other Entities of the Promoters Group</b>	-	-
<b>Insurance Companies</b>	-	-
<b>Indian Public and others</b>	4940460	24.18
<b>Mutual Fund and UTI</b>	0	0.00
<b>Corporate Bodies</b>	188205	0.92
<b>Banks, Financial Institutions, State and Central Government</b>	-	-
<b>Foreign Institutional Investors</b>	-	-
<b>Foreign Portfolio Investor – CORP</b>	-	-
<b>NRI's / OCBs / Foreign Nationals, clearing members, Trusts</b>	109102	0.53
<b>GRAND TOTAL</b>	2,04,23,750	100

17. Dematerialization of shares and liquidity as on 31.03.2022:

Among total paid up capital 2,04,23,750 shares, 1,96,19,440 shares ie.96.06% 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, 2022, the Company has no 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 31.03.2022

Sr.No	Nature of Dividend	Financial Year	Unclaimed Dividend (Amount in Rs)
1	Final Dividend	2017-18	6,45,440.00
2	Interim Dividend	2017-18	7,55,280.00
3	Final Dividend	2016-17	7,42,889.50
4	Final Dividend	2015-16	7,23,695.00
5	Interim Dividend	2015-16	8,24,784.00
6	Final Dividend	2014-15	11,80,048.00

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:

Details of Details of Unclaimed/ Unpaid dividend transferred to IEPF in the financial year 2021-22:

Sr.No	Nature of Dividend	Financial Year	Unclaimed Dividend (Amount in Rs)
1	Final Dividend	2013-14	6,28,424.50

Details of Details of Unclaimed/ Unpaid dividend which is going to be transferred (subject to claims by shareholders, if any in the given time according to applicable acts and rules i.e 04<sup>th</sup> Nov 2022) IEPF in the financial year 2022-23:

Sr.No	Nature of Dividend	Financial Year	Unclaimed Dividend (Amount in Rs)
1	Final Dividend	2014-15	11,80,048.00

21. Address for correspondence:

Virat Crane Industries Limited

D.NO. 25-18-54,

Opp:Crane Betel Nut Powder Works,

Main Road,SampathNagar,Guntur.

email:viratcraneindustriesltd@gmail.com

vcil@cranegroup.in

22. Details of Demat suspense account and unclaimed suspense account: Nil

**The following are regulatory compliances which are complied according to the SEBI (LODR) regulations, 2015. For the financial year 2021-22**

The Board of directors of the company affirms and discloses the following the compliances which are made/complied according to the SEBI (LODR) regulations, 2015.

The Board of directors of the company affirms and discloses the following the compliances of regulations related to the related party transactions

Related Party Transactions			
Sr	Subject	Compliance status (Yes/No/NA)	If status is “No” details of non-compliance may be given here.
1	Whether prior approval of audit committee obtained	NA	
2	Whether shareholder approval obtained for material RPT	NA	
3	Whether details of RPT entered into pursuant to omnibus approval have been reviewed by Audit Committee	Yes	

The Board of directors of the company affirms and discloses the business/information which has to be placed at the company’s website:

The Board of directors of the company affirms and discloses the business/information which has to be placed at the company’s website have placed All the information is placed at the company’s website [www.cranegroup.in](http://www.cranegroup.in)

Sr	Item	Compliance status (Yes/No/NA)
1	Details of business	Yes
2	Terms and conditions of appointment of independent directors	Yes
3	Composition of various committees of board of directors	Yes

4	Code of conduct of board of directors and senior management personnel	Yes
5	Details of establishment of vigil mechanism/ Whistle Blower policy	Yes
6	Criteria of making payments to non-executive directors	Yes
7	Policy on dealing with related party transactions	Yes
8	Policy for determining 'material' subsidiaries	NA
9	Details of familiarization programmes imparted to independent directors	Yes
10	Contact information of the designated officials of the listed entity who are responsible for assisting and handling investor grievances	Yes
11	email address for grievance redressal and other relevant details	Yes
12	Financial results	Yes
13	Shareholding pattern	Yes
14	Details of agreements entered into with the media companies and/or their associates	Yes
15	Schedule of analyst or institutional investor meet and presentations made by the listed entity to analysts or institutional investors simultaneously with submission to stock exchange	NA
16	New name and the old name of the listed entity	NA
17	Advertisements as per regulation 47 (1)	Yes
18	Credit rating or revision in credit rating obtained	NA
19	Separate audited financial statements of each subsidiary of the listed entity in respect of a relevant financial year	NA
20	Whether company has provided information under separate section on its website as per Regulation 46(2)	Yes
21	Materiality Policy as per Regulation 30	Yes
22	Dividend Distribution policy as per Regulation 43A (as applicable)	Yes
23	It is certified that these contents on the website of the listed entity are correct	Yes

The Board of directors of the company affirms and discloses that the following compliances under the regulations related to sebi (LODR) 2015 are made/complied during the year 2021-22

Sr	Subject	Compliance status (Yes/No)
1	The composition of Board of Directors is in terms of SEBI (Listing obligations and disclosure requirements) Regulations, 2015	Yes
2	The composition of the following committees is in terms of SEBI(Listing obligations and disclosure requirements) Regulations, 2015 <b>a. Audit Committee</b>	Yes
3	The composition of the following committees is in terms of SEBI(Listing obligations and disclosure requirements) Regulations, 2015. <b>b. Nomination &amp; remuneration committee</b>	Yes
4	The composition of the following committees is in terms of SEBI(Listing obligations and disclosure requirements) Regulations, 2015. <b>c. Stakeholders relationship committee</b>	Yes
5	The composition of the following committees is in terms of SEBI(Listing obligations and disclosure requirements) Regulations, 2015. <b>d. Risk management committee (applicable to the top 500 listed entities)</b>	NA
6	The committee members have been made aware of their powers, role and responsibilities as specified in SEBI (Listing obligations and disclosure requirements) Regulations, 2015.	Yes
7	The meetings of the board of directors and the above committees have been conducted in the manner as specified in SEBI (Listing obligations and disclosure requirements) Regulations, 2015.	Yes
8	This report and/or the report submitted in the previous quarter has been placed before Board of Directors.	Yes



The Board of directors of the company affirms the compliances of the following regulations:

Sr	Particulars	Regulation Number	Compliance status (Yes/No/NA)
1	Independent director(s) have been appointed in terms of specified criteria of 'independence' and/or 'eligibility'	16(1)(b) & 25(6)	Yes
2	Board composition	17(1), 17(1A) & 17(1B)	Yes
3	Meeting of Board of directors	17(2)	Yes
4	Quorum of Board meeting	17(2A)	Yes
5	Review of Compliance Reports	17(3)	Yes
6	Plans for orderly succession for appointments	17(4)	Yes
7	Code of Conduct	17(5)	Yes
8	Fees/compensation	17(6)	Yes
9	Minimum Information	17(7)	Yes
10	Compliance Certificate	17(8)	Yes
11	Risk Assessment & Management	17(9)	Yes
12	Performance Evaluation of Independent Directors	17(10)	Yes
13	Recommendation of Board	17(11)	Yes
14	Maximum number of Directorships	17A	Yes
15	Composition of Audit Committee	18(1)	Yes
16	Meeting of Audit Committee	18(2)	Yes
17	Composition of nomination & remuneration committee	19(1) & (2)	Yes
18	Quorum of Nomination and Remuneration Committee meeting	19(2A)	Yes
19	Meeting of Nomination and Remuneration Committee	19(3A)	Yes
20	Composition of Stakeholder Relationship Committee	20(1), 20(2) & 20(2A)	Yes
21	Meeting of Stakeholders Relationship Committee	20(3A)	Yes
22	Composition and role of risk management committee	21(1),(2),(3),(4)	NA
23	Meeting of Risk Management Committee	21(3A)	NA
24	Vigil Mechanism	22	Yes
25	Policy for related party Transaction	23(1),(1A),(5),(6),(7) & (8)	Yes
26	Prior or Omnibus approval of Audit Committee for all related party transactions	23(2), (3)	Yes
27	Approval for material related party transactions	23(4)	NA
28	Disclosure of related party transactions on consolidated basis	23(9)	Yes

29	Composition of Board of Directors of unlisted material Subsidiary	24(1)	NA
30	Other Corporate Governance requirements with respect to subsidiary of listed entity	24(2),(3),(4),(5) & (6)	NA
31	Annual Secretarial Compliance Report	24(A)	Yes
32	Alternate Director to Independent Director	25(1)	Yes
33	Maximum Tenure	25(2)	Yes
34	Meeting of independent directors	25(3) & (4)	Yes
35	Familiarization of independent directors	25(7)	Yes
36	Declaration from Independent Director	25(8) & (9)	Yes
37	D & O Insurance for Independent Directors	25(10)	NA
38	Memberships in Committees	26(1)	Yes
39	Affirmation with compliance to code of conduct from members of Board of Directors and Senior management personnel	26(3)	Yes
40	Disclosure of Shareholding by Non-Executive Directors	26(4)	Yes
41	Policy with respect to Obligations of directors and senior management	26(2) & 26(5)	Yes

The Board of directors of the company affirms and discloses that the following compliances under the regulations related to sebi (LODR) 2015 are made/complied during the year 2021-22

**Materiality:**

Sr	Particulars	Compliance status (Yes/No/NA)
1	The Listed Entity has approved Material Subsidiary Policy and the Corporate Governance requirements with respect to subsidiary of Listed Entity have been complied	NA

**ANNEXURE: VI****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 Policies;
- Falls below established standards or practices; or
- Amounts to improper conduct, unethical behavior 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 victimization 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.

