



# VIRAT CRANE INDUSTRIES LTD.,

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

17.10.2017


To  
The General Manager-Operations,  
Bombay Stock Exchange Limited,  
Dalal Street, MUMBAI – 400 001.

Dear Sir,

Sub: Submission of Annual Report pursuant to the Regulation 34 of SEBI(LODR)Regulations,2015 for the financial year ended on 31-03-2017

We are herewith sending the scanned copy of Annual Report pursuant to Regulation 34 of SEBI (LODR)Regulations,2015.for the financial year ended on 31-03-2017.This is for your information kindly acknowledges receipt of the same.

Yours faithfully,  
For Virat Crane Industries Limited

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





# 25<sup>th</sup> ANNUAL REPORT 2016 - 17



**VIRAT CRANE INDUSTRIES Ltd.**  
GUNTUR



Tribute to  
**Shri Grandhi Subba Rao Garu**



Founder & Chairman  
**CRANE GROUP**

Date of Birth  
14-02-1931

Demised Date  
24-03-2017

A great Guide, Philosopher, Philanthropist  
and Illustrious Industrialist







## Contents

1. Corporate Information	-	2
2. Notice of Annual General Meeting	-	5
3. Board's Report	-	12
4. Management Discussion and Analysis	-	34
5. Corporate Governance Report	-	36
6. Certificates	-	47
7. Auditor's Report & Annexure	-	49
8. Statement of Assets and Liabilities	-	55
9. Statement of Profit and Loss	-	56
10. Cash Flow Statement	-	57
11. Notes to Financial Statements	-	58
12. Other forms	-	71



## CORPORATE INFORMATION

### **Board of Directors**

Mr.G.V.S.L.Kantha Rao  
(Managing Director)  
Mrs. M.Himaja  
Mr. P.V.Srihari  
Mr.P.Bhaskara Rao  
Mr. M.V. Subba Rao

### **Key Managerial Personnel**

Mr.G.V.S.L.Kantha Rao  
(Managing Director)  
Mr. P.V.Srihari  
(Chief Financial Officer)  
Mr.Adi Venkata Rama.R  
(company secretary)

### **Stock Exchanges**

Bombay Stock Exchange

### **Statutory Auditors**

M/s Naga Raju & Co.,  
Chartered Accountants,  
D.No. 5-50-91  
4/4, Brodipet  
Guntur-2

### **Secretarial Auditors**

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

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

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.  
Ph : 040 23370295

### **Depositories**

Central Depository Services Limited  
National Security Depository Services Limited

### **Bankers**

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

### **Registered Office**

D.no -25-18-54,  
Opp. Crane betel nut powder works office,  
Main road, Sampathnagar,  
Guntur-522004  
Email:viratcraneindustriesltd@gmail.com

### **Factory Address**

Nunna,  
Nuziveedu Road,  
Vijayawada

## Managing Director's Message

**Dear Members and stake holders of Virat Crane Industries Limited,**

We are pleased to submit your 25<sup>th</sup> Annual report as a listed company.

It is very sad to inform that we lost our founder Shri Grandhi Subba Rao Garu on 24<sup>th</sup> March 2017. The company would like to Commemorate his achievements in brief.

Shri Grandhi Subba Rao Garu is very well known for his morals, integrity, generosity, and vision. He started his career in 1948 at the age of 17. In 1958 he established crane brand in which is the leader in its sector. He diversified the business into various sectors including Infrastructure, Information Technology and Communication, Agro Products and Dairy Products which are successfully running.

During the financial year, our Company added its product base by introducing Milk, Curd, Butter Milk to its products line. I'm pleased with the progress on the brand-extension and geographic expansion strategy along with our continued commitment to ethics and strong corporate governance.

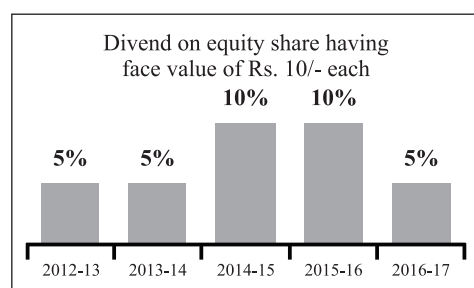
The total sales achieved in 2016-17 are Rs.71.48 Crores against the earlier year sales of Rs. 60.86 crores which means an increase of Rs.10.62 Crores in the current year.

During the Financial year 2016-17, even after challenges faced by company by way of Demonetization which effected whole economy of the country, huge initial marketing costs for the introduction of new products, increase in the cost of raw material and cut throat competition in the industry, our Company achieved decent net profit of Rs.2.28 crores.

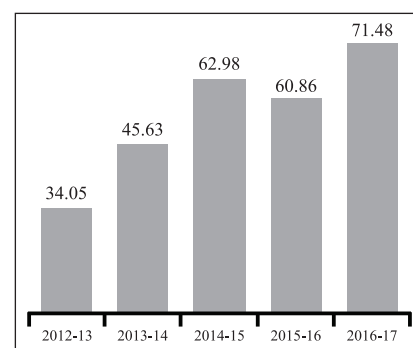
During the year the Board declared dividend of 5% on face value of each equity share.

### KEY HIGHLIGHTS

#### Dividend Pay Record



#### Revenue from Operations (Rs. in Crores)



**Quality inbuilt Strategy:**

We believe in delivering the best quality products as our philosophy has been based on the delivering high quality products to its consumers. Delivering best quality products is incorporated in the manufacturing process itself. We are committed to 100% customer satisfaction by identifying their specific needs and converting them into Quality products.

**Wealth maximization:**

The company strives for its continuous development and maximizing shareholder's wealth by increasing Company's revenue streams and maximizing profit.

Introduction of new products, along with expansion into newer states, with quality products, strong marketing force and strategic supply chains provides significant scope for increasing revenue while implementing measures to help control and reducing costs, which ultimately increases the company's profitability and earnings for our shareholders.

**Brand-capitalization Strategy:**

Company's focus is on capitalizing its "Durga" brand as it has high recognition among the people. As crane brand also enjoys esteemed brand value among the people, management wants to deep root this Durga Brand by marketing that it is a product of Crane group.

**Opportunities and Future strategy:**

As informed, the Company successfully introduced Curd, Milk and Butter Milk during the year which was received very well response in the market. Company aims at capitalizing that response.

As you know GST has been introduced by the government which throws various opportunities, our management team has been constantly capitalizing those opportunities thrown by the GST by aggressively penetrating the new markets. The company has been using GST as a tool for its growth of revenue without compromising products quality.

As Managing Director, I stand united behind this strategy and have confidence in the team's ability to deliver future growth. It has been a pivotal year for the company, where in strategic plans to enter into new value-added dairy products were undertaken.

**CSR Activities:**

During the year, our Company contributed to CSR Activities and would like to continue to do so. The company philosophy is live and let live and we will continue this philosophy by developing the stake holders of the company as a whole.

During the year company has paid Scholarships to 94 needy students irrespective of religion and caste who excelled in their education. Company ensures that these type of nation building activities will be continued in the future as well.

We fulfil the aspirations of the public as we observe ourselves as a good law and ethics abiding corporate citizen.

I would like to thank all my shareholders, staff, and all other people who involved in the activities of the company for their unflinching dedication, commitment and contribution towards strengthening the company.

I would also like to place on record my sincere appreciation to the Board of Directors for their guidance.

With best wishes,

Sincerely,

**G.V.S.L.Kantha Rao**

Managing Director



## NOTICE OF THE 25<sup>TH</sup> ANNUAL GENERAL MEETING

NOTICE is hereby given that the Twenty Fifth Annual General Meeting of the members of M/s. Virat Crane Industries Limited will be held on Friday, 29<sup>th</sup> September, 2017 at 11.00 A.M. at Crane Infrastructure Limited Premises, Ankireddypalem Village, NH-5, Chilakaluripet Road, Guntur to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited standalone Financial Statements of the Company for the financial year ended 31st March, 2017 and the Reports of the Board of Directors and the Auditors.
2. To declare dividend of 0.50 R.e per equity share of the company for the financial year ended 31st March, 2017.
3. To appoint a Director in place of Mrs. Himaja.M (DIN 06505782) who retires by rotation and being eligible, offers herself for reappointment.
4. Appointment of M/s. Anantha & Associates (FRN: 010642S), Chartered Accountants, Guntur, as the Statutory Auditors of the Company and fix their remuneration and in this regard to consider, and if thought fit, to pass, with or without modification(s), the following resolution, as an ordinary resolution:

“Resolved that pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof), M/s. Anantha & Associates (FRN: 010642S), Guntur be and are hereby appointed as the Statutory Auditors of the Company in place of M/s Nagaraju & Co, Chartered Accountants, Statutory Auditors of the Company retiring at the conclusion of this Annual General Meeting) for a period of Five years i.e. from the conclusion of this 25<sup>th</sup> Annual General Meeting till the conclusion of 30<sup>th</sup> Annual General Meeting of the Company, subject to annual ratification by the shareholders at every Annual General Meeting and at such remuneration as may be fixed by the Board of Directors of the Company on the recommendation of the Audit Committee.”

### SPECIAL BUSINESS:

5. To re-appoint Sri Bhaskara Rao Potti (DIN 01846243)

as an Independent Director and in this regard, to pass the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) thereto or re-enactment(s) thereof, for the time being in force), Sri Bhaskara Rao Potti (DIN 01846243), who was appointed as an Independent Director and who holds office of Independent Director in the current term up to 26th September, 2017 and being eligible, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing her candidature for the office of Director, be re-appointed as an Independent Director of the Company, not liable to retire by rotation, and to hold office for a second term of 5 (five) consecutive years on the Board of the Company with effective from 26th September 2017.”

### Item No:6

Determination of fees for delivery of any document through a particular mode of delivery to a member To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to section 20 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, the consent of the Company be and is hereby accorded to charge from a member in advance, a sum equivalent to the estimated actual expenses for delivery of the document(s) through a particular mode upon receipt of such request from a member.”

“RESOLVED FURTHER THAT the estimated fees for delivery of the document(s) shall be paid atleast one week in advance to the Company, before dispatch of such document(s).

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company (includes a Committee thereof authorized for the purpose) be and is hereby authorized to take all such steps and actions and give such directions as may be in absolute discretion deem necessary, proper, desirable or





expedient and to settle any question, difficulty or doubt that may arise in respect of the matter aforesaid, including determination of the estimated fees for delivery of the document(s) to be paid in advance.”

By Order of the Board of Directors

Place: Guntur G.V.S.L.Kantha Rao

Date: 12.08.2017 Managing Director

Notes:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the Annual General Meeting is annexed hereto and hereunder.

2. A Member entitled to attend and vote at the Meeting is entitled to appoint a Proxy to attend and, on a poll, to vote instead of himself and the Proxy need not be a Member of the Company.