### **1. 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.

### **2. Address for reporting and communication:**

Write to the Compliance Officer – Corporate Policies and Compliances,  
Virat Crane Industries Limited, 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, 2022 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: 30-08-2022

G.V.S.L.KanthaRao

P.V.Srihari

Place: Guntur

Managing Director

Chief Financial Officer

Din: 01846224

Din: 03452957

**Annexure: VII**

**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, 2022 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 fi-



nancial 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.

Date: 30.08.2022 for Virat Crane Industries Ltd

For Virat Crane Industries Ltd

Place: Guntur

G.V.S.L.KanthaRao

P.V.Srihari

Managing Director

Chief Financial Officer&Director

Din: 01846224

Din: 03452957

### **Non-Disqualification of Directors**

M/s K.SrinivasaRao& Naga Raju Associates., Company Secretaries, Vijayawada have certified none of the Directors on the Board of the Company as stated for the Financial Year ending on 31<sup>st</sup> March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

### **CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

[Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,  
The Members,  
Virat Crane Industries Limited  
Guntur

We have examined the relevant Registers, Records, Forms, Returns and Disclosures received from the Directors of Virat Crane Industries Limited having CIN: L74999AP1992PLC014392 and having registered office at D.No:25-18-54,Opp:Crane Betel Nut Powder works Main road, Sampath Nagar, Guntur- AP 522004. (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V





Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal ([www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

SR. NO.	NAME OF DIRECTOR	DIN
1	VENKATA SATYA LAKSHMI KANTHA RAO GRANDHI	<a href="#">01846224</a>
2	BHASKARA RAO POTTI	<a href="#">01846243</a>
3	VENKATA SRIHARI PUVVADA	<a href="#">03452957</a>
4	MANEPALLI HIMAJA	<a href="#">06505782</a>
5	MATTUPALLI VENKATASUBBARAO	<a href="#">06959568</a>
6.	GOPALA KRISHNA MURTHY JAVVAGI	<a href="#">00930747</a>

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company

Place: Vijayawada

Date: 25.05.2022

For K.SrinivasaRao&Nagaraju Associates.,  
Company Secretaries  
CS. Srinivsa Rao,  
Partner  
FCS:5599 CP No:5178  
UDIN: **F005599D000385000**



**Annexure -VIII**

**ANNUAL SECRETARIAL COMPLIANCE REPORT OF VIRAT CRANE INDUSTRIES  
LIMITED  
FOR THE YEAR ENDED 31.03.2022**

**To**

**M/s VIRAT CRANE INDUSTRIES LIMITED,**  
D.No:25-18-54,Opp:Crane Betel Nut Powder works ,  
Main road,Sampath Nagar,  
Guntur.

We K.SrinivasaRao& Co. Company Secretaries, Guntur,has examined:

- (a) All the documents and records made available to us and explanation provided by **M/s VIRAT CRANE INDUSTRIES LIMITED(CIN:L74999AP1992PLC014392 )**(“the listed entity”),
- (b) The filings/ submissions made by the listed entity to the stock exchanges,
- (c) Website of the listed entity,
- (d) Any other document/ filing, as may be relevant, which has been relied upon to make this certification, for the year ended **31.03.2022** (“Review Period” i.e 01.04.2020 to 31.03.2021) in respect of compliance with the provisions of :
  - i. The Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Regulations, circulars, guidelines issued there under; and
  - ii. The Securities Contracts (Regulation) Act, 1956 (“SCRA”), rules made there under and the Regulations, circulars, guidelines issued there under by the Securities and Exchange Board of India (“SEBI”);

The specific Regulations, whose provisions and the circulars/ guidelines issued there under, have been examined, include:-

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018: **Not Applicable as there was no reportable event during the financial year under review**
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not Applicable as there was no reportable event during the financial year under review**

(e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **Not Applicable as there was no reportable event during the financial year under review**

(f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable as there was no reportable event during the financial year under review**

(g) Securities and Exchange Board of India (Issue and Listing of Non Convertible and Redeemable Preference Shares) Regulations, 2013; **Not Applicable as there was no reportable event during the financial year under review**

(h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(i) Other regulations as applicable and circulars/ guidelines issued there under;

and based on the above examination and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the covid-19 Pandemic situations, We hereby report that, during the Review Period:

(a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued there under, **except** in respect of matters specified below:

Sr. No	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
1.		<i>Nil</i>	

(b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from my/our examination of those records.

(c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder

Sr.No	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc	Observations/ remarks of the Practicing Company Secretary, if any.
-NIL-				

(d) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
1.	The company has not complied the Regulation: 33 (1) (d) of the SEBI (LODR) Regulations, 2015	31.03.2021	The company has complied with Regulation: 33 (1) (d) of the SEBI (LODR) Regulations, 2015 with effect from 18.08.2020	The company has complied with Regulation: 33 (1) (d) of the SEBI (LODR) Regulations, 2015 from 18.08.2020
2.	Regulation 30 (2) Schedule III Part A (7) of The SEBI(LODR) Regulations, 2015 Disclosures Of Events The following shall be events/information, Upon occurrence of which listed entity shall make disclosure to stock or at the Board exchange: (7).Change in directors, key managerial personnel Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), Auditor and	31.03.2021	The company has already made disclosure to stock exchange but with delay as there was pandemic due to corona.	The company has already made disclosure to stock exchange with delay.



## **VIRAT CRANE INDUSTRIES LIMITED**



	Compliance Officer.			
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This Report is to be read with our letter of even date annexed herewith and forms an integral part of this Report.  
For K.SrinivasaRao & Co

Company Secretaries

K. SrinivasaRao

Partner

FCS:5599 CP No:5178

UDIN: F005599D000385055

Place: Guntur

Date: 25.05.2022

### **ANNEXURE**

To

**M/s VIRAT CRANE INDUSTRIES LIMITED**

D.No:25-18-54, Opp:Crane Betel Nut Powder works ,

Main Road, Sampath Nagar,

Guntur.

The Secretarial Compliance Report of even date is to be read along with this letter.

1. Maintenance of secretarial records under regulations, circulars and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI ACT) and the Securities Contracts (Regulation) Act, 1956 (SCRA) rules made there under and Regulations, circulars and guidelines issued there under by SEBI, is the responsibility of the management of the listed entity. Our responsibility is to express an opinion on these 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 these records. The verification was done to ensure that correct facts are reflected in the said 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 Account of the listed entity

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 SEBI ACT and SCRA, and regulations, circulars and guidelines prescribed thereunder, is the responsibility of management. Our examination was limited to

the verification of documents and records made available to us and explanations provided to us with respect to the practices and processes followed in matters relating to this Report.

6) The Secretarial Compliance Report is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

For K.Srinivasa Rao & Co,  
Company Secretaries  
CS. K.Srinivasa Rao  
Partner

Place: Guntur

FCS:5599 CP No:5178

Date: 25.05.2022

UDIN: F005599D000385055

#### Board Skill Matrix:

Names of Directors	Special Knowledge/ Practical Experience/ Skills/ Expertise/ Competencies	Other Skills
Venkata Satya Lakshmi Kantha Rao Grandhi	Special Knowledge/ Practical Experience/ Skills/ Expertise/ Competencies in Policy Making, Business Strategy, Risk Management, Corporate Governance, Value Creation, Marketing.	Work, Health, safety, Information Technology and sustainability Experience related to health, safety, environment, Social Responsibility, Information Technology and Sustainability
Bhaskara Rao Potti	Special Knowledge/ Practical Experience/ Skills/ Expertise/ Finance, Competencies Legal, Stakeholder Management, Risk Management, Operations and Process Optimization,	Work, Health, safety, Information technology and sustainability Experience related to health, safety, environment, Social Responsibility, Information Technology and Sustainability
Venkata Srihari Puvvada	Special Knowledge/ Practical Experience/ Skills/ Expertise/ Competencies Finance, Strategy,	Work, Health, safety, Information technology and sustainability Experience

	Risk Management, Corporate Governance, Taxation.	related to health, safety, environment, Social Responsibility, Information Technology and Sustainability
Manepalli Himaja	Special Knowledge/ Practical Experience/ Skills/ Expertise/ Competencies Finance, Strategy, Risk Management, Corporate Governance	Work, Health, safety , Information technology and sustainability Experience related to health, safety, environment, Social Responsibility, Information Technology and Sustainability
Mattupalli Venkata Subba Rao	Special Knowledge/ Practical Experience/ Skills/ Expertise/ Competencies Legal, Stakeholder Management.	Work, Health, safety , Information technology and sustainability Experience related to health, safety, environment, Social Responsibility, Information Technology and Sustainability
Javvagi Gopala Krishna Murthy	Risk Management, Corporate Governance, Value Creation, Marketing.	Social Responsibility, Information Technology and Sustainability



**Annexure - IX****INDEPENDENT AUDITORS' 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, 2022, 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 notes to the financial statements, including 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 ('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, 2022, 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.

### **Emphasis of Matter**

We draw your attention to Note 35 to the financial statements, which describes that certain estimates and judgments were made related to the COVID-19 pandemic, wherein, the eventual outcome of the impact of this global health pandemic may be different from those estimated by the management.

Our opinion is not modified in respect of this matter.

### **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 auditors' report thereon**

The Company's board of directors is responsible for the preparation of 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 are 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 and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 responsibilities 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.

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.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on

whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.