3. Proxies, in order to be effective, must be received in the enclosed Proxy Form at the Registered Office of the Company not less than forty-eight hours before the time fixed for the Meeting

4. A person can act as a proxy on behalf of Members not exceeding 50 and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder

5. A Corporate Member intending to send its authorised representatives to attend the Meeting in terms of Section 113 of the Companies Act, 2013 is requested to send to the Company a certified copy of the Board Resolution authorizing such representative to attend and vote on its behalf at the Meeting

6. Members/Proxies/Authorised Representatives are requested to bring the attendance slips duly filled in for attending the Meeting. Members who hold shares in dematerialised form are requested to write their client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the Meeting

7. During the period beginning 24 hours before the time fixed for the commencement of Meeting and ending with

the conclusion of the Meeting, a Member would be entitled to inspect the proxies lodged at any time during the business hours of the Company. All documents referred to in the Notice and accompanying explanatory statement are open for inspection at the Registered Office of the Company on all working days of the Company between 11:00 a.m. and 1:00 p.m. up to the date of the Annual General Meeting and at the venue of the Meeting for the duration of the Meeting

8. The Register of Members and Share Transfer Books of the Company will remain closed from **Saturday 23<sup>rd</sup> September, 2017 to, Friday 29<sup>th</sup> September, 2017 (both days inclusive) for the purpose of 25<sup>th</sup> Annual General Meeting of the company.**

9. The dividend on shares as recommended by the Board, if approved at the Annual General Meeting, will be paid within thirty days from the date of declaration to those Members or their mandates whose names appear as Members in the Register of Members of the Company on 22<sup>nd</sup> September, 2017, and

10. Route-map to the venue of the Meeting is provided at the end of this Annual Report.

11. Members holding shares in demat form are hereby informed that bank particulars registered with their respective Depository Participants, with whom they maintain their demat accounts; will be used by the Company for the payment of dividend. The Company or its Registrar cannot act on any request received directly from the Members holding shares in demat form for any change of bank particulars. Such changes are to be intimated only to the Depository Participants of the Members. Members holding shares in demat form are requested to intimate any change in their address and / or bank mandate immediately to their Depository Participants.

12. Members holding shares in physical form are requested to intimate any change of address and / or bank mandate to M/s. Big Share Services Private Limited / Investor Service Department of the Company immediately.

13. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made there under, companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their email address either with the Company or with the Depository Participant(s). Members of the Company who have registered their email



address are also entitled to receive such communication in physical form, upon request.

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

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

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

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

18. Members can avail of the nomination facility by filing Form SH-13, as prescribed under Section 72 of the Companies Act, 2013 and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, with the Company. Blank forms will be supplied on request.

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

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, additional information in respect of Directors seeking election, those retiring by rotation and seeking reappointment at the Annual General Meeting is given at **page no: 11<sup>th</sup>** of the Annual Report

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

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

The voting period **begins on .Tuesday 26<sup>th</sup> September, 2017 at 09.00 AM and will end on Thursday, 28<sup>th</sup> September, 2017 at 5.00 PM.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date of **22<sup>nd</sup> September 2017**, may cast their vote electronically. The e-voting module shall be disabled for voting thereafter

The instructions for shareholders voting electronically are given at **page no. 8<sup>th</sup>** of the Annual Report.

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

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



## 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 25<sup>th</sup> Annual General Meeting to be held on Friday, 29<sup>th</sup> September, 2017, at 11.00 AM. The Company has engaged the services of Central Depository Services Limited (CDSL) to provide the E-Voting facility.

The instructions for Shareholders voting electronically are as under:-

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

### **EVSN (E-VOTING SEQUENCE NUMBER):**

**170831030**

**COMMENCEMENT OF E-VOTING:** Tuesday 26<sup>th</sup> September 2017 at 9.00 A.M

**END OF E-VOTING:** Thursday, 28<sup>th</sup> September, 2017 at 5.00 P.M

## STEPS & INSTRUCTIONS FOR E-VOTING:

THE INSTRUCTIONS FOR SHAREHOLDERS VOTING ELECTRONICALLY ARE AS UNDER:

(i) The voting period begins on Tuesday 26<sup>th</sup> September 2017 at 9.00 A.M and ends on Thursday, 28<sup>th</sup> September, 2017. at 5.00 P.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 22<sup>nd</sup> September, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).

(iii) Click on Shareholders.

(iv) Now Enter your User ID

**a. For CDSL: 16 digits beneficiary ID,**

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

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

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

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

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

PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)  • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.  • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv)



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

ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/ NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.

(xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.

(xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Note for Non – Individual Shareholders and Custodians

• Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.

• 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 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.

(xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

(xx) M/s. K.Srinivasa Rao & Nagaraju Associates., Company Secretaries, Vijayawada (Entity ID : 82034) has been appointed as the Scrutinizer to Scrutinize the e-voting process in a fair and transparent manner.

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

### **Item No:5**

The members of the Company at the 22<sup>nd</sup> Annual General Meeting held on 29th September, 2014 had approved the appointment of Sri Bhaskara Rao Potti as an Independent Director on the Board of the Company to hold office for a term of 3 (three) consecutive years from 27th September, 2014 (“first term” in line with the explanation to Sections 149(10) and 149(11) of the Act). The Nomination and Remuneration Committee of the Board of Directors, on the basis of the report of performance evaluation of Independent Directors, has recommended re-appointment of Sri Bhaskara Rao Potti as Independent Director for a second term of 5 (five) consecutive years on the Board of the Company.





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

Accordingly, it is proposed to re-appoint Sri Bhaskara Rao Potti as an Independent Director of the Company not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company effective from 26<sup>th</sup> September, 2017. Sri Bhaskara Rao Potti is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Sri Bhaskara Rao Potti for the office of Independent Director of the Company. The Company has received a declaration from Sri Bhaskara Rao Potti that she meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). In the opinion of the Board, Sri Bhaskara Rao Potti fulfils the conditions for her appointment as an Independent Director as specified in the Act read with the rules made thereunder and the Listing Regulations Sri Bhaskara Rao Potti is independent of the management.

#### Item No:6

As per the provisions of Section 20 of the Companies Act, 2013 a document may be served on any member by sending it to him by Post or by Registered post or by Speed post or by Courier or by delivering at his office address or by such electronic or other mode as may be prescribed. It further provides that a member can request for delivery of any document to him through a particular mode for which he shall pay such fees as may be determined by the Company in its General Meeting.

Therefore, to enable the members to avail this facility, it is necessary for the Company to determine the fees to be

charged for delivery of a document in a particular mode, as mentioned in the resolution.

Since the Companies Act, 2013 requires the fees to be determined in the General Meeting; the Directors accordingly commend the Ordinary Resolution at item no.6 of the accompanying notice, for the approval of the members of the Company.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.6.

Therefore, to enable the members to avail this facility, it is necessary for the Company to determine the fees to be charged for delivery of a document in a particular mode, as mentioned in the resolution. Hence it is proposed that the board of directors may authorised to determine the fees to be charged for delivery of a document in a particular mode, as mentioned in the resolution.





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

Particulars	M. Himaja	P.Bhaskara Rao
Date of Birth	02.08.1982	10-04-1953
Date of Appointment/Reappointment	30.03.2015	26.09.2017
Qualifications	B.B.A	B.Com
Brief resume and Justification for reappointment and Expertise in specific functional areas and nature of expertise	She has good knowledge and great experience in the area of Management Administration and Marketing.	He has more than 20 years of experience in the fields of management and public relations.
Directorships & Committee membership held in Other Listed Companies	She is director of Crane Infrastructure Limited and member of Four Board committees in the same company	He is independent director of Crane Infrastructure Limited and member of Four Board committees in the same company
Number of shares held	73189	990
Relationship other directors	She is daughter of GVSL Kantha Rao, Managing Director of the company and relative of P.V.Srihari, Director	No relation with other directors



## BOARD'S REPORT

To,  
The members,  
Virat Crane Industries Limited  
Guntur

The directors submit annual report of Virat Crane Industries Limited along with the audited financial statements for the financial year ended March 31, 2017.

### Financial Results

Particulars	2016-17(Rs. InLacs)	2015-16(Rs. InLacs)	2014-15(Rs. InLacs)
Revenue from Operations & Other Income	7148.30	6086.20	6324.59
Profit/(Loss) Before Interest & Depreciation	392.76	893.34	826.60
Interest	5.022	16.20	6.56
Depreciation	27.01	18.19	17.18
Profit before exceptional and extraordinary items	360.72	858.95	802.44
Profit/ (Loss) before Tax	360.72	867.55	798.11
Income Tax-(Current Tax)	121.91	282.23	257.48
Previous Year Tax	0.017	-7.23	1.79
Deferred-tax (expenses)/ Income	7.73	5.90	4.80
Profit (Loss) after Taxation	228.39	572.15	537.59
EPS-Basic	1.12	2.80	2.63
EPS-Diluted	1.12	2.80	2.63

### Dividend

The Board of Directors has recommended a total dividend of Rs.0.50/- per equity share of face value of Re. 10/- each for the year ended 31st March, 2017 amounting to Rs.122.91 Lacs **(inclusive of dividend distribution tax of Rs 20.79 lacs)**. The dividend payout is subject to approval of members at the ensuing 25th Annual General Meeting., will be paid on or after 4<sup>th</sup> October, 2017 to the Members. The total dividend for the financial year amounts to Rs.0.50/- per equity share.



## Transfer to reserves

The Company proposes to transfer Rs. 22.83 Lacs to the general reserve out of the amount available for appropriation and an amount of 228.39 Lacs is proposed to be retained in the profit and loss account.

## Material changes affecting the Company

There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and date of this Report. There has been no change in the nature of business of the Company.

## Company's performance

During the Year under review revenue from operations for the financial year 2016-17 is 71.48 crores. It was increased by 17.45% over last year ('60.86 crores in 2015-16). Profit after tax (PAT) for the financial year 2016-17 is 228.39 Lacs. It was decreased by 60.08% over last year (572.16 Lacs in 2015-16). The revenue was fall minor due to sluggish market conditions in final quarter and it was only temporary market fluctuation. There were no adverse changes in company consumer base and it was increased positively.

## Directors' responsibility statement

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

- i. in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- ii. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- iii. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. the directors had prepared the annual accounts on a going concern basis;

v. the directors, had laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;

vi. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## Changes among Directors and key managerial personnel

i. Reappointment of Mr. G.Subba Rao whose office was liable to retire by rotation at 24<sup>th</sup> annual general meeting of the company:

Mr. G.Subba Rao, director liable to retire by rotation under the Articles of Association of the Company, in 24<sup>th</sup> Annual General Meeting and being eligible, offer himself for reappointment as Director. The Shareholders approved his re-appointment as Director of the company at 24<sup>th</sup> Annual General Meeting of the company held on 26.09.2016

ii. Appointment of company secretary and compliance officer:

During the financial year the board appointed Mr. Adi Venkata Rama.R (ICSI Membership No:A46744), company secretary, Associate Member of Institute of Company Secretaries of India as a Company Secretary and compliance officer of the company on the meeting held on 03-10-2016.

iii. Sad demise of Mr. Grandhi Subba Rao, Non-executive Director-

During the year Mr. Grandhi Subba Rao, Non-executive Director and founder of the company was died on 24.03.2017.

iv. Directors liable to retire by rotation In ensuing Annual General Meeting :

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

## Meetings of the Board & Committees

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



## Board evaluation

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

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

## Policy on directors appointment and remuneration and other details

The Company’s policy on directors appointment and remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the corporate governance report, which forms part of the directors 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 that there is no change in status of Independence

## Independent Directors Meeting

During the year under review, two meeting of independent directors was held on 01.06.2016 and 25.03.2017 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 Executive Director and Non-Executive Directors. Assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

## Extract Of The Annual Return

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

## 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

Pursuant to section 139 of the companies Act, 2013 and rules made there under, it is mandatory to rotate the statutory auditors on completion of the maximum term permitted under the said provisions. The tenure of the existing auditors of the company M/S Naga Raju & Co., Chartered Accountants, Guntur completed at ensuing Annual General Meeting of the company and shall not be eligible for re-appointment. On recommendations of Audit Committee the Board has recommended and proposed the appointment of M/s Anantha & Associates, Chartered Accountants (FRN: 010642S) as the statutory Auditors of the company for a period of five consecutive years from the conclusion of the 25<sup>th</sup> Annual General Meeting of the company scheduled on 29<sup>th</sup> September, 2017, till the conclusion of the 30<sup>th</sup> Annual General Meeting to be held in the year 2022, subject to approval of shareholders of the company.

## Auditor report

The auditor’s report does not contain any qualifications,



reservations or adverse remarks. Audit Report is given as an **annexure -x** which forms part of this report.

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

### Secretarial auditors

Pursuant to provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, your Company engaged the services of M/s. K. Srinivasa Rao & Nagaraju Associates, Company Secretaries in Practice, Vijayawada to conduct the Secretarial Audit of the Company for the financial year ended March 31, 2017.

### Secretarial auditor report

The detailed reports on the Secretarial Audit in Form MR- 3 are appended as an **Annexure IV** to this Report. There were no qualifications, reservations or adverse remarks given by Secretarial Auditors of the Company except non-compliance of section 203 of the Companies Act, 2013 and regulation 6 of SEBI (LODR) Regulations, 2015, in respect to appointment the Company Secretary as Key Managerial Person, Compliance officer upto 2<sup>nd</sup> October 2016 and non-compliance of regulation 31(2) of SEBI (LODR) Regulations, 2015 in respect to maintenance of hundred percent of shareholding of promoter(s) and promoter group in dematerialized and non-appointment of internal Auditors in compliance of section 138 of the companies Act, 2013

### Board Clarification on Secretarial Auditors Qualifications:

The company directs all the promoters to convert their physical shares into demat form and the majority were converted their shares into demat form. but, some promoters are not interested to convert their shares into demat form but the company is sincerely trying to compliance of hundred percent promoters share holding into demat form and the company is also trying to appoint a internal auditor in near future.

**COST AUDIT:** Not Applicable

### Risk management

The Board of the Company has formed a risk management committee to frame, implement and monitor

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

### Particulars of loans, guarantees and investments

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

### Transactions with related parties

None of the transactions with related parties falls under the scope of Section 188(1) of the Act. Information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with rule 8 (2) of the Companies(Accounts) Rules, 2014 are given in **Annexure II** in Form AOC-2 and the same forms part of this report.

### Corporate social responsibility

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company and the Initiatives undertaken by the Company on CSR activities during the year are set out in **Annexure III** of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. The policy is available on [www.cranegroup.in](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	1:53

During the financial year 2016-17 The Company does not pay 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: 1.04%

c. The percentage increase in the median remuneration of employees in the financial year: 22.89%

d. The number of permanent employees on the rolls of Company: 49

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: 45%

Increase in the managerial remuneration for the year was :1.04%

**Justification:** Managerial remunerations was increased only after several years and it was not on annual basis hence with respect to the growth and revenue perspective of the company the increase in Managerial remuneration was justified There was no exceptional circumstances for increase in the managerial remuneration

f. The key parameters for any variable component of remuneration availed by the directors: Nil

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.

h. The statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014: NA

Further, the report and the accounts are being sent to the members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered Office of the Company. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary.

### **Deposits from public**

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

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

### **Conservation of energy:**

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

(a) Green infrastructure,

(b) Operational energy efficiency,

### **Technology absorption, adaption and innovation:**

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

### **Foreign exchange earnings and outgo**

Your Company does not have foreign exchange earnings and outgo in financial year 2016-17.

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

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

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

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

### **Joint Ventures/Subsidiaries/Associates**

The company have no Joint Ventures/Subsidiaries/Associates

## **Prevention of Sexual Harassment Of Women At Workplace**

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 has constituted Internal Complaints Committees (ICC).

Number of Complaints Received During the Year: Nil



## Human resources

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

## Management Discussion & Analysis

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

## Report on Corporate Governance

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

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

## Whistle Blower Policy

The Company established Whistle Blower Policy for directors and employees to report concerns about un-ethical behaviour, 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 : VI**

## 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 been transferred by the company to the Investor Education and Protection Fund (IEPF) established by the Central Government.

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

On behalf of the board of directors,

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

## Change of registered Office within the local limits of the city

During the year the registered office of the company was changed from D.No.25-2-1, G.T.Road, Opp: Mastan Darga, Guntur - 522004 to D.No. 25-18-54, Opp: Crane Betel Nut Powder works main road, Sampath Nagar, Guntur - 522004.

## Acknowledgement

**The Directors Appreciate and value the contributions made by every member of the virat crane industries family and also the directors thank the company’s employees, customers, vendors, investors for their continuous support.**

## On Behalf of the board of directors

Guntur	G.V.S.L. Kantha Rao	M.Himaja
12.08.2017	Managing Director	Director
	(DIN: 01846224)	(DIN: 06505782)

**Annexure-I****Form No. MGT-9**

Extract of Annual Return as on the financial year ended on 31st March, 2017

**I. REGISTRATION AND OTHER DETAILS:**

<b>i.</b>	<b>CIN</b>	<b>L74999AP1992PLC014392</b>
<b>ii</b>	Registration Date	18.06.1992
<b>iii</b>	Name of the Company	Virat Crane Industries Limited
<b>iv</b>	Category / Sub-Category of the Company	Company Limited by Share/ Indian Non-Government Company
<b>v</b>	Address of the Registered office and contact details	D.No. 25-18-54, Opp: Crane Betel Nut Powder Works Office, Main Road, Sampath Nagar, Guntur. Phone No: 0863-2223311 viratcraneindustriesltd@gmail.com
<b>vi</b>	Whether listed company (Yes/No)	Yes
<b>vii</b>	Name, Address and Contact details of Registrar and Transfer Agent	M/s Big Share Services Private Limited 306, 3rd floor, Right Wing, Amrutha Ville, Opp: Yashoda Hospital, Rajbhavan Road, Somajiguda, Hyderabad- 500082

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

<b>Sl. No.</b>	<b>Name and Description of main products / services</b>	<b>NIC Code of the Product/ service</b>	<b>% to total turnover of the company</b>
<b>1</b>	Manufacture of Ghee	15203	97.19

**III. Particulars of Holding, Subsidiary and Associate Companies:**

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



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

##### i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	14865613	428310	15293423	74.88	15025163	252700	15277863	7.80	(0.08)
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) bodies corp.	-	-	-	-	-	-	-	-	-
e) any other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1) :-	14865613	428310	15293423	74.88	15025163	252700	15277863	7.80	(0.08)
(2) Foreign	-	-	-	-	-	-	-	-	-
a) NRIs-Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2) :-	-	-	-	-	-	-	-	-	-
Total shareholding of promoters (A)= (A)(1)+(A)(2)	14865613	428310	15293423	74.88	15025163	252700	15277863	7.80	(0.08)
B. Public Shareholding	-	-	-	-	-	-	-	-	-
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	5000	5000	0.2	-	5000	5000	0.2	-
b) Banks / FI	-	22300	22300	0.11	-	22300	22300	0.11	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-



g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture	-	-	-	-	-	-	-	-	-
Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	NIL	27300	27300	0.13	NIL	27300	27300	0.13	NIL
2. Non-Institutions	-	-	-	-	-	-	-	-	-
a) Bodies Corp.									
i) Indian	283087	67000	350087	1.71	262656	67000	329656	1.61	(0.10)
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	1380811	1326200	2707011	13.25	1853385	1302000	3155385	15.45	2.0
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakhs	1662579	243500	1906079	9.33	1325927	222500	1548427	7.58	(1.75)
c) Others Clearing Members	9572	-	9572	0.046	10024	-	10024	0.049	0.003
Trusts	25	-	25	0	0	25	25	0	0
Non Resident Indians	104653	25600	130253	0.64	49470	25600	75070	0.27	(0.37)
Sub-total (B)(2):-	3440727	1662300	5103027	24.98	3501487	1617100	5118587	23.45	1.53
Total Public Shareholding (B)=(B)(1)+(B)(2)	3468027	1689600	5103027	25.12	3501487	1644400	5145887	25.02	(0.10)
C. Custodian for GDRs & ADRs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>Grand Total(A+B+C)</b>	<b>17597300</b>	<b>2826450</b>	<b>20423750</b>	<b>100.00</b>	<b>18526650</b>	<b>1897100</b>	<b>20423750</b>	<b>100.00</b>	<b>NIL</b>