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 the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (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 specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2022 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 B”. 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; and
- (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, in our opinion and to the best of our information and according to the explanations given to us;
- i. The Company has disclosed pending litigations as contingent liabilities in Note 30 to the financial statements, the impact if any on the final settlement of the litigations is not ascertainable at this stage;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities



identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. No dividend was declared or paid during the year by the Company, hence, the provisions of section 123 of the Act are not applicable.

**For Anantha & Associates,**

Chartered Accountants,

F.R.No. 010642S

**(Srinivasulu Anantha)**

Partner

Membership No. 214253

UDIN: 22214253AJXPWP4862

Place: Guntur

Date: 26.05.2022

**Annexure “A” to the Independent Auditor’s Report\***

(Referred to in paragraph 1 under ‘Report on other legal and regulatory requirements’ section of our report to the members of **Virat Crane Industries Limited** of even date.)

**1 In respect of the Company’s Property, Plant and Equipment& Intangible Assets**

- (a) (A) According to the information and explanation given to us and the records produced to us for our verification, the Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and Capital Work-in-Progress (‘CWIP’).
- (B) According to the information and explanation given to us and the records produced to us for our verification the Company is maintaining proper records showing full particulars of the Intangible assets.
- (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 produced to us for verification, 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.
- (d) According to the information and explanations given to us and the records produced to us for verification, the company has not revalued any of its Property, Plant and Equipment or Intangible Assets or both during the year. Accordingly, clause 3(i)(d) of the Order is not applicable.

- (e) According to the information and explanations given to us and the records produced to us for verification, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under.

**2 In respect of the Company's Inventories**

- (a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals. The discrepancies noticed on verification between the physical stocks and the book records were not 10% or more in aggregate and have been appropriately dealt with in the books of account.
- (b) According to the information and explanation given to us and the records produced to us for verification, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate from banks or financial institutions on the basis of security of current assets. Hence reporting under clause-3(ii)(b) of the Order is not applicable.

**3 In respect of Investments made, guarantees provided, security given, loans and advances in**

the nature of loans

- (a) (A) According to the information and explanation given to us and the records produced to us for our verification, the Company has not provided guarantees and not granted loans to subsidiaries, joint ventures and associates during the year.

(B) According to the information and explanation given to us and the records produced to us for our verification, the Company has provided guarantees and granted loans to parties other than subsidiaries, joint ventures and associates during the year and the same is disclosed in the table below-

Aggregate amount granted during the year-

(Rs. In Lakhs)

<b>Particulars</b>	<b>Guarantees</b>	<b>Security</b>	<b>Loans</b>
Virat Crane Agri Tech Limited	0	0	0.14

Balance Outstanding as at the BalanceSheet date in respect of above cases-

(Rs. In Lakhs)

<b>Particulars</b>	<b>Guarantees</b>	<b>Security</b>	<b>Loans</b>
Virat Crane Agri Tech Limited	0	0	634.28
Crane Infrastructures Limited	0	0	9.62
Crane Global Solutions Limited	0	0	200.00
Virat Crane Bottling Limited	0	0	4.35

- (b) According to the information and explanation given to us and based on the audit procedures conducted by us, in our opinion, investments made, guarantees provided and securities given are, prima facie, not prejudicial to the Company's interest.

- (c) According to the information and explanation given to us and on the basis of our examination of therecords of the Company, in our opinion, the terms of repayment of the above loans do not stipulate any repayment schedule and the loans are repayable on demand. The loans bear no interest. The loans to Virat Crane Agri Tech Limited, Crane Global Solutions Limited and Virat Crane Bottling Limited are outstanding for a long time and no provision has been considered by the management in the accounts. The above transactions are related by virtue of Sri GVSL Kantha Rao being director in their respective boards.
- (d) According to the information and explanation given to us and on the basis of our examination of therecords of the Company, 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.
- (e) According to the information and explanation given to us and on the basis of our examination of therecords of the Company, no loans had fallen due and hence reporting under clause 3(iii)(e) of the Order is not applicable.
- (f) According to the information and explanation given to us and on the basis of our examination of therecords of the Company, in our opinion, the terms of repayment of the following loans do not stipulate any repayment schedule and the loans are repayable on demand.

(Rs. In Lakhs)

<b>Particulars</b>	<b>Aggregate Amount</b>	<b>Percentage to total loans</b>	<b>Whether Promoter or Related Party</b>
Virat Crane Agri Tech Limited	634.28	74.78	Yes
Crane Infrastructures Limited	9.62	1.13	Yes

Crane Global Solutions Limited	200.00	23.58	Yes
Virat Crane Bottling Limited	4.35	0.51	Yes

- 4 According to the information and explanation given to us and on the basis of our examination of therecords of the Company, in our opinion, in respect of loans, investments, guarantees and security, the Company has complied with the provisions of sections 185 and section 186 of the Companies Act, 2013.
- 5 According to the information and explanations given to us, the Company has not acceptedany deposits from the public within the meaning of the directives issued by the Reserve Bank of India andthe provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, clause 3(v) of the Order is not applicable to the Company.
- 6 The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act for any of the activities of the company and accordingly clause 3 (vi) of the order is not applicable.
- 7 In respect of statutory dues:
  - (a) According to the information and explanation given to us and as per our verification of the records of the Company, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services Tax, Provident Fund, Employees' State Insurance, income-tax, sales-tax, service tax,duty of customs, duty of excise, value added tax, cess and anyother statutory dues to the appropriate authorities.

According to the information and explanation given to us and as per our verification of the records of the Company, there were no undisputed amounts payable in respect of Goods and Services Tax, Provident Fund, Employees' State Insurance, income-tax, sales-tax, service tax,duty of

customs, duty of excise, value added tax, cess and anyother statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

- (b) According to the information and explanation given to us and as per our verification of the records of the Company, the following are the disputed amounts of tax/ duty along with the details of amounts that have not been deposited with appropriate authorities as at March 31, 2022:

<b>Nature of Statute</b>	<b>Nature of Dues</b>	<b>Forum where Dispute is pending</b>	<b>Period to which the amount relates</b>	<b>Amount (in Rs.)</b>
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

- 8 According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not surrendered or disclosed previously undisclosed transactions as income during the year in the tax



assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, clause 3(viii) of the Order is not applicable to the Company.

- 9 (a) According to the information and explanation given to us and based on our verification of the records of the Company, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) According to the information and explanation given to us and based on our verification of the records of the Company, the Company has not been declared wilful defaulter by any bank or financial institution or other lender.

(c) According to the information and explanation given to us and based on our verification of the records of the Company, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable to the Company.

(d) According to the information and explanation given to us and based on our verification of the records of the Company, no funds raised on short term basis have been used by the Company for long-term purposes.

(e) According to the information and explanation given to us and based on our verification of the records of the Company, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) According to the information and explanation given to us and based on our verification of the records of the Company, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

- 10 (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, clause 3(x)(a) of the order is not applicable.

- (b) According to the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, clause 3(x)(b) of the order is not applicable.
- 11 (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company has been noticed or reported during the year.
- (b) According to information and explanations given to us, no report on any matter under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) As represented to us by the Management, there are no whistle blower complaints received by the Company during the year.
- 12 The Company is not a Nidhi Company and accordingly, clause 3(xii)(a) to 3(xii)(c) of the order is not applicable to the Company.
- 13 According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable, and the details of such transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards (Ind AS).
- 14 (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date, for the year under audit, in determining the nature, timing and extent of our audit procedures.

- 15 According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with them.
- 16 (a) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not conducted any Non-Banking Financial or Housing Finance activities. Accordingly, clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) & (d) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) and 3(xvi)(d) of the Order is not applicable to the Company.
- 17 Based on our examination of the records of the Company, the Company has not incurred any cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- 18 There has been no resignation of the statutory auditors of the Company during the year. Accordingly, clause 3(xviii) of the Order is not applicable to the Company.
- 19 According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Financial Statements, our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all



liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- 20 (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub- section (5) of section 135 of the said Act. Accordingly, clause 3(xx)(a) of the order is not applicable for the year.
- (b) There are no amounts remaining unspent under section (5) of section 135 of Companies Act, pursuant to any ongoing project has been transferred to special account in compliance with provision of sub section (6) of section 135 of the said Act.
- 21 According to the information and explanations given to us, the financial statements are standalone statements and accordingly clause 3(xxi) of the order is not applicable to the Company.

**For Anantha & Associates,**

Chartered Accountants,

F.R.No. 010642S

**(Srinivasulu Anantha)**

Partner

Membership No. 214253

UDIN: 22214253AJXPWP4862

Place: Guntur

Date: 26.05.2022

**Annexure “B” to the Independent Auditor’s Report**

(Referred to in paragraph 2 (f) under ‘Report on other legal and regulatory requirements’ section of our report to the Members of **Virat Crane Industries Limited** 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”)****Opinion**

We have audited the internal financial controls over financial reporting of **Virat Crane Industries Limited** (“the Company”) as at March 31, 2022, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion and according to the information and explanations given to us, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, 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.

**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, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' responsibility**

Our responsibility is to express an opinion on the 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 were 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 in 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 control 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 (i) pertain to the maintenance of records

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

### **Inherent Limitations of internal financial controls over financial reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management of 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.

**For Anantha & Associates,**

Chartered Accountants,

F.R.No. 010642S

**(Srinivasulu Anantha)**

Partner

Membership No. 214253

UDIN: 22214253AJXPWP4862

Place: Guntur

Date: 26.05.2022



**Annexure - X****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, 2022, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("Listing Regulations") pursuant to the Listing Agreement of the Company with Stock Exchanges..