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

S.No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	WG LAKSHMI HYMAVATHI	10	0.00	0.0000	10	0.00	0.0000	0.0000
2.	GRANDHI NARASAMMA	10	0.00	0.0000	10	0.00	0.0000	0.0000
3.	S DHANALAKSHMI THYRU	10	0.00	0.0000	10	0.00	0.0000	0.0000
4.	M SRIVASTA	10	0.00	0.0000	10	0.00	0.0000	0.0000
5.	P VENKATA SRI KRISHNA	10	0.00	0.0000	10	0.00	0.0000	0.0000
6.	SATYANARAYANA SABETO	100	0.00	0.0000	100	0.00	0.0000	0.0000
7.	SINDIRI RAJA	100	0.00	0.0000	100	0.00	0.0000	0.0000
8.	TANGADU BAIRAGI	100	0.00	0.0000	100	0.00	0.0000	0.0000
9.	UMA SANKER SABETO	100	0.00	0.0000	100	0.00	0.0000	0.0000
10.	RADHAKRISHNA SABETO	100	0.00	0.0000	100	0.00	0.0000	0.0000
11.	MUKUNDA PANDA	100	0.00	0.0000	100	0.00	0.0000	0.0000
12.	MAHINDRA SABETO	100	0.00	0.0000	100	0.00	0.0000	0.0000
13.	A V K SASTRY	100	0.00	0.0000	100	0.00	0.0000	0.0000
14.	V V S S CHOWDARY	200	0.00	0.0000	200	0.00	0.0000	0.0000
15.	JAMI CHANDRA SEKHARAO	200	0.00	0.0000	200	0.00	0.0000	0.0000
16.	DOKI NAGESWARA RAO	200	0.00	0.0000	200	0.00	0.0000	0.0000
17.	DUMPA RAMA RAO	200	0.00	0.0000	200	0.00	0.0000	0.0000
18.	VUTLE MEENAKATENE RAO	200	0.00	0.0000	200	0.00	0.0000	0.0000
19.	VASA SADASIYA RAO	200	0.00	0.0000	200	0.00	0.0000	0.0000
20.	RAJENDRA BHAGIRATH	300	0.00	0.0000	300	0.00	0.0000	0.0000
21.	P KRISHNAVENI	400	0.00	0.0000	400	0.00	0.0000	0.0000
22.	NEMICHAND MEHTA	500	0.00	0.0000	500	0.00	0.0000	0.0000
23.	JITENDRA CHUNILAL SHAH	500	0.00	0.0000	500	0.00	0.0000	0.0000
24.	KAMLESH	500	0.00	0.0000	500	0.00	0.0000	0.0000
25.	KANTILAL JAIN	500	0.00	0.0000	500	0.00	0.0000	0.0000
26.	CHANDAR BHANDERI	500	0.00	0.0000	500	0.00	0.0000	0.0000
27.	BHARATHI VISVESWARAN	500	0.00	0.0000	500	0.00	0.0000	0.0000
28.	VAKACHARLA SATYA NAGESWARA RAO	500	0.00	0.0000	500	0.00	0.0000	0.0000
29.	SINGAMSETTI NAGARAJU	500	0.00	0.0000	500	0.00	0.0000	0.0000
30.	VAKACHARLA CHINA VENKATESWARA RAO	500	0.00	0.0000	500	0.00	0.0000	0.0000



31	NAGULA KONDA VENKATESWARA RAO	500	0.00	0.0000	500	0.00	0.0000	0.0000
32	BADDIREDDY NAGAMANI	500	0.00	0.0000	500	0.00	0.0000	0.0000
33	BADDIREDDY VENKATA SWAMY	500	0.00	0.0000	500	0.00	0.0000	0.0000
34	R PAVITRA	500	0.00	0.0000	500	0.00	0.0000	0.0000
35	VIDYA SHIVA KUMAR	500	0.00	0.0000	500	0.00	0.0000	0.0000
36	S MADAULAL	500	0.00	0.0000	500	0.00	0.0000	0.0000
37	RANGARAJ JAIN	700	0.00	0.0000	700	0.00	0.0000	0.0000
38	K MANI	800	0.00	0.0000	800	0.00	0.0000	0.0000
39	HARSHED KUMAR DOSHI	1000	0.00	0.0000	1000	0.00	0.0000	0.0000
40	JAYANTHI LAL	1000	0.00	0.0000	0	0.00	0.0000	0.0000
40	G V SURESH	1000	0.00	0.0000	1000	0.00	0.0000	0.0000
41	D NAGESH BABU	1200	0.01	0.0000	1200	0.01	0.0000	0.0000
42	N NAGAMANI	1200	0.01	0.0000	1200	0.01	0.0000	0.0000
43	N VENKATESWARA RAO	1250	0.01	0.0000	1250	0.01	0.0000	0.0000
44	LAKSHMI DEVI	1700	0.01	0.0000	1700	0.01	0.0000	0.0000
45	A BALA KRISHNA RAO	1700	0.01	0.0000	1700	0.01	0.0000	0.0000
46	ANAND KUMAR AGARWALA	2500	0.01	0.0000	2500	0.01	0.0000	0.0000
47	A NAGESWARA RAO	2500	0.01	0.0000	2500	0.01	0.0000	0.0000
48	M VIJAYA KUMAR	2500	0.01	0.0000	2500	0.01	0.0000	0.0000
49	D BHASKARA RAO	2500	0.01	0.0000	2500	0.01	0.0000	0.0000
50	D M SHANKARAPPA	2500	0.01	0.0000	2500	0.01	0.0000	0.0000
51	K G PANCHAKSHARAPPA	2500	0.01	0.0000	2500	0.01	0.0000	0.0000
52	K RAMESH	2500	0.01	0.0000	2500	0.01	0.0000	0.0000
53	K SUBBAYAMMA	2500	0.01	0.0000	2500	0.01	0.0000	0.0000
54	KISHAN JALAN	2500	0.01	0.0000	2500	0.01	0.0000	0.0000
55	M GANESH GUPTA	2500	0.01	0.0000	2500	0.01	0.0000	0.0000
56	M N OMKARAPPA	2500	0.01	0.0000	2500	0.01	0.0000	0.0000
57	MAHESH KUMAR	2500	0.01	0.0000	2500	0.01	0.0000	0.0000
58	MANOJ KUMAR AGARWALA	2500	0.01	0.0000	2500	0.01	0.0000	0.0000
59	MEENA JAIN	2500	0.01	0.0000	2500	0.01	0.0000	0.0000
60	MOHINIDEVI THARED AGARWALA	2500	0.01	0.0000	2500	0.01	0.0000	0.0000
61	NAGAVARDHINI	2500	0.01	0.0000	2500	0.01	0.0000	0.0000
62	OM PRAKASH AGARWALA	2500	0.01	0.0000	2500	0.01	0.0000	0.0000
63	P MADHUSUDAN	2500	0.01	0.0000	2500	0.01	0.0000	0.0000
64	PRADEEP KUMAR JAIN	2500	0.01	0.0000	2500	0.01	0.0000	0.0000
65	BHARATH S BHOOPALAM	2500	0.01	0.0000	2500	0.01	0.0000	(0.0600)
66	GRANDHI SUBBARAO	11500	0.06	0.0000	0	0.00	0.0000	0.0600



67	RAMA GOVINDA RAO VYTLA	2500	0.01	0.0000	2500	0.01	0.0000	0.0000
68	PUVVADA VENKATA SRIKRISHNA	2500	0.01	0.0000	2500	0.01	0.0000	0.0000
69	V C SHANKARAPPADYEYA	2500	0.01	0.0000	2500	0.01	0.0000	0.0000
70	V SUBRAMANYAM	2500	0.01	0.0000	2500	0.01	0.0000	0.0000
71	V CHANDRAMATHI	2500	0.01	0.0000	2500	0.01	0.0000	0.0000
72	S SUBRAMANYAM	2500	0.01	0.0000	2500	0.01	0.0000	0.0000
73	DEEPIKA HASMUKHBHAI PATEL	2500	0.01	0.0000	2500	0.01	0.0000	0.0000
74	VOGGU LAKSHMI NARASIMHA RAO	2500	0.01	0.0000	2500	0.01	0.0000	0.0000
75	T S R ANJANEYELU	2500	0.01	0.0000	2500	0.01	0.0000	0.0000
76	A RAMESH	2500	0.01	0.0000	2500	0.01	0.0000	0.0000
77	B CHANDRA SEKHAR	2500	0.01	0.0000	2500	0.01	0.0000	0.0000
78	B MURALI KRISHNA	2500	0.01	0.0000	2500	0.01	0.0000	0.0000
79	B V RAVI KUMAR	2500	0.01	0.0000	2500	0.01	0.0000	0.0000
80	KUSUM DEVI JALAN	2500	0.01	0.0000	2500	0.01	0.0000	0.0000
81	RAMALINGAIAH	2500	0.01	0.0000	2500	0.01	0.0000	0.0000
82	SNEHA AGARWALA	2500	0.01	0.0000	2500	0.01	0.0000	0.0000
83	SANJAY KUMAR AGARWALA	2500	0.01	0.0000	2500	0.01	0.0000	0.0000
84	GELLI KALAVATHI	3000	0.01	0.0000	3000	0.01	0.0000	0.0000
85	CHAMPALAL TANI	3700	0.02	0.0000	3700	0.02	0.0000	0.0000
86	RAMA MOHAN DEVATHI	3739	0.02	0.0000	3739	0.02	0.0000	0.0000
87	DONTHU SESHUKUMAR	3900	0.02	0.0000	3900	0.02	0.0000	0.0000
88	SHAKUNTALA DEVI	4900	0.02	0.0000	4900	0.02	0.0000	0.0000
89	PARISA BI	5000	0.02	0.0000	5000	0.02	0.0000	0.0000
90	MITTA NAGAMANI	5000	0.02	0.0000	00	0.00	0.0000	(0.02)
91	M V S KUMAR	5000	0.02	0.0000	5000	0.02	0.0000	0.0000
92	SUMATMULL HASTIMAL	5000	0.02	0.0000	5000	0.02	0.0000	0.0000
93	A NARASINGA RAO	5000	0.02	0.0000	5000	0.02	0.0000	0.0000
94	AKULA BALAKRISHNA RAO	5000	0.02	0.0000	5000	0.02	0.0000	0.0000
95	V N PALANI	5000	0.02	0.0000	5000	0.02	0.0000	0.0000
96	D RAMACHANDRAIAH	5000	0.02	0.0000	5000	0.02	0.0000	0.0000
97	GANDULURI CHINA VEERA REDDY	5000	0.02	0.0000	5000	0.02	0.0000	0.0000
98	JASTI VIJAYA LAKSHMI	5000	0.02	0.0000	5000	0.02	0.0000	0.0000
99	K MANGAYAMMA	5000	0.02	0.0000	5000	0.02	0.0000	0.0000
100	K MANIKYAMBA	5000	0.02	0.0000	5000	0.02	0.0000	0.0000
101	K SIVA RAMA KRISHNA	5000	0.02	0.0000	5000	0.02	0.0000	0.0000
102	K VISHALAKSHI	5000	0.02	0.0000	5000	0.02	0.0000	0.0000
103	G RAJA GOPAL	5000	0.02	0.0000	5000	0.02	0.0000	0.0000