**Managements' Responsibility**

2. The compliance of conditions of Corporate Governance as stipulated under the listing regulations is the responsibility of the Company's Management including the preparation and maintenance of all the relevant records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of Corporate Governance stipulated in the Listing Regulations.

**Auditor's Responsibility**

3. Our responsibility was 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. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31 March 2022.
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 in all material respects 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, D and E of Schedule V of Listing Regulations during the year ended March 31, 2022.
8. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

### **Restriction on use**

9. The certificate is addressed and provided to the Members of the Company solely for the purpose of enabling the Company to comply with the requirement of the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

**For Anantha & Associates,**

Chartered Accountants,

F.R.No. 010642S

**(Srinivasulu Anantha)**

Partner

Membership No. 214253

UDIN: 22214253AJXPWP4862

Place: Guntur

Date: 26.05.2022



# VIRAT CRANE INDUSTRIES LIMITED



**VIRAT CRANE INDUSTRIES LIMITED**  
**#25-18-54, Opp: Crane Betel Nut Powder Works, Main Road, Sampath Nagar, Guntur 522004**

## BALANCE SHEET

(All amounts in Indian Rupees in Thousands, except as otherwise stated)

Particulars	Note No	As at	
		March 31, 2022	March 31, 2021
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
a. Plant, Property & Equipment	2	77765.99	80366.45
b. Capital work-in-progress	3	79416.79	17440.84
c. Goodwill		99942.95	99942.95
d. Financial Assets			
i. Investments	4	41242.80	41242.80
ii. Loans	5	83863.66	83849.94
e. Deferred Tax Asset (Net)		317.19	376.66
f. Other Non Current Assets	6	69646.93	66110.58
<b>TOTAL NON-CURRENT ASSETS</b>		<b>452196.32</b>	<b>389330.22</b>
<b>CURRENT ASSETS</b>			
a. Inventories	7	135269.76	130334.94
b. Financial Assets			
i. Trade Receivables	8	90278.05	68263.02
ii. Cash & Cash Equivalents	9	10503.24	30373.11
iii. Loans	10	961.55	7436.06
c. Other Current Assets	11	14502.34	13291.82
<b>TOTAL CURRENT ASSETS</b>		<b>251514.94</b>	<b>249698.95</b>
<b>TOTAL ASSETS</b>		<b>703711.26</b>	<b>639029.17</b>

## BALANCE SHEET (contd.)

(All amounts in Indian Rupees in Thousands, except as otherwise stated)

Particulars	Note No	As at	
		March 31, 2022	March 31, 2021
<b>EQUITY &amp; LIABILITIES</b>			
<b>EQUITY</b>			
a. Equity Share Capital	12	204237.50	204237.50
b. Other Equity	13	376068.83	316335.70
<b>TOTAL EQUITY</b>		<b>580306.33</b>	<b>520573.20</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
a. Financial Liabilities			
Borrowings		0.00	0.00
b. Other Non-current Liabilities	14	2384.04	2384.04
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>2384.04</b>	<b>2384.04</b>
<b>CURRENT LIABILITIES</b>			
a. Financial Liabilities			
i. Borrowings	15	33728.70	34530.99



## VIRAT CRANE INDUSTRIES LIMITED



ii. Trade payables	<b>16</b>	70204.33	67168.96
b. Provisions	<b>17</b>	2092.13	2048.20
c. Current Tax liabilities			
d. Other Current Liabilities	<b>18</b>	14995.73	12323.79
<b>TOTAL CURRENT LIABILITIES</b>		<b>121020.89</b>	<b>116071.93</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>703711.26</b>	<b>639029.17</b>

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

*For Anantha & Associates*  
Chartered Accountants  
F.R.No. 010642S

*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 26, 2022

M. Himaja  
Director  
DIN: 06505782

R. Adi Venkata Rama  
Company Secretary  
A46744



## VIRAT CRANE INDUSTRIES LIMITED



### A. Equity share capital

(Rs. In Thousands)

Particulars	March 31, 2022		March 31, 2021	
	No of Shares	Amount	No of Shares	Amount
Balance at the beginning of the year	20,423,750	204237.50	20,423,750	204237.50
Add: Changes in equity share capital during the year	-	-	-	-
<b>Restated balance at the beginning of the year</b>	20,423,750	204237.50	20,423,750	204237.50
Add: Changes in equity share capital during the year	-	-	-	-
Balance at the end of the year	20,423,750	204237.50	20,423,750	204237.50



# VIRAT CRANE INDUSTRIES LIMITED



(Rs. In  
Thousands)

## B.Other Equity

Particulars	Reserves and Surplus				Other Comprehensive Income		Total
	Capital Reserve	Share Premium	Other Reserves (General Reserve)	Retained Earnings	Equity instruments through Other Comprehensive Income	Acturial Gains/losses reserve	
<b>Balance at the end of reporting period - 31.03.2021</b>	<b>0.00</b>	<b>0.00</b>	<b>45838.69</b>	<b>270497.00</b>	<b>0.00</b>	<b>0.00</b>	<b>316335.69</b>
Add: Changes in accounting policy or prior period errors							<b>0.00</b>
<b>Restated balance at the beginning of the current reporting period</b>	<b>0.00</b>	<b>0.00</b>	<b>45838.69</b>	<b>270497.00</b>	<b>0.00</b>	<b>0.00</b>	<b>316335.69</b>
Profit for the period	0.00	0.00	0.00	59733.14	0.00	0.00	59733.14
Other Comprehensive Income net of tax	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Comprehensive Income for the year	0.00	0.00	45838.69	330230.14	0.00	0.00	376068.83
Transfer from/to General Reserve / Reversal	0.00	0.00	5973.31	-5973.31	0.00	0.00	0.00
Final Dividends	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Balance at the end of reporting period - 31.03.2022</b>	<b>0.00</b>	<b>0.00</b>	<b>51812.01</b>	<b>324256.82</b>	<b>0.00</b>	<b>0.00</b>	<b>376068.83</b>
<b>Balance at the beginning of reporting period - 01.04.2020</b>	<b>0.00</b>	<b>0.00</b>	<b>39773.69</b>	<b>215911.96</b>			<b>255685.65</b>
Add: Changes in accounting policy or prior period errors							<b>0.00</b>



# VIRAT CRANE INDUSTRIES LIMITED



<b>Restated balance at the beginning of the current reporting period</b>	<b>0.00</b>	<b>0.00</b>	<b>39773.69</b>	<b>215911.96</b>	<b>0.00</b>	<b>0.00</b>	<b>255685.65</b>
Profit for the period	0.00	0.00	0.00	60650.04	0.00	0.00	60650.04
Other Comprehensive Income net of tax	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Comprehensive Income for the year	0.00	0.00	39773.69	276562.00	0.00	0.00	316335.69
Transfer from/to General Reserve / Reversal	0.00	0.00	6065.00	-6065.00	0.00	0.00	0.00
Final Dividends	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Balance at the end of reporting period - 31.03.2021</b>	<b>0.00</b>	<b>0.00</b>	<b>45838.69</b>	<b>270497.00</b>	<b>0.00</b>	<b>0.00</b>	<b>316335.69</b>

As per our report of even date

*For Anantha & Associates*

Chartered Accountants

F.R.No. 010642S

*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 26, 2022

M. Himaja

Director

DIN: 06505782

R. Adi Venkata Rama

Company Secretary

A46744



**3. CAPITAL WORK-IN-PROGRESS**

<i>Particulars</i>	<i>As at</i>	
	<i>March 31, 2022</i>	<i>March 31, 2021</i>
Capital Work-in-progress	79416.79	17440.84
<b>Total</b>	<b>79416.79</b>	<b>17440.84</b>

**As at March 31, 2022**

<i>Particulars</i>	<i>Amount in CWIP for a period of</i>				
	<i>Less than 1 Year</i>	<i>1-2 years</i>	<i>2-3 years</i>	<i>more than 3 years</i>	<i>Total</i>
Projects in Progress	61975.96	17440.84	0.00	0.00	<b>79416.79</b>
Projects temporarily Suspended	0.00	0.00	0.00	0.00	<b>0.00</b>
<b>Total</b>	<b>61975.96</b>	<b>17440.84</b>	<b>0.00</b>	<b>0.00</b>	<b>79416.79</b>

**As at March 31, 2021**

<i>Particulars</i>	<i>Amount in CWIP for a period of</i>				
	<i>Less than 1 Year</i>	<i>1-2 years</i>	<i>2-3 years</i>	<i>more than 3 years</i>	<i>Total</i>
Projects in Progress	17440.84	0.00	0.00	0.00	<b>17440.84</b>
Projects temporarily Suspended	0.00	0.00	0.00	0.00	<b>0.00</b>
<b>Total</b>	<b>17440.84</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>17440.84</b>

**4. INVESTMENTS (NON CURRENT)**

<i>Particulars</i>	<i>As at</i>	
	<i>March 31, 2022</i>	<i>March 31, 2021</i>
<b><u>Non Quoted Shares</u></b>		
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)	- 39667.80	39667.80
Yenkey Drugs and Pharma Limited (FV Rs. 10 each)	1250.00	1250.00
Symphony Studios Pvt Limited ( FV Rs. 10 each)	300.00	300.00
Crane Food Products Pvt Ltd.	25.00	25.00
<b>Total</b>	<b>41242.80</b>	<b>41242.80</b>

**5. LOANS (NON CURRENT)**

<i>Particulars</i>	<i>As at</i>	
	<i>March 31, 2022</i>	<i>March 31, 2021</i>
<b><u>a. Loans &amp; Advances to Related Parties</u></b>		
Crane Global Solutions Ltd	- 20000.00	20000.00
Virat Crane Agritech Ltd	63428.38	63414.67
Virat Crane Bottling Ltd	435.28	435.28
<b><u>b. Other Loans &amp; Advances</u></b>		
Others	<b>0.00</b>	<b>0.00</b>
<b>Total</b>	<b>83863.66</b>	<b>83849.94</b>

**6. OTHER NON CURRENT ASSETS**

<i>Particulars</i>	<i>As at</i>	
	<i>March 31, 2022</i>	<i>March 31, 2021</i>
Security Deposits with government Authorities	226.21	226.21
Electricity	724.97	724.97
Telephones	182.73	182.73
HDFC -FD	67632.82	64096.47
Other Deposits	726.20	726.20
Rent	154.00	154.00
<b>Total</b>	<b>69646.93</b>	<b>66110.58</b>

**7. INVENTORIES**

<i>Particulars</i>	<i>As at</i>	
	<i>March 31, 2022</i>	<i>March 31, 2021</i>
Raw Materials and components	103279.90	95586.38
Packing Material	8646.08	6606.80
Finished goods	23343.77	28141.76
<b>Total</b>	<b>135269.76</b>	<b>130334.94</b>

**8. TRADE RECEIVABLES**

<i>Particulars</i>	<i>As at</i>	
	<i>March 31, 2022</i>	<i>March 31, 2021</i>
Trade Receivables	90278.05	68263.02
<b>Total</b>	<b>90278.05</b>	<b>68263.02</b>

**As at March 31, 2022**

<b>Particulars</b>	<b>Outstanding for following periods from the due date of payment</b>					
	<b>Less than 6 months</b>	<b>6 months - 1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>more than 3 years</b>	<b>Total</b>
<b>(i) Undisputed Trade receivables</b>						
considered good	90278.05	0.00	0.00	0.00	0.00	90278.05
which have significant increase in credit risk						0.00
credit impaired						0.00
<b>(ii) Disputed Trade Receivables</b>						0.00
considered good	0.00	0.00	0.00	0.00	0.00	0.00
which have significant increase in credit risk						0.00
credit impaired						0.00
<b>Total</b>	<b>90278.05</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>90278.05</b>

*As at March 31, 2021*

Particulars	Outstanding for following periods from the due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	more than 3 years	Total
<b>(i) Undisputed Trade receivables</b>						
considered good	68263.02	0.00	0.00	0.00	0.00	68263.02
which have significant increase in credit risk						0.00
credit impaired						0.00
<b>(ii) Disputed Trade Receivables</b>						0.00
considered good	0.00	0.00	0.00	0.00	0.00	0.00
which have significant increase in credit risk						0.00
credit impaired						0.00
<b>Total</b>	<b>68263.02</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>68263.02</b>

**9. CASH & CASH EQUIVALENTS**

<i>Particulars</i>	<i>As at</i>	
	<i>March 31, 2022</i>	<i>March 31, 2021</i>
Balances with banks	141.54	352.88
Cash in Hand	5489.56	23855.25
Earmarked balances for Unpaid Dividend	4872.14	6164.98
<b>Total</b>	<b>10503.24</b>	<b>30373.11</b>

**10. LOANS (CURRENT)**

<i>Particulars</i>	<i>As at</i>	
	<i>March 31, 2022</i>	<i>March 31, 2021</i>
Crane Infrastructure Ltd	961.55	7436.06
AP Civil Supplies Corporation	0.00	0.00
Virat Crane Agritech Ltd	0.00	0.00
<b>Total</b>	<b>961.55</b>	<b>7436.06</b>

**11. OTHER CURRENT ASSETS**

<i>Particulars</i>	<i>As at</i>	
	<i>March 31, 2022</i>	<i>March 31, 2021</i>
Advance to Suppliers	11857.86	11675.95
Advance to Expenses	0.00	0.00
Taxes paid under protest	1556.37	1556.37
Other Advances Recoverable	7.00	7.00
Residual Value of Scrap	0.00	0.00
Others	29.44	52.51
Sri Akshaya Trupthi Chits Private Limited	1051.68	0.00
Creditors with Debit Balance	0.00	0.00
Creditors for Expenses & Services with Debit Balance	0.00	0.00
<b>Total</b>	<b>14502.34</b>	<b>13291.82</b>

**13. OTHER EQUITY**

<i>Particulars</i>	<i>As at</i>	
	<i>March 31, 2022</i>	<i>March 31, 2021</i>
<b>General Reserve</b>		
Opening Balance	45838.70	39773.69
Add: Additions during the year	5973.31	6065.00
<b>Sub</b>	<b>51812.01</b>	<b>45838.70</b>

	<b>Total</b>		
Retained Earnings			
Opening Balance		270497.00	215911.96
Add: Profit for the year		59733.14	60650.04
Less: Transfer to General Reserve		5973.31	6065.00
Dividend & Dividend Tax paid during the year		0.00	0.00
Sub Total		<b>324256.82</b>	<b>270497.00</b>
<b>Total</b>		<b>376068.83</b>	<b>316335.70</b>

**14. OTHER NON CURRENT LIABILITIES**

<b>Particulars</b>	<b>As at</b>	
	<b>March 31, 2022</b>	<b>March 31, 2021</b>
Deferred Sales Tax & CST	0.00	0.00
APGST	2384.04	2384.04
Gratuity	0.00	0.00
<b>Total</b>	<b>2384.04</b>	<b>2384.04</b>

**15. BORROWINGS (CURRENT LIABILITIES)**

<b>Particulars</b>	<b>As at</b>	
	<b>March 31, 2022</b>	<b>March 31, 2021</b>
Andhra Bank Cash Credit	33728.70	34530.99
<b>Total</b>	<b>33728.70</b>	<b>34530.99</b>

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.

**16. TRADE PAYABLES**

<b>Particulars</b>	<b>As at</b>	
	<b>March 31, 2022</b>	<b>March 31, 2021</b>
Trade Payables:		
(i) Total outstanding dues of micro and small enterprises		
(ii) Total outstanding dues of creditors other than micro and small enterprises	70204.33	67168.96
<b>Total</b>	<b>70204.33</b>	<b>67168.96</b>

**Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006**

<b>Particulars</b>	<b>March 31, 2022</b>	<b>March 31, 2021</b>
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	0.00	0.00

(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	0.00	0.00
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	0.00	0.00
(iv) The amount of interest due and payable for the year	0.00	0.00
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	0.00	0.00
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	0.00	0.00
<b>TOTAL</b>	<b>0.00</b>	<b>0.00</b>
The Disclosure in respect of the amounts payable to Micro and Small Enterprises have been made in the financial statements based on the information received and available with the Company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier as at the balance sheet date. These facts have been relied upon by the auditors.		

**Ageing schedule:**

*As at March 31, 20.*

Particulars	Not Due	Outstanding for following periods from the due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	more than 3 years	
1. MSME						
2. Others	70204.33	0.00	0.00	0.00	0.00	70204.33
3. Disputed Dues - MSME						
4. Disputed Dues - Others						
<b>Total</b>	<b>70204.33</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>70204.33</b>

*As at March 31, 2021*

Particulars	Not Due	Outstanding for following periods from the due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	more than 3 years	
1. MSME						
2. Others	67168.96	0.00	0.00	0.00	0.00	67168.96
3. Disputed Dues - MSME						
4. Disputed Dues - Others						
<b>Total</b>	<b>67168.96</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>67168.96</b>

**17. PROVISIONS (CURRENT LIABILITIES)**

Particulars	As at	
	March 31, 2022	March 31, 2021
P.F payable	181.98	159.49
ESI payable	29.64	24.98
Leave Encashment	525.67	451.05
Professional Tax payable	5.50	2.55
Bonus	443.10	463.41
Consultancy Charges payable	4.50	4.55
Electricity Charges Payable	258.43	374.86
Rent Payable	0.00	0.00
Salaries & Wages payable	643.31	567.32
<b>Total</b>	<b>2092.13</b>	<b>2048.20</b>

**18. OTHER CURRENT LIABILITIES**

Particulars	As at	
	March 31, 2022	March 31, 2021
a. Advances from Customers	0.00	0.00
b. Duties & Taxes	1534.11	3163.45
c. Outstanding Expenses	0.00	0.00
d. Creditors for Land	0.00	0.00
e. Creditors for Expenses & Services	0.00	0.00
f. Creditors for Capital Goods	0.00	0.00
g. Banks with Credit Balance	0.00	0.00
h. <u>Statutory Liabilities</u>		
i. Taxes payable	0.00	0.00
ii. TDS payable	896.36	577.46
iii. Agricultural Cess payable	2803.46	2202.03
iv. TCS payable	156.95	179.31
i. Others	9604.84	6201.55
<b>Total</b>	<b>14995.73</b>	<b>12323.79</b>



**12. EQUITY CAPITAL**

*(in Thousands except No. of Shares)*

<i>Particulars</i>	<i>As at</i>	
	<i>March 31, 2022</i>	<i>March 31, 2021</i>
<b>Authorised</b> 2,20,00,000 Equity Shares of Rs. 10 each	220000.00	220000.00
<b>Issued</b> 2,04,23,750 Equity Shares of Rs. 10 each	204237.50	204237.50
<b>Subscribed &amp; Paid up</b> 2,04,23,750 Equity Shares of Rs. 10 each fully paid	204237.50	204237.50
<b>Total</b>	<b>204237.50</b>	<b>204237.50</b>

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.