104	H R SUBBARAO	5000	0.02	0.0000	5000	0.02	0.0000	0.0000
105	S RUDRAPPA	5000	0.02	0.0000	5000	0.02	0.0000	0.0000
106	RASHMI JALANI	5000	0.02	0.0000	5000	0.02	0.0000	0.0000
107	T LAKSHMI	5000	0.02	0.0000	5000	0.02	0.0000	0.0000
108	T R SHANKARAPPA	5000	0.02	0.0000	5000	0.02	0.0000	0.0000
109	T S PRAKASH	5000	0.02	0.0000	5000	0.02	0.0000	0.0000
110	RAGHAVENDRA RAO MITTA	5000	0.02	0.0000	5000	0.02	0.0000	0.0000
111	KANRAJ M JAIN	5000	0.02	0.0000	5000	0.02	0.0000	0.0000
112	GANAPATHY G S	5000	0.02	0.0000	5000	0.02	0.0000	0.0000
113	VIJAYAKUMAR M	5000	0.02	0.0000	5000	0.02	0.0000	0.0000
114	P V KRISHNA	5800	0.03	0.0000	5800	0.03	0.0000	0.0000
115	R JAGADISH KUMAR	6500	0.03	0.0000	6500	0.03	0.0000	0.0000
116	SARANAM DHANALAKSHMI THAYARU	6600	0.03	0.0000	6600	0.03	0.0000	0.0000
117	P SIVA PRASAD	10000	0.05	0.0000	440	0.002	0.0000	(0.048)
118	SEEMA MURARKA	10000	0.05	0.0000	10000	0.05	0.0000	0.0000
119	CHANDRAKANT A SHAH	10000	0.05	0.0000	10000	0.05	0.0000	0.0000
120	GRANDHI HIMAJA	73189	0.36	0.0000	73189	0.36	0.0000	0.0000
121	G.LAKSHMI HYMAVATHI	319295	1.56	0.0000	319295	1.56	0.0000	0.0000
122	G V S L KANTHA RAO	14582000	71.39	0.0000	145935	71.45	0.0000	00.060
	<b>Total</b>	15293423	74.88	0.0000	15277863	74.80	0.0000	(0.08)

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl.No.	Particulars	Share holding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	15293423	74.88		
2.	Date wise Increase / Decrease in Promoters Share holding during the year specifying	1.P.Siva Prasad 2.Jayanthi Lal, 3.Mitta Nagamani Transferred their shares during the year		15560 (9560+1000+5000)	0.08
3.	At the End of the year			15277863	74.80



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

Sl.No.	Share holders Name	Share holding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	M DIVAKAR	222,500	1.09	222,500	1.09
2	BHARATH C JAIN	1,98,000	0.97	1,98,000	0.97
3.	FIRST CALL INDIA EQUITY ADVISORS PVT LTD	182275	0.89	182275	0.89
4.	AMIT BHUTRA Details of increase/ (decrease) of shares by way transfer  27-05-2016 -14116 03-06-2016 1500 10-06-2016 14000 22-07-2016 -10000 12-08-2016 1080 11-11-2016 -3000 30-12-2016 -3744	137395	0.67	1,23,115	0.63
5.	SATYASUNDARI VEMPARALA	1,29,523	0.63	1,29,523	0.63
6	HEMANTRAJ BHEEMAPPA BATAKURKI Details of increase/(decrease) of shares by way transfer  12-08-2016 -4000 09-12-2016 2000 17-03-2017 -4000	1,12,000	0.55	1,06,000	0.53
7.	MUSUNURI MARKANDEYULU	1,07,563	0.53	1,07,563	0.53





8.	<b>PARAG JHAWAR</b> Details of increase/(decrease) of shares by way transfer 08-04-2016      10000	91,220	0.45	101220	0.50
9.	<b>MOHANCHAND H</b> Details of increase/(decrease) of shares by way transfer 10-06-2016      2700 17-06-2016      18271 24-06-2016      2082 29-07-2016      2700 05-08-2016      4450 12-08-2016      3800 19-08-2016      9225 26-08-2016      3000 07-10-2016      2831 21-10-2016      5000 28-10-2016      2500 04-11-2016      5000 11-11-2016      4500 27-01-2017      5400 03-03-2017      7000 10-03-2017      9900	12579	0.06	100938	0.49
10.	<b>SANDEEP BIPIN</b> <b>CHANDRAJHAVERI</b> Details of increase/(decrease) of shares by way transfer 08-04-2016      -4590 15-04-2016      -951 22-04-2016      -3000 23-12-2016      -59333	67,874	0.33	62,849	0.29



## (v) Shareholding of Directors and Key Managerial Personnel:

Sl.No.	For Each of the Directors and KMP	Shareholding at the beginning of the year			Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	G.V.S.L.Kantha Rao (Managing Director)& KMP	At the beginning of the year	14582000	71.39	14582000	71.39
		At the end of the year	14593500	71.45	14593500	71.45
2	G.Subba Rao	At the beginning of the year	11500	0.056	11500	0.056
		At the end of the year	0.00	0.00	0.00	0.00
3	P.V.Srihari(Director) CFO & KMP	At the beginning of the year	11,810	0.0578	11,810	0.0578
		At the end of the year	9311	0.045	9311	0.045
4	G.Himaja	At the beginning of the year	73189	0.3584	73189	0.3584
		At the end of the year	73189	0.3584	73189	0.3584
5	P.Bhaskara Rao	At the beginning of the year	2500	0.0122	2500	0.0122
		At the end of the year	990	0.004	990	0.004
6	M.V.Subba Rao	At the beginning of the year	-	-	-	-
		At the end of the year	-	-	-	-



## V. INDEBTEDNESS

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

Particulars	Secured Loans excluding deposits(Rs.)	Unsecured Loans (Rs.)	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	14,01,498	Nil	Nil	1401498
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
<b>Total (i+ii+iii)</b>	14,01,498	Nil	Nil	1401498
<b>Change in Indebtedness during the financial year</b>				
* Addition	52,39,817	Nil	Nil	52,39,817
* Reduction	8,06,298	NIL	Nil	8,06,298
<b>Net Change</b>	44,33,519	Nil	Nil	44,33,519
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	58,35,017	Nil	Nil	58,35,017
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
<b>Total (i+ii+iii)</b>	58,35,017	Nil	Nil	58,35,017

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	G.V.S.L. Kantha Rao (Managing Director)	Total Amount
1.	Gross salary	Rs.42,00,000	Rs.42,00,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission- as % of profit- others, specify...	-	-
5.	Others, please specify	-	-
	<b>Total (A)</b>	Rs.42,00,000	Rs.42,00,000
	<b>Ceiling as per the Act</b>	Rs.42,00,000	Rs.42,00,000



B. Remuneration to other directors: Nil

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

Sl.No.	Particulars of Remuneration	Company Secretary*	CFO	Total Amount (in Rs.)
1.	Salary	2,00,000*	Nil	2,00,000*
	Total (1)	2,00,000*	Nil	Nil
2.	Others· * Fee for attending board / committee meetings· * Commission· * Others, please specify	Nil		
	Total (2)	2,00,000	Nil	2,00,000
	Total (B)=(1+2)	Nil	Nil	Nil
	Total Managerial Remuneration (A+B)	Rs.44,00,000	-	44,00,000
	Overall Ceiling as per the Act	NA	NA	NA

\* Company secretary was appointed since 3<sup>rd</sup> October 2016

## VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: Nil

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

On behalf of the board of directors, Guntur

Date :12.08.2017      G.V.S.L. Kantha Rao    M.Himaja  
Managing Director      Director

### Annexure - II

#### FORM NO. AOC -2

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

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

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

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



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

Sl. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	1) M/S Crane Betel Nut Powder works, Guntur Relationship: Mr.G.V.S.L.Kantha Rao , Managing Director of the company is proprietor of M/S Crane Betel Nut Powder works, Guntur 2) MR PV Sri Krishna &Mr. K. Praveen are Relatives of key managerial personnel
b)	Nature of contracts/arrangements/transaction	Rs.4,80,000 and Rs.12,00,000 amounts are paid as salaries to Mrs P.V.Sri Krishna & Mr. K. Praveen respectively.
c)	Duration of the contracts/arrangements/transaction	Nil
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Nil
e)	Date of approval by the Board/Share holders	26/05/2016
f)	Amount paid as advances, if any	Nil

Details of contracts or arrangements or transactions not at Arm's length basis : Nil

On behalf of the board of directors

Date :12.08.2017      G.V.S.L. Kantha Rao    M.Himaja  
Managing Director      Director

### Annexure: III

#### ANNUAL REPORT ON CSR ACTIVITIES

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

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

2. The Composition of the CSR Committee:

Sri MV Subba Rao                      - Chairman  
Sri G V S L Kanta Rao                - Member  
Smt M Himaja                          - Member

3. Average net profit of the Company for last three financial years: 626.49 Lacs/-

4. Prescribed CSR expenditure: Rs.12.52 lacs/-

5. Details of CSR spent during the financial year:

- (a) Total amount to be spent for the financial year: Rs. 12.52 lacs/-
- (b) Total amount spent during the year: 3.24 lacs/-
- (c) Amount unspent, if any: 6.78 lacs/-





## 1. CSR expenditure details:

Sl. No.	CSR project or activity Identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overhead	Cumulative expenditure upto to the reporting period	Amount spent: Direct or through implementing agency *
1.	Education	Scholarships were given to students	1.Distribution of Scholarships to 94 students who excelled in their studies	3.24Lacs	It is a direct expenditure	Rs.3.24 Lacs	Amount spent directly by the company
	Total	-	-	Rs. 3.24 Lacs	-	Rs.3.24 Lacs	-

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

The company still has to spend Rs. 6.78 lacs but the company did not find the suitable project according to its philosophy. The company hopes that it will spend in the near future after finding the suitable project.

## 2. CSR Committee Responsibility Statement:

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

On behalf of the CSR Committee

MV Subba Rao  
Chairman

GVSL KanthaRao  
Member

M Himaja  
Member



**Annexure:IV**  
**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED ON 31ST**  
**MARCH, 2017**

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

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

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2017 according to the provisions of:

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

Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

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

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The SEBI(LODR) Regulations, 2015:

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

(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 except that as mentioned below

1. The Company has not ensure that hundred percent of shareholding of promoter(s) and Promoter group is in dematerialized form. This is a non-compliance of Regulation 31 (2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
2. The Company has not appointed internal auditor, which was a non compliance under section 138 of the companies Act, 2013.
3. The company didnot appoint the company secretary till the 2nd october 2016.

We further report that

Place: Vijayawada

Date: 12.08.2017

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act

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

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

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

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

For K. Srinivasa Rao & Nagaraju Associates.,

Company Secretaries.,

**CS.N.V.S.Naga Raju**, Partner

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

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

**‘ANNEXURE A’**

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

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

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

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

Place: Vijayawada

Date: 12.08.2017

CS.N.V.S.Nagaraju

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

**Annexure-V****BOARD’S REPORT****MANAGEMENT DISCUSSION & ANALYSIS****Industry structure and developments :**

The dairy industry in India has been on a steady path of progression since Indian independence. It has grown from producing 17 million tonnes of milk in 1951 to producing 140 million tonnes in 2017.