## VIRAT CRANE INDUSTRIES LIMITED



### **(a) Reconciliation of Number of Shares and amount of Share Capital**

Description	March 31, 2022		March 31, 2021	
	No. Of Shares	Share Capital	No. Of Shares	Share Capital
Number of equity shares at the beginning	20,423,750	204237.50	20,423,750	204237.50
Movement during the year	-	-	-	-
Number of equity shares at the closing	20,423,750	204237.50	20,423,750	204237.50

### **(b) Rights, preferences and restrictions attached to each class of shares**

Equity shares issued by the Company have par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

### **(c) Particulars of shareholders holding more than 5% of shares**

Name of the Shareholder	March 31, 2022		March 31, 2021	
	No. of Shares held	% of shareholding	No. of Shares held	% of shareholding
G V S L Kantha Rao	9,417,585	46.11	14,593,500	71.45
Lakshmi Hymavathi Grandhi	1,817,092	8.90	-	0



**(d) Shares held by promoters at the end of the year**

Name of Shareholder	31st March, 2022			31st March, 2021		
	No. of Shares	% of Holding	% change during the year	No. of Shares	% of Holding	% change during the year
G.V.S.L.Kantha Rao	9,417,585	46.11%	(25.34)	14,593,500	71.45%	-
G.L.Hymavathi	1,817,092	8.90%	7.33	319,305	1.56%	-
Manepalli Himaja	1,017,102	4.98%	4.62	73,189	0.36%	-
G.Srikari	900,000	4.41%	4.41	-	0.00%	-
Grandhi Vijayalakshmi	1,017,102	4.98%	4.98	-	0.00%	-
Kothuri VNSLNA Rangavalli	1,017,102	4.98%	4.98	-	0.00%	-

**VIRAT CRANE INDUSTRIES LIMITED**

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

**STATEMENT OF PROFIT & LOSS**

*(All amounts in Indian Rupees in Thousands, except as otherwise stated)*

Particulars		Note No.	Year ended	
			March 31, 2022	March 31, 2021
I.	Revenue from operations	19	960777.53	849817.97
II.	Other income	20	2914.14	1140.26
III.	<b>Total Revenue (I + II)</b>		<b>963691.67</b>	<b>850958.23</b>
IV.	<b>Expenses</b>			
	Cost of materials consumed	21	742760.20	657413.33
	Purchase of Stock in trade		0.00	0.00
	Changes in inventories of Work-in-progress, Stock in trade and finished goods	22	4797.99	21508.91
	Employee Benefit Expenses	23	20083.33	18015.43
	Depreciation	2	3241.37	3250.12
	Other expenses	24	109605.62	65824.64
	Finance Costs	25	3018.01	2816.46
	<b>Total expenses (IV)</b>		<b>883506.53</b>	<b>768828.87</b>
V.	<b>Profit before Tax (III-IV)</b>		<b>80185.14</b>	<b>82129.36</b>
VI.	<b>Tax Expense</b>	26	<b>20452.01</b>	<b>21479.32</b>
VII.	<b>Profit for the year (V-VI)</b>		<b>59733.14</b>	<b>60650.04</b>
VIII.	<b>Other Comprehensive Income</b>		0.00	0.00
	Items that will not be reclassified to Profit and Loss		0.00	0.00
	Items that will be reclassified to Profit and Loss		0.00	0.00
IX.	<b>Total Comprehensive Income for the Year (VIII-VII)</b>		<b>59733.14</b>	<b>60650.04</b>
X.	<b>Earnings per equity share</b>	27		
	<b>Equity Shares of Rs. 10 each</b>			
	Basic		2.92	2.97
	Diluted		2.92	2.97



The accompanying notes form an integral part of the financial statements

As per our report of even date

*For Anantha & Associates*

Chartered Accountants

F.R.No. 010642S

**CA. Srinivasulu Anantha**

Partner M.No. 214253

Guntur

May 26, 2022

*for and on behalf of the Board of Directors*

P.V. Srihari  
CFO

GVSL Kantha Rao  
Managing Director  
DIN: 01846224

M. Himaja  
Director  
DIN: 06505782

R. Adi Venkata Ram  
Company Secretary  
A46744

*(All amounts in Indian Rupees in Thousands, except as otherwise stated)*

**19. REVENUE FROM OPERATIONS**

Particulars	Year ended	
	March 31, 2022	March 31, 2021
Sale of Products	960777.53	849817.97
<b>Total</b>	<b>960777.53</b>	<b>849817.97</b>

**20. OTHER INCOME**

Particulars	Year ended	
	March 31, 2022	March 31, 2021
Interest received	0.00	33.39
Chit dividend	0.00	0.00
Rental Income	144.00	144.00
Discount	0.00	0.00
Other income	2770.14	962.87
<b>Total</b>	<b>2914.14</b>	<b>1140.26</b>

**21. COST OF RAW MATERIAL CONSUMED**

Particulars	Year ended	
	March 31, 2022	March 31, 2021
Opening Stock of Raw Materials & Packing Material	102193.18	114716.01
Add: Purchases & Carriage Inwards	752493.01	644890.50
	854686.19	759606.51
Less: Closing Stock	111925.98	102193.18
<b>Cost of Raw Materials Consumed</b>	<b>742760.20</b>	<b>657413.33</b>

**22. CHANGE IN INVENTORIES OF FINISHED GOODS**

Particulars		Year ended	
		March 31, 2022	March 31, 2021
<b><u>Opening Balance</u></b>		-	
Finished Goods		28141.76	49650.67
	<i>Sub Total</i>	28141.76	<b>49650.67</b>
<b><u>Closing Balance</u></b>		-	
Finished Goods		23343.77	28141.76
	<i>Sub Total</i>	23343.77	28141.76
<b>Increase/ (Decrease) in Inventories of FG</b>		<b>-4797.99</b>	<b>-21508.91</b>

**23. EMPLOYEE BENEFIT EXPENSES**

Particulars		Year ended	
		March 31, 2022	March 31, 2021
a.	Salaries, wages and incentives	11526.56	9998.55
b.	Remuneration to MD	6000.00	6000.00
c.	Employers Contributions to Provident Fund & ESI	1297.23	1102.42
d.	Leave with wages	539.52	451.05
e.	Bonus	443.10	463.41
f.	Staff welfare expenses	0.00	0.00
g.	Professional Tax	0.00	0.00
h.	Gratuity	276.92	0.00
<b>Total</b>		<b>20083.33</b>	<b>18015.43</b>



**24. OTHER EXPENSES**

Particulars		Year ended	
		March 31, 2022	March 31, 2021
a.	Advertisement	34225.42	759.62
b.	Audit Fees	300.00	300.00
c.	Husk	1567.03	1808.27
d.	Bad Debts	0.00	0.00
e.	Business Promotion	17792.13	14589.74
f.	Depot Maintenance Expenses	763.17	495.88
g.	Factory Expenses	19420.67	12982.68
h.	Insurance	199.70	178.01
i.	Legal & Professional Fees	60.00	60.00
j.	Professional Charges	646.54	678.44
k.	Remuneration to Company Secretary	0.00	0.00
l.	Secretarial Expenses	0.00	0.00
m.	Marketing Consultant Remuneration	0.00	0.00
n.	Rent	5961.67	4756.48
o.	Miscellaneous Expenses	30.11	18.80
p.	Office Maintenance	607.99	265.60
q.	Telephone Charges	98.78	235.84
r.	Power & Fuel	3419.88	4589.53
s.	Rates & taxes	6325.82	2903.28
t.	Repairs and Maintenance	1710.71	1504.89
u.	Security Charges	703.99	763.27
v.	Selling & Dist. Expenses	8576.37	11596.67
w.	Shortages and Damages	22.90	51.03
x.	Deferred Revenue Exp. W/o	0.00	0.00
y.	Travelling & Conveyance	5866.72	5418.62
z.	Donations	20.00	26.00
aa.	VAT adjustment	0.00	0.00
ab.	Interest paid on VAT	0.00	0.00
ac.	CSR Expenses	1100.00	1841.99
ad.	Packing Sundries	186.05	0.00
<b>Total</b>		<b>109605.62</b>	<b>65824.64</b>

**25. FINANCE CHARGES**

Particulars		Year ended	
		March 31, 2022	March 31, 2021
a.	Bank Charges	298.70	194.77
b.	Interest Expense	0.00	0.00
c.	Interest on Cash Credit	2719.31	2621.69
d.	Interest on TDS Late payment	0.00	0.00
e.	Loss on Chits	0.00	0.00
f.	Financial charges	0.00	0.00
<b>Total</b>		<b>3018.01</b>	<b>2816.46</b>

**26. TAX EXPENSE**

Particulars		Year ended	
		March 31, 2022	March 31, 2021
a.	Income Tax Expense		
	Current Tax	20392.53	21324.13
	Previous Years Tax	0.00	0.00
		20392.53	21324.13
b.	Deferred Tax	59.47	155.19
<b>Total</b>		<b>20452.01</b>	<b>21479.32</b>

**27. 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, 2022	March 31, 2021
Net profit attributable to Equity share holders (A)		59733.14	60650.04
Weighted Average number of equity shares of Rs. 10 each outstanding at the end of the year (B)		20423.75	20423.75
<b>Basic and diluted EPS per equity share of Rs. 10 each</b>		<b>0.00</b>	<b>0.00</b>

**28. PAYMENTS TO AUDITOR**

Particulars		Year ended	
		March 31, 2022	March 31, 2021
a.	As Auditor	300.00	300.00
b.	Other Capacities	0.00	0.00
<b>Total</b>		<b>300.00</b>	<b>300.00</b>

**VIRAT CRANE INDUSTRIES LIMITED**

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

**STATEMENT OF CASH FLOWS**

*(All amounts in Indian Rupees in Thousands, except as otherwise stated)*

Particulars	Year ended	
	March 31, 2022	March 31, 2021
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit for the year	59733.14	60650.04
Adjustments for		
Depreciation	3241.37	3250.12
Current-tax & Previous Years	20392.53	21324.13
Deferred Tax Expense	59.47	155.19
Rental Income	-144.00	-144.00
	83282.51	85235.48
Working Capital adjustments		
Decrease in Trade payables	3035.37	1142.87
Decrease in Other Current Liabilities	2671.94	-7174.31
Increase in Provisions (Current Liabilities)	43.93	-3.36
Decrease in Inventory	-4934.81	34031.74
Increase in Trade receivables	-22015.04	-20143.84
Decrease in Other Current Assets	-1210.52	-563.07
Decrease in Other Non Current Liabilities	0.00	0.00
	60873.38	92525.52
Income Tax Paid	20392.53	21324.13
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES (A)</b>	<b>40480.85</b>	<b>71201.38</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	-62735.66	-18840.58
Rental Income	144.00	144.00
Sale of Vehicle	118.79	0.00
<b>NET CASH CASH FLOW FROM INVESTING ACTIVITIES (B)</b>	<b>-62472.88</b>	<b>-18696.58</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Decrease in borrowings ( Non Current)	0.00	0.00
Decrease in borrowings ( Current)	-802.29	4829.47
Decrease in Loans (Non current Assets)	-13.72	-114.79
Decrease in Other Non Current Assets	-3536.35	-64106.47
Decrease in Loans (Current Assets)	6474.52	155.29
Payment of Dividend & dividend Tax	0.00	
<b>NET CASH FLOW FROM FINANCING ACTIVITIES (C)</b>	<b>2122.15</b>	<b>-59236.50</b>
<b>Net Cash Flow from the Total Activities (A+B+C)</b>	<b>-19869.87</b>	<b>-6731.69</b>



# VIRAT CRANE INDUSTRIES LIMITED



Cash & Cash equivalents at the beginning of the year	30373.11	37104.80
Cash & Cash equivalents at the year end	<b>10503.24</b>	<b>30373.11</b>
Reconciliation of Cash & Cash Equivalents with Balance Sheet (Refer Note 7)	10503.24	30373.11

The above Cash flow statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard (IND AS) - 7 Cash Flow Statements)

As per our report of even date

*For Anantha & Associates*  
Chartered Accountants  
F.R.No. 010642S

*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 26, 2022

M. Himaja  
Director  
DIN: 06505782

R. Adi Venkata Rama  
Company Secretary  
A46744



## VIRAT CRANE INDUSTRIES LIMITED



### 2. PLANT, PROPERTY & EQUIPMENT

(Rs. In Thousands)

Particulars	Free Hold Land	Buildings	Plant & Machinery	Furniture & Fixtures	Vehicles	Office Equipment	Total
Gross carrying amount as at April 1, 2021	51024.84	10114.19	32156.64	94.57	0.00	1461.06	94851.29
Additions	0.00	0.00	722.20	0.00	0.00	37.50	759.70
Disposals	0.00	0.00	745.09	0.00	0.00	0.00	745.09
<b>Gross carrying amount as at March 31, 2022</b>	<b>51024.84</b>	<b>10114.19</b>	<b>32133.75</b>	<b>94.57</b>	<b>0.00</b>	<b>1498.56</b>	<b>94865.91</b>
Accumulated Depreciation	0.00	1420.74	11301.94	41.74		1094.14	13858.55
Depreciation expense for the year	0.00	316.48	2636.90	13.77	0.00	274.21	3241.37
<b>Closing Accumulated Depreciation</b>	<b>0.00</b>	<b>1737.22</b>	<b>13938.84</b>	<b>55.51</b>	<b>0.00</b>	<b>1368.35</b>	<b>17099.92</b>
<b>Carrying value as at March 31, 2022</b>	<b>51024.84</b>	<b>8376.98</b>	<b>18194.91</b>	<b>39.06</b>	<b>0.00</b>	<b>130.21</b>	<b>77765.99</b>
Gross carrying amount as at April 1, 2020	51024.84	10114.19	30802.21	94.57	0.00	1415.75	93451.55
Additions	0.00	0.00	1354.43	0.00	0.00	45.31	1399.74
Disposals	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Gross carrying amount as at March 31, 2021</b>	<b>51024.84</b>	<b>10114.19</b>	<b>32156.64</b>	<b>94.57</b>	<b>0.00</b>	<b>1461.06</b>	<b>94851.29</b>
Accumulated Depreciation	0.00	1104.25	9276.65	27.96	0.00	825.87	11234.73
Depreciation charge for FY 20-21	0.00	316.48	2651.59	13.77	0.00	268.27	3250.12
Closing Accumulated Depreciation	0.00	1420.74	11928.24	41.74	0.00	1094.14	14484.85
<b>Carrying value as at March 31, 2021</b>	<b>51024.84</b>	<b>8693.46</b>	<b>20228.40</b>	<b>52.83</b>	<b>0.00</b>	<b>366.92</b>	<b>80366.45</b>

Note: Vehicles block was regrouped in Plant & Machinery as the vehicles carrying amount is minimal.

#### Depreciation Charge

Depreciation expense for FY 21-

22

3241.37 (Rupees in thousands)



# VIRAT CRANE INDUSTRIES LIMITED



## VIRAT CRANE INDUSTRIES LIMITED

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

Financial Year 2021-22

### Note 2: Fixed Assets

(Rs. In Thousands)

		Gross Block				Depreciation				Net Block	
		As at 31 March 2021	Additions	Disposals	As at 31 March 2022	Accumulated Depreciation as on 31/03/2021	Depreciation for the Year	Adjustment for Disposal/Sale	Accumulated Depreciation as on 31/03/2022	As at 31 March 2022	As at 31 March 2021
<b>TANGIBLE ASSETS</b>											
<b>Land (A)</b>		<b>51024.84</b>	0.00	<b>0.00</b>	<b>51024.84</b>	0.00	0.00	0.00	0.00	<b>51024.84</b>	<b>51024.84</b>
Buildings		10885.91	0.00	0.00	10885.91	2192.46	316.48	0.00	2508.94	8376.98	8693.46
Plant and Equipment		55690.17	722.20	745.09	55667.29	35461.77	2636.90	626.30	37472.38	18194.91	20228.40
Furniture and Fixtures		1271.97	0.00	0.00	1271.97	1219.13	13.77	0.00	1232.91	39.06	52.83
Vehicles		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Office equipment		4367.42	37.50	0.00	4404.92	4000.50	274.21	0.00	4274.71	130.21	366.92
<b>Sub Total (B)</b>		<b>72215.47</b>	<b>759.70</b>	<b>745.09</b>	<b>72230.09</b>	<b>42873.86</b>	<b>3241.37</b>	<b>626.30</b>	<b>45488.94</b>	<b>26741.15</b>	<b>29341.61</b>
<b>Grand Total (A+B)</b>		<b>123240.31</b>	<b>759.70</b>	<b>745.09</b>	<b>123254.93</b>	<b>42873.86</b>	<b>3241.37</b>	<b>626.30</b>	<b>45488.94</b>	<b>77765.99</b>	<b>80366.45</b>

**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 26, 2022.

**b) Significant accounting policies****(i) 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 has some similarities of 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 and Judgements**

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 also excludes taxes or amount collected from customers in its capacity as agent. 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, 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 consists of interest and transaction costs that an entity incurs in connection with the borrowing funds. Transaction costs in respect of long-term borrowings are amortized over the tenor of respective loans using 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, including capital work-in-progress 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. Free hold 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 use full if 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, all non-refundable duties & taxes 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 Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(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:**

**I. Financial Assets:**

a. **Financial assets carried at amortized cost:** A financial asset is subsequently measured at amortized cost if both the following conditions are met:

1. The asset is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and
2. 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.

This category is the not relevant to the company. After initial measurement, such financial assets are subsequently measured at amortized cost using Effective Interest Rate (EIR) method.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are integral part of EIR. The Effective Interest Rate amortization is included in finance income in the statement of Profit and Loss. The losses arising from impairment are recognized in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

**b. Financial assets at fair value through other comprehensive income :** A financial asset is subsequently measured at fair value through other comprehensive income if both the following conditions are met:

1. The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
2. 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. If the company decides to classify an equity instrument as at fair value through Other Comprehensive Income, then all fair value changes on the instrument, excluding dividends, are recognized in Other Comprehensive Income. There is no recycling of the amounts from other comprehensive income to Statement of Profit and Loss, even on sale of investment.

**c. Financial assets at fair value through profit or loss:**

A financial asset which is not classified in any of the above categories is subsequently fair valued through profit or loss.

Financial assets included in this category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

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

a. **At Amortized Cost :**

This is the category most relevant for the company. After initial recognition financial liabilities are subsequently measured at amortized cost using the Effective Interest Rate (EIR) method. Gains and losses are recognized in the Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of Effective Interest Rate (EIR). The Effective Interest Rate (EIR) is included as finance costs in the Statement of Profit or Loss.

b. **At fair value through profit or loss:**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as such. Subsequently, any changes in fair value are recognized in the Statement of Profit and Loss

(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 of 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 the statement of profit and loss. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability

**(D) Impairment of financial assets:**

The Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the financial assets and credit risk exposure. The Company assesses on a forward looking basis the expected credit losses associated with its receivables based on historical trends and past experience.