Today, India is one of the largest milk producing countries in the world. This solid progress is primarily attributable to structural changes in the Indian dairy industry brought about by the advent of dairy cooperatives.

The Indian dairy industry reported a market size of USD 48.5 billion in FY2011. With a Compound Annual Growth Rate (CAGR) of 16 percent, it is anticipated to reach USD 118 billion in 2017. On the back of a rise in disposable income, coupled with strong demand for dairy products, the Indian dairy industry is all set to experience high growth rates in the next five years.

The consumption pattern of dairy products in India is quite unique as compared to some of the western countries. Consumption is primarily skewed towards traditional products; however, westernized products are gradually gaining momentum in the urban areas. Interestingly, buffalo milk accounts for the largest share of the total milk produced in the country. Since the pricing of milk is based on the fat content, buffalo milk offers higher profit margins as compared to cow milk as it contains higher fat.

The Indian dairy sector is characterized by high fragmentation. It is dominated by the unorganized sector comprising of 70 million rural households. The per capita availability of milk in India stands at 289.4 grams per day. Backed by strong domestic demand, the per capita availability of milk is anticipated to reach 336 grams per day in FY2017. Despite being the one of the largest milk producing countries in the world, India accounts for a negligible share in the worldwide dairy trade. The ever increasing rise in domestic demand for dairy products and a large demand-supply gap could lead India to be a net importer of dairy products in the near future.

**Opportunities and threats:**

The economic growth of the nation and growth of the income of the people coupled with ever increase in the



health consciousness of the people and changes in life style even in rural area necessities the healthy food like Ghee and other dairy products. It causes for heavy increase in the demand for dairy products. It will be the opportunity to us to capture the increasing demand towards dairy products. The company launched Milk, Curd and Butter Milk in April 2016. The company's brand value among the public will be an effective source for increase of new products sales as other products of company. As no other local state government taxes except common tax to all i.e GST will be a great opportunity for the company to enter into new areas and expanding its market share so that significant possibility in increasing the revenue.

It would be seen that stagnant growth in revenue since ever increase in the competition by entering new players both national and international in the market.

#### **Product-wise performance :**

The primary business segment of your Company is Foods comprising products ghee and Cow ghee. The Company entered into new segments of milk products viz. production of Curd and Buttermilk in financial year 2016-17.

Ghee: Durga ghee is our most profitable product with good market and brand value.

Cow ghee: Kama Dhenu cow ghee is also a profitable product.

#### **Outlook:**

Your company sees significant increase of revenue as it has launched new products Milk, Curd, Butter Milk and positive response for the same among the public. For the production and supply of newly launched products your company installed new production capacity machinery. Implementation of GST will be an great opportunity for your company to enter into new market areas for both existing products and newly launched products since there are no discrimination by levying taxes based on origin of products. Demonetization effected macro level in the nation which also effected last two quarters of revenue of your company.

Your company sees high growth in revenue since normalization of the demonetization effect.

#### **Risks and concerns:**

It has been the primary risk to the business is ever increase in adulteration of branded products by duplicating name and mimicking the packing of the branded products and

also non availability and volatility of raw material according to requirement.

#### **Internal Control Systems & Adequacy:**

Your Company's internal control systems are commensurate with the nature, size and complexity of its business and ensure proper safeguarding of assets, maintaining proper accounting records and providing reliable financial information. An external independent firm carries out the internal audit of the Company operations and reports its findings to the Audit Committee on a regular basis. Internal Audit also evaluates the functioning and quality of internal controls and provides assurance of its adequacy and effectiveness through periodic reporting. Your Company has a code of business conduct for all employees and a clearly articulated and internalized delegation of financial authority. These authority levels are periodically reviewed by management and modifications, if any, are submitted to the Audit Committee and Board for approval. Your Company also takes prompt action on any violations of the code of business conduct by its employees. The Audit Committee also reviews the risk management framework periodically and ensures it is updated and relevant.

#### **Financials performance:**

During the Year under review revenue from operations for the financial year 2016-17 was 71.48 crores. It was increased by 17.45% over last year ('60.86 crores in 2015-16). Profit after tax (PAT) for the financial year 2016-17 was 228.39 Lacs. It was decreased by 60.08% over last year (572.16 Lacs in 2015-16). The revenue was fall minor due to sluggish market conditions in final quarter and it was only temporary market fluctuation. There were no adverse changes in company consumer base and it was increased positively

#### **Human Resources and Industrial Relations:**

Your Company has laid high emphasis on driving an effective and transparent performance culture withan 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 31st March 2016, your Company had 44 employees on its rolls

### **Disclosure of Accounting Treatment:**

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

## **Annexure VI**

### **Corporate Governance Report for the year 2016-17**

#### **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, 2017 have been made by the directors.

iii. Independent directors are non-executive directors as defined under regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015. The maximum tenure of the independent directors is in compliance with the Companies Act, 2013 ("Act"). All the Independent Directors have confirmed that they meet the criteria as mentioned under regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015 and Section 149 of the Act. Details of familiarization programmes imparted to independent directors is available at [www.cranegroup.in](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, 2017 are given herein below.



Name of the Director	Category	Number of board meetings during the year 2016-17		Whether attended to the last AGM held on September 26 2016	Number of directorships in other Listed Companies	Number of committee positions held in other Listed companies	
		Held	Attended			Chairman	Member
*Grandhi Subba Rao(late) Din:01864400	Non-Executive Director Non- Independent	6	5	Yes	0	0	0
G.V.S.L.Kantha Rao Din:01846224	Managing Director Non-Executive Director	6	6	Yes	1	3	2
Manepalli Himaja Din: 06505782	Non- Independent (Woman Director)	6	0	Yes	1	0	4
Puvvada Venkata Srihari Din:03452957	Director &CFO	6	6	Yes	0	0	0
Bhaskar Rao Potti Din:01846243	Non-Executive Director Independent	6	6	Yes	1	2	3
Mattupalli Venkata Subba Rao 06959568	Non-Executive Director Independent	6	3	Yes	1	2	2

\*Sri Grandhi Subba Rao, Director and Founder promoter of the company Passed away on 24-03-2017. So he was ceased as a director of the company w.e.f 24-03-2017 due to his Demise.

v. Six meetings of the board were held during the financial year 2016-17 on 26.05.2016, 08.08.2016, 03.10.2016, 12.11.2016, 14.02.2017 and 31.03.2017, with a gap between not exceeding the period of 120 days as prescribed under the Act and all members are present at the above meetings, the necessary quorum was present for all the meetings.

vi. During the year Two separate meetings of the independent directors was held on 01.06.2016 and 25.03.2017 inter-alia to review the performance of non-independent directors and the board as a whole.

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

Viii. Relationships between directors inter-se

Except the Two Independent Directors all the other directors of the company are having relationship with each other.i.e relatives.

### 3 . Committees of the board

#### 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 utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation 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 or in absence of company secretary, compliance officer acts as the secretary to the audit committee.

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

iv. The previous annual general meeting (AGM) of the Company was held on September 26th, 2016 and Mr. Potti Bhaskara Rao, Chairman of the audit committee attended to this meeting.

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

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

The committee comprises as follows:

1. Mr. P. Bhaskara Rao - (Chairman)
2. Mr. M. V. Subba Rao - Member
3. Mr. G. Subba Rao - Member\*
4. Ms. M. Himaja - Member

Six audit committee meetings were held during the year and the gap between two meetings did not exceed four months. The dates on which the said meetings were held on 26.05.2016, 08.08.2016, 03.10.2016, 12.11.2016, 14.02.2017 and 31.03.2017. The necessary quorum was present for all the meetings.

\*Sri Grandhi Subba Rao, Director and Member of The Audit Committee Passed away on 24-03-2017. Sri Grandhi Subba Rao, Member of the Audit committee ceased as a member committee due to his death.

Name	Category	Number of meetings during the Financial Year 2016-17	
		Held	Attended
P. Bhaskar Rao (Chairman)	I& NED	6	6
M V SUBBA RAO	I& NED	6	6
G. Subba Rao*	NED	5	5
M. Himaja	NED	1	1

Smt M. Himaja (Director), has been appointed as a member for the Audit committee in place of G. Subba Rao w.e.f 31-03-2017

## 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 through out the financial year.

The committee comprises as follows :

1. Mr. G. Subba Rao\*,
2. Mr. P. Bhaskar Rao
3. Smt. M. V. Subba Rao
4. Smt M. Himaja

The Chairman of the Committee is an Independent Director.

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

### (a) Terms of Reference

The Company had constituted the Nomination and Remuneration Committee under Section 178 of the





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

**b) Composition, Meetings and Attendance during the year**

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

Name	Category	Number of meetings during the Financial Year 2016-17	
		Held	Attended
P.Bhaskar Rao (Chairman)	I& NED	5	5
M V SUBBA RAO	I& NED	5	5
G.Subba Rao*	NED	5	4
M.Himaja	NED	1	1

\*Sri Grandhi Subba Rao, Director and Member of The nomination and remuneration committee Passed away on 24-03-2017.

So he was ceased as a member committee due to his death.

\*Smt M.Himaja (Director), has been appointed as a member for the nomination and remuneration committee in place of G. Subba Rao w.e.f 31-03-2017

Five Nomination and Remuneration Committee meetings were held during the year and the gap between two meetings did not exceed four months. The dates on which the said meetings were held on 26.05.2016, 08.08.2016, 03.10.2016, 20.01.2017 and 31.03.2017. 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 & constructivity 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:

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

#### (f) Remuneration to Executive Directors:

The appointment and remuneration of Executive Directors including Managing Director, Joint Managing Director and Whole Time Director is governed by the recommendation of the Remuneration and Nomination Committee, resolutions passed by the Board of Directors and Shareholders of the Company. The remuneration package of Managing Director, Joint Managing Director and Whole Time Director comprises of salary, perquisites, allowances and other retirement benefits as approved by the shareholders at the General Meetings of the Company.

Name	Salary (RS.in lacs)	Benefits/ Perquisites and allowances	Commission
G.V.S.L. Kantha Rao	42.00	-	-

#### (g) Remuneration to Non-Executive Directors:

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

#### (h) Employee stock option scheme:

The Company does not have any employee stock option scheme

### III. Stakeholders' relationship committee

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

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

The committee comprises as follows :

- Mr.Mv Subba Rao
- Mr.P.Bhaskar rao
- Mr.GVSL Kantha Rao

Name	Categeory	Number of meetings during the Financial Year 2016-17	
		Held	Attended
M V Subba Rao	I& NED	4	4
P.Bhaskar Rao (Chairman)	I& NED	4	4
G.V.S.L. Kantha Rao	M.D	4	4

Four stakeholders relation ship 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 26.05.2016, 08.08.2016, 12.11.2016, and 14.02.2017 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.