The Company follows 'Simplified Approach' for recognition of impairment loss allowance on all trade receivables or contractual receivables. Under the simplified approach the Company does not track changes in credit risk, but it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. If credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used.



ECL is the difference between all contracted cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original EIR. ECL impairment loss allowance (or reversal) recognized during the period is recognized as income / (expense) in the Statement of Profit and 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.

Contingent liabilities being a possible obligation as a result of past events, the existence of which will be confirmed only by the occurrence or non-occurrence of

one or more future events not wholly in control of the Company are not recognized in the accounts. The nature of such liabilities and an estimate of its financial effect are disclosed in notes to the financial statements.

Contingent assets are not recognized in the financial statements. the nature of such assets and an estimate of its financial effect are disclosed in notes to the financial statements.

**(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) Leases**

The Company has elected not to recognize right-of-use assets and lease liabilities for short term leases that have a lease term of less than or equal to 12 months with no purchase option and assets with low value leases. The Company recognizes the lease payments associated with these leases as an expense in statement of profit and loss over the lease term. The related cash flows are classified as operating activities.

**(xvi) Expenditure**

Expenses are net of taxes recoverable, where applicable.

**29. 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/-
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**Salary & Allowances**

K. Praveen	-	Rs. 12,00,000/-
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Nature of Transaction	Party	Max. Amount Outstanding during the year (Rs. in Lakhs)	Closing Balance as on 31.03.2022 (Rs. in Lakhs)
Advance	Virat Crane Agri Tech Ltd	634.28	634.28
Advance	Crane Infrastructure Ltd	74.36	9.62
Advance	Crane Global Solutions Ltd	200.00	200.00
Advance	Virat Crane Bottling Ltd	4.35	4.35

No interest is being charged on the above advances.

### 30. 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.

**31. 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, 2022**
*(in Rupees)*

<i>Particulars</i>	<i>Amortised Cost</i>	<i>Fair Value through Profit &amp; Loss</i>	<i>Fair Value through OCI</i>	<i>Total carrying value</i>	<i>Total Fair value</i>
<b>Financial Assets</b>					
<b>Non – Current</b>					
Investments	4,12,42,800	-	-	4,12,42,800	-
Loans	8,38,63,658	-	-	8,38,63,658	-
<b>Sub Total</b>	<b>12,51,06,458</b>	<b>-</b>	<b>-</b>	<b>12,51,06,458</b>	<b>-</b>
<b>Current</b>					
Trade Receivables	9,02,78,054	-	-	9,02,78,054	-
Cash & Cash Equivalents	1,05,03,238	-	-	1,05,03,238	-
Loans	9,61,547	-	-	9,61,547	-
<b>Sub Total</b>	<b>10,17,42,839</b>	<b>-</b>	<b>-</b>	<b>10,17,42,839</b>	<b>-</b>
<b>Total Financial Assets</b>	<b>22,68,49,297</b>	<b>-</b>	<b>-</b>	<b>22,68,49,297</b>	<b>-</b>
<b>Financial Liabilities</b>					
<b>Non – Current</b>					
Borrowings	-	-	-	-	-
<b>Sub Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Current</b>					
Borrowings	3,37,28,703	-	-	3,37,28,703	-
Trade Payables	7,02,04,327	-	-	7,02,04,327	-
<b>Sub Total</b>	<b>10,39,33,030</b>	<b>-</b>	<b>-</b>	<b>10,39,33,030</b>	<b>-</b>
<b>Total Financial Liabilities</b>	<b>10,39,33,030</b>	<b>-</b>	<b>-</b>	<b>10,39,33,030</b>	<b>-</b>

**Categories of Financial Assets & Financial Liabilities as at 31st March, 2021**
*(in Rupees)*

<i>Particulars</i>	<i>Amortised Cost</i>	<i>Fair Value through Profit &amp; Loss</i>	<i>Fair Value through OCI</i>	<i>Total carrying value</i>	<i>Total Fair value</i>
<b>Financial Assets</b>					
<b>Non – Current</b>					
Investments	4,12,42,800	-	-	4,12,42,800	-
Loans	8,38,49,942	-	-	8,38,49,942	-
<b>Sub Total</b>	<b>12,50,92,742</b>	<b>-</b>	<b>-</b>	<b>12,50,92,742</b>	<b>-</b>
<b>Current</b>					
Trade Receivables	6,82,63,016	-	-	6,82,63,016	-
Cash & Cash Equivalents	3,03,73,108	-	-	3,03,73,108	-
Loans	74,36,061	-	-	74,36,061	-
<b>Sub Total</b>	<b>10,60,72,185</b>	<b>-</b>	<b>-</b>	<b>10,60,72,185</b>	<b>-</b>
<b>Total Financial Assets</b>	<b>23,11,64,927</b>	<b>-</b>	<b>-</b>	<b>23,11,64,927</b>	<b>-</b>
<b>Financial Liabilities</b>					
<b>Non – Current</b>					
Borrowings	-	-	-	-	-
<b>Sub Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Current</b>					
Borrowings	3,45,30,994	-	-	3,45,30,994	-
Trade Payables	6,71,68,957	-	-	6,71,68,957	-
<b>Sub Total</b>	<b>10,16,99,951</b>	<b>-</b>	<b>-</b>	<b>10,16,99,951</b>	<b>-</b>
<b>Total Financial Liabilities</b>	<b>10,16,99,951</b>	<b>-</b>	<b>-</b>	<b>10,16,99,951</b>	<b>-</b>

## **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 doubtful 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.



**32. 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.

**33. 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 2022 & 31st March 2021.

**34. EVENTS AFTER THE REPORTING PERIOD:**

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

**35. Estimation uncertainty relating to the global health pandemic on COVID-19:**

The management has considered the possible effects, if any, that may result from COVID-19 pandemic on amounts relating to trade receivables & inventories. In assessing the recoverability of receivables, the Company has considered internal and external information upto the date of approval of these financial results including credit reports and economic forecasts. The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions; the Company expects to recover the carrying amount of these assets. The impact of global health pandemic may be different from that estimated as at the date of approval of these financial results and the Company will continue to closely monitor any material changes and future economic conditions.

### 36. Corporate Social Responsibility (CSR) Activities:

As per Section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) committee has been formed by the Company. The areas for CSR activities are promoting education, adoption of schools, medical and other social projects. All these activities are covered under Schedule VII to the Companies Act, 2013. The Company has spent an amount of Rs. 11.00 Lakhs (F.Y. 2020-21: Rs. 18.42 Lakhs) towards CSR activities based on the recommendations of CSR Committee constituted by the Board. Expenses incurred on CSR activities are charged to the Statement of Profit and Loss under 'Other Expenses'.

(Rs. In Lakhs)

Particulars	As at	
	March 31, 2022	March 31, 2021
a) Construction / Acquisition of any assets	0.00	0.00
b) For purpose other than (a) above	17.49	18.42
<b>Total</b>	<b>17.49</b>	<b>18.42</b>

(Rs. In Lakhs)

Particulars	As at	
	March 31, 2022	March 31, 2021
(a) Amount required to be spent by the Company during the year	17.49	18.42
(b) Amount of expenditure incurred	17.49	18.42
(c) Amount of expenditure incurred from excess of previous years	0.00	0.00
(d) Shortfall at the end of the year	0.00	0.00
(e) Total of previous years shortfall	0.00	0.00

(f) Reason for shortfall - N.A.

(g) Nature of CSR activities - During F.Y. 2021-22, the Company has made below contributions: Amount was spent towards free schooling facilities to poor students Rs. 17.49 Lakhs.

**37. Balances of sundry debtors & Creditors are subjected to confirmation.**

**38. Previous year's figures have been regrouped wherever necessary.**

**39. Ratio Analysis:**

S. No.	Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021	Changes between current F.Y. & Previous F.Y.	Formula	Explanation
1	Current Ratio	2.08	2.15	(3.39)	Current Assets / Current Liabilities	Not Applicable
2	Debt Equity Ratio	0.004	0.005	(10.29)	(Long Term Borrowings + Short Term Borrowings) / Net Worth	Not Applicable
3	Debt Service Coverage Ratio	NA	NA	NA	EBITDA (before exceptional items) / Interest + Instalments	Not Applicable
4	Return on Equity Ratio	10.29	11.65	(11.65)	Net Profit after tax / Average of Total Equity	Not Applicable
5	Inventory Turnover Ratio	5.49	5.04	8.86	COGS / Average Inventory for the period	Not Applicable
6	Trade Receivables Turnover Ratio	10.64	12.45	(14.51)	Revenue from Operations / Average Trade Receivables	Not Applicable
7	Trade Payable Turnover Ratio	12.14	10.77	12.76	COGS & Other expense / Average Trade payables	Not Applicable
8	Net Capital Turnover Ratio	7.36	6.36	15.77	Revenue from Operations / Working Capital	Not Applicable
9	Net Profit Ratio	6.22	7.14	(12.89)	Net Profit after tax / Revenue from Operations	Not Applicable
10	Return on capital Employed	14.34	16.32	(12.13)	Earnings before interest, exceptional items and taxes/ Average Capital Employed	Not Applicable
11	Return on Investment	-	-	-	Not Applicable	Not Applicable

As per our report of even date

**for Anantha & Associates**

Chartered Accountants

F.R.No. 010642S

**CA Srinivasulu Anantha**

Partner, M.No. 214253

Guntur

May 26, 2022

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

P.V. Srihari

CFO

M. Himaja

Director

DIN: 06505782

GVSL Kantha Rao

Managing Director

DIN: 01846224

R. Adi Venkata Rama

Company Secretary

A46744



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