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

iv) Name, designation and address of Compliance Officer:

Mr. Adi Venkata Rama.R  
Company Secretary and Compliance Officer  
Virat Crane Industries Limited  
Guntur. Telephone: 0863-2223311  
Email: viratcraneindustriesltd@gmail.com

5. Details of investor complaints received and redressed during the year 2016-17 are as follows

Opening balance	Received during the year	Resolved during the year	Closing balance
0	11	11	0

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

8. General Share holders information

i. General meeting

a. Annual general meeting:

Financial year	Date	Time	Venue
2013-14	29.09.2014	10.00A.M	NH-5, Ankireddypalem Village, Chilakaluripet Road, Guntur
2014-15	28.09.2015	10.00 A.M	Crane Infrastructure Ltd Factory Premises, NH-5 Ankireddypalem Village, Chilakaluripet Road, Guntur

2015-16	26-09-2016	10.30A.M	Crane Infrastructure Ltd Factory Premises, NH-5, Ankireddypalem Village, Chilakaluripet Road, Guntur.
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b. Extraordinary general meeting:

No extraordinary general meeting of the members was held during the year 2016-17.

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 26.09.2016.

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.

9. Plant Address :

Nunna,  
Nuzvidu Road,  
Vijayawada.

10. Disclosures

(i) During the year, there were no material related party transactions that may have potential conflicts with the interests of the Company at large. Transactions with related parties are disclosed in Notes to Accounts. The VCIL related party transaction will be available at [www.cranegroup.in](http://www.cranegroup.in)

(ii) Disclosures from Senior Management that there had been no material financial and commercial transactions that had a potential conflict with the interest of the Company at large were placed before the Board.

(iii) Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and Regulation 22 of the SEBI Listing Regulations, the Company has a Whistle-Blower Policy and Vigil Mechanism for Directors and employees to report genuine concerns regarding unethical behavior, actual or suspected fraud or violation of the Company's Code of



Conduct. The said mechanism also provides for adequate safeguards against victimization of the persons who use such mechanism and makes provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. No employee of the Company was denied access to the Audit Committee. The said Vigil Blower Policy & Vigil mechanism has been posted at company's website: [www.cranegroup.in](http://www.cranegroup.in)

(iv) The Company has complied with all the mandatory requirements on Corporate. A compliance report in the prescribed format has been submitted to the Stock Exchanges for all the quarters.

(v) The Company has also complied with the following non-mandatory requirements:

### Reporting of Internal Auditor

The Internal Auditors of the Company directly report to the Audit Committee

#### Compliance

The Board reviews periodically compliance reports of all laws applicable to the Company, prepared by the Company as well as steps taken by the Company to rectify instances of non-compliances, if any.

#### i. Related Party transactions

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

ii. Details of non-compliance by the Company, 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 2013-14 2014-15 and 2015-16 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 vii to this report.

iv. Reconciliation of share capital audit:

A qualified practicing Company Secretary carried out a share capital audit to reconcile the total admitted equity share capital with the NSDL and Central Depository services (India) Limited (CDSL) and the total issued and listed equity share capital. The audit report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of 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, 2017. A declaration signed by the Managing Director is given below:

### DECLARATION

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, 2017, 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

Date : 12.08.2017  
Place : Guntur

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

#### 11. Subsidiary companies

The company does not have any subsidiary Companies

#### 12. Means of communication

a. 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 Annexure to the notice the AGM to be held on 29th September, 2017.

b. The quarterly, half-yearly and annual results of the Company are published in English i.e Business Standard and vernacular Language i.e Andhra Prabha

c. The Company's results were disseminated on website of Bombay Stock Exchange and company's website [www.cranegroup.in](http://www.cranegroup.in)



d. The Management Discussion and Analysis Report is included as Annexure v in this Report dematerialized shares held with CDSL.

Details of shareholding in physical mode and electric mode with NSDL and CDSL as on 31.03.2017

S.No	Particulars	No. of Shares	% equity
1	CDSL	16123434	78.95
2	NSDL	2355506	11.53
3	Physical	1944810	09.52
4	Total	20423750	100.00

## 12. General shareholder information ( 25th AGM)

Particulars	Information
Date	September 29, 2017
Time	11.00 AM.
Venue	Premises of Crane Infrastructure Limited , NH-5, Ankireddypalem Village, Chilakaluripet pet Road, Guntur.
Financial Year ended	31.03.2017 (2016-17)
Dividend and Due date for dividend payment :	Board of Directors has recommended a final dividend of Rs. 0.5/- per equity share of Rs. 10/- each fully paid up for the financial year 2016-17. On approval of the share holders , the dividend, shall be Credited / on or after 4th october, 2017.
Date of book closure / record date	22-09-2017
Listed on stock exchange	BSE Limited (BSE)
Stock Codes / Symbol:	Security Id: VIRATCRA
Scrip Code:	519457
Listing Fees.	paid
vi. Corporate identity number (CIN) :	L74999AP1992PLC014392

### vii. Dividend policy:

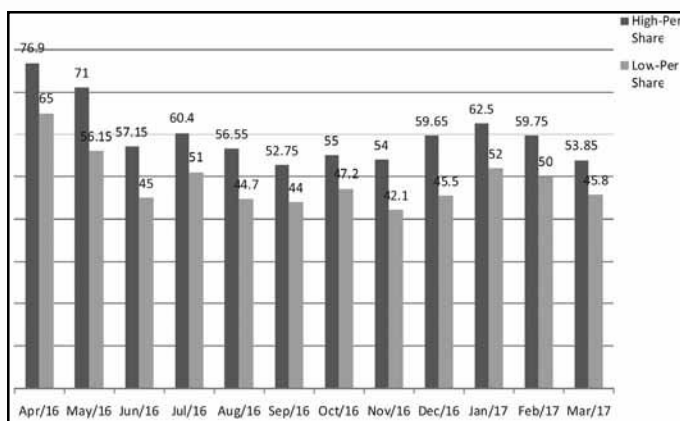
Dividends, other than interim dividend(s), are to be declared at the annual general meetings of shareholders based on the recommendation of the board of directors.

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 2016-17 on BSE:

Month	High	Low	Total number of equity shares traded
April 2016	76.90	65.00	71,589
May 2016	71.00	56.15	64,681
June 2016	57.15	45.00	3,45,257
July 2016	60.40	51.00	93,987
August 2016	56.55	44.70	1,29,604
September 2016	52.75	44.00	1,32,749
October 2016	55.00	47.20	1,01,499
November 2016	54.00	42.10	69,711
December 2016	59.65	45.50	3,98,989
January 2017	62.50	52.00	1,11,290
February 2017	59.75	50.00	1,73,459
March 2017	53.85	45.80	1,32,228



### 13. Registrars and Share transfer agents:

#### Name and Address

M/s Big Share Services Private Limited  
306, 3rd 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. Shareholding as on March 31, 2017:

##### a. Distribution of equity shareholding as on March 31, 2017:

Number of Shares	No. of Share Holders	% Percentage	No. of Shares	% Percentage
1-500	6258	84.8657	1352248	6.6210
501-1000	533	7.2281	439178	2.1503
1001-2000	250	3.3903	379020	1.8558
2001-3000	116	1.5731	292389	1.4316
3001-4000	47	0.6374	167106	0.8182
4001-5000	62	0.8408	299444	1.4662
5001-10000	59	0.8001	421274	2.0627
10001 & above	49	0.6645	17073091	83.5943
<b>GRAND TOTAL</b>	<b>7374</b>	<b>100</b>	<b>20423750</b>	<b>100</b>

##### b. Categories of equity shareholders as on March 31, 2017:

Category	Number of equity shares held	Percentage of holding
Promoters	15277863	74.80
Other Entities of the Promoters Group	-	-
Insurance Companies		
Indian Public and others	4703812	23.03
Mutual Fund and UTI	5000	0.02
Corporate Bodies	329656	1.61

Banks, Financial Institutions, State and Central Government	22300	0.11
Foreign Institutional Investors	-	-
Foreign Portfolio Investor – CORP	-	-
NRI's / OCBs / Foreign Nationals, clearing members, Trusts	85119	0.42
<b>GRAND TOTAL</b>	<b>20423750</b>	<b>100</b>

#### 16. Dematerialisation of shares and liquidity

As on 31.03.2017, 90.71% 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 ISIN: INE295C01014.

#### 17. 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, 2017, the Company does not have any outstanding GDRs / ADRs / Warrants or any convertible instruments.

#### 18. Equity shares in the suspense account: Nil

#### 19. 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 31.03.2017

Particulars	Dividend of 2015-16 FY	Dividend of 2015-16 FY (Interim)	Dividend of 2014-15 FY	Dividend of 2013-14 F.Y	Dividend of 2012-13 FY
Unclaimed Dividend	Rs. 7,34,790	Rs. 8,31,184	Rs. 2,80,600	Rs. 6,34,474	Rs. 6,60,079

20 . Address for correspondence:

**Virat Crane Industries Limited**

D.NO. 25-18-54,

Opp:Crane Betel Nut Powder Works,

Main Road,Sampath Nagar,Guntur.

email:viratcraneindustriesltd@gmail.com

#### Annexure: VII

Whistle Blower Policy of Virat Crane Industries

### 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 behaviour or suspected fraud

### 2. SAFEGUARDS

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

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

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

The seriousness of the issue raised;

The credibility of the concern; and

The likelihood of confirming the allegation from attributable sources.

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

### 3. RAISING A CONCERN

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

(b) The first step should be to approach the relevant Business Head. In case the Business Head or Senior Management is the subject of complaint, the employees can directly reach out to HR Director or Legal Director. If the Business Head finds the Whistle Blower complaint to be substantiated, s/he will consult with the HR Director or Legal Director on referring it to the appropriate body





formed by the Company for such purposes. Employees of the HR/ Legal Director's Services should raise their concerns with the Finance Director.

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

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

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

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

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

#### 4. HOW THE COMPLAINT WILL BE DEALT WITH

(a) The concerns raised may: 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

#### Anexure :VIII

##### MANAGING DIRECTOR & CHIEF FINANCIAL OFFICER

##### CERTIFICATE PURSUANT TO Regulation 17(8) OF THE SEBI (LODR) REGULATIONS, 2015

To  
The Board of Directors  
Virat Crane Industries Limited  
Guntur

We, the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of Virat Crane Industries Limited ("the Company"), to the best of our knowledge and belief certify for the financial year ended 31st March, 2017 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 violative of the Company's code of conduct.

(C) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

(d) We have indicated to the auditors and the Audit committee

(i) that there are no significant changes in internal control over financial reporting during the year;

(ii) that there are no significant changes in accounting policies during the year; and

(iii) that there are no instances of significant fraud of which we have become aware.

Date : 27.05.2017

Place : Guntur

Sd/-

For Virat Crane Industries Ltd  
G.V.S.L.Kantha Rao  
Managing Director

Sd/-

For Virat Crane Industries Ltd  
P.V.Srihari  
Chief Financial Officer

Annexure: IX

## AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

TO THE MEMBERS OF

VIRAT CRANE INDUSTRIES LIMITED

Guntur

We have examined the compliance of conditions of Corporate Governance by VIRAT CRANE INDUSTRIES LIMITED ("the Company"), for the year ended March 31, 2017, as stipulated in SEBI (LODR) Regulations 2015.

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

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI (LODR) Regulations 2015. We state that such compliance 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.

Date: 27.05.2017

Place: Guntur

Sd/-

For Nagaraju & Co.,  
CA.K.Naga Raju  
(Chartered Accountants)



## *Independent Auditor's Report*

### **To the Members of Virat Crane Industries Limited**

We have audited the accompanying financial statements of VIRAT CRANE INDUSTRIES LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements:**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("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, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these

financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments; the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### **Opinion**

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles



generally accepted in India of the state of affairs of the Company as at 31<sup>st</sup> March, 2017, and its profit and its cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.

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 best of our knowledge and belief were necessary for the purpose 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, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;

d) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of written representations received from the directors as on 31<sup>st</sup> March 2017, taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2017 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"

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending

litigations on its financial position in its financial statements – Refer Note: 1 (Notes on Accounts) to the financial statements.

ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses. – Refer Note: 10 (Notes on Accounts) to the financial statements.

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

iv. The Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016 and the same are in accordance with books of accounts maintained by the Company.

*for Nagaraju & Co.,*

*Chartered Accountants*

FRN: 02271S

K. Nagaraju

*Proprietor*

M.No: 020474

Place: Guntur

Date: 27.05.2017





**Annexure “A” to the Auditor's Report dated May 27, 2017 issued to the Members of Virat Crane Industries Limited**

As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of Sub-section (11) of section 143 of the Companies Act, 2013 (18 of 2013) and on the basis of such checks, as we considered appropriate, we further report that:

- i. a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
- c) All the title deeds of immovable properties are held in the name of the company or in the name of Durga Dairy Ltd which is a merged entity.

- ii. a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.
- b) No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
- iii. a) The Company has granted loans to three bodies corporate listed in the register maintained under section 189 of the Companies Act, 2013 (“the Act”).
- b) The terms of arrangement does 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 and to Virat Crane Bottling Limited are outstanding from a long time and no provision has been considered by the management in the accounts.

Nature of Transaction	Party & Relation	Max. Amount involved (Rs. In Lakhs)	Closing Balance as on 31.03.2017 (Rs. In Lakhs)
Advance	Virat Crane Agri Tech Limited	631.57	631.57
Advance	Crane Infrastructure Limited	161.44	149.02
Advance	Virat Crane Bottling Limited	3.45	3.45

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

- c) There are no overdue amounts in respect of the above loans granted to the bodies corporate as there is no repayment schedule and bear no interest.
- iv. According to the information and explanations given to us, the Company has given Corporate Guarantee to IDBI for the term loan of Rs. 10.00 Crores given to Virat Crane Bottling Limited. However the loan by IDBI has been limited and taken only Rs. 5.00 Crores.
- v. The company has not accepted deposits from public, within the meaning of sections 73 to 76 or any other relevant provisions of the Companies Act 2013.
- vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the goods produced by the Company.
- vii. a) According to information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees'



State Insurance, Income-tax, Sales-tax, Service Tax, Cess to the extent applicable and any other material statutory dues have generally been regularly deposited with the appropriate authorities.

b) According to the information and explanations given to us and on the basis of the documents the disputed statutory dues which have not been deposited with the appropriate authorities are as under:

**Demands for which liability is not created**

<b>Nature of the Statute</b>	<b>Nature of the Dues</b>	<b>Amount (Rs)</b>	<b>Period to which the amount relates</b>	<b>Review Status/Position</b>
1. Agricultural Market Committee Cess	Cess	10,55,689	1994-95 to 2000	Stay given by the Supreme Court. Case is pending.
2. Agricultural Market Committee Cess	Cess	1,06,29,410	2011-12 to 2015-16	Contested with Secretary, AMC, Vijayawada. Case is pending.
3. AP VAT	Commercial Tax Department	73,27,091	2006-07 to 2011-12	Interim stay given by the AP, High Court order dated 10.09.2014. Case has not yet come for hearing.
4. APGST	Sales Tax Authority	1,95,000	1999 - 2000	The Sales Tax Appellate Tribunal has in their order dated 12.04.2013 has struck down the case, allowed the appeal and remanded the case.
5. Luxury Tax	Commercial Tax Department	3,47,484	2005 - 06	Pending with the AP, High Court. In their order dated 24.06.2008, asked to deposit 50% of demand, Rs.1,73,742/- which has been deposited by the Company with CTO, Guntur on 13.08.2008.

viii. Based on our audit procedure and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues during the year to financial institutions and banks.

ix. The Company has not raised any Initial Public Offer or further public offer and not obtained any term loan.

x. Based upon the audit procedures performed and information and explanations given by the management, we report that we have not come across any instances of fraud by the company or any fraud on the company by its officers or employees that have been noticed or reported during the year nor have we been informed of such a case by management.

xi. Managerial remuneration has been paid or





provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act 2013.

xii. The Company is not a Chit Fund Company/or Nidhi/mutual benefit fund/society.

xiii. All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Hence, compliance to the provision of section 42 of Companies Act, 2013 is not applicable.

xv. The Company has not entered into non-cash transactions covered by Section 192 of Companies Act, 2013 with directors or persons connected with him.

xvi. In our opinion, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3(xvi) of the Order are not applicable to the Company and hence not Commented upon.

*for* **Nagaraju & Co.,**  
Chartered Accountants  
FRN: 02271S

K. Nagaraju  
Proprietor  
M.No: 020474

Place: Guntur  
Date: 27.05.2017

## **Annexure - “B” to the Auditor's Report**

Report on the Internal Financial Controls over Financial Reporting in terms of Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”).

We have audited the Internal Financial Controls over financial reporting of **Virat Crane Industries Limited** (“the Company”) as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

## **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of



Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness

of internal control based on the assessed risk. The procedures selected depend on the

Auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or

timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

*for Nagaraju & Co.,*  
*Chartered Accountants*  
FRN: 02271S

K. Nagaraju  
*Proprietor*  
M.No: 020474

Place: Guntur  
Date: 27.05.2017



# 25-18-54, Opp: Crane Betel Nut Powder works main road, Sampath Nagar, Guntur - 522004..

### Balance Sheet as at 31st March, 2017

(In Rupees)

Particulars		Note No.	As at 31st March, 2017	As at 31st March, 2016
1		2	3	4
I.	<b>EQUITY AND LIABILITIES</b>			
1	<b>Shareholders' Funds</b>			
(a)	Equity Share Capital	1	204,237,500	204,237,500
(b)	Reserves and surplus	2	100,449,048	89,863,464
2	<b>Non-Current Liabilities</b>			
(a)	Long-Term Borrowings	3	-	806,298
(b)	Other Long Term Liabilities	4	9,686,223	13,438,343
(c)	Long-Term Provisions	5	788,188	788,188
3	<b>Current Liabilities</b>			
(a)	Short-Term Borrowings	6	5,402,015	595,200
(b)	Trade Payables		75,955,409	29,921,523
(c)	Other Current Liabilities	7	24,246,971	17,121,348
(d)	Short-Term Provisions	8	20,354,780	36,340,825
	<b>TOTAL EQUITY &amp; LIABILITIES</b>		441,120,134	393,112,689
II.	<b>ASSETS</b>			
1	<b>Non-Current Assets</b>			
(a)	Fixed Assets			
(i)	Tangible Assets	9	37,830,706	29,230,419
(ii)	Capital Work in Progress		3,372,174	-
(ii)	Intangible Assets		99,942,953	99,942,953
(b)	Non-Current Investments	10	41,242,800	41,242,800
(c)	Deferred Tax Assets (net)		1,897,785	2,671,009
(d)	Long-Term Loans and Advances	11	70,637,815	70,637,815
(e)	Other Non-Current Assets	12	32,506,840	22,880,887
2	<b>Current assets</b>			
(a)	Current Investments		-	-
(b)	Inventories	13	54,983,402	29,751,016
(c)	Trade Receivables	14	18,668,671	9,092,619
(d)	Cash and Cash Equivalents	15	21,686,794	18,252,193
(e)	Short-Term Loans and Advances	16	11,915,388	13,157,528
(f)	Other Current Assets	17	46,434,806	56,253,451
	<b>TOTAL ASSETS</b>		441,120,134	393,112,689
	Significant Accounting Policies and Notes to the financial statements	25		

Notes referred above form an integral part of the financial statements

As per our report of even date attached.

for **Nagaraju & Co.,**  
Chartered Accountants  
Firm Registration No: 02271S

K.Nagaraju  
Proprietor  
M.No: 020474

Place: Guntur  
Date: 27.05.2017

For and on behalf of the Board of Directors

P.V.SRIHARI  
Chief Financial Officer

R.ADI VENKATA RAMA  
Company Secretary

G.V.S.L. KANTHARAO  
Managing Director  
DIN: 01846224

M. HIMAJA  
Director  
DIN: 06505782



## VIRAT CRANE INDUSTRIES LIMITED

# 25-18-54, Opp: Crane Betel Nut Powder works main road, Sampath Nagar, Guntur - 522004..

Statement of Profit & Loss for the year ended 31st March, 2017				
(in Rupees)				
Particulars	Note No.	Year ended 31st March, 2017	Year ended 31st March, 2016	
I. Revenue from operations	18	714,829,560	608,620,670	
II. Other income	19	2,990,169	3,388,457	
<b>III. Total Revenue (I + II)</b>		<b>717,819,729</b>	<b>612,009,127</b>	
IV. Expenses:				
Cost of materials consumed	20	604,199,700	440,840,283	
Changes in inventories	21	693,210	1,176,444	
Employee benefits expense	22	11,976,001	7,250,841	
Finance costs	23	2,301,830	2,552,953	
Depreciation	9	2,701,767	1,819,285	
Other expenses	24	59,874,471	72,473,657	
<b>Total expenses (IV)</b>		<b>681,746,979</b>	<b>526,113,463</b>	
<b>V. Profit before exceptional and extraordinary items and tax (III-IV)</b>		<b>36,072,750</b>	<b>85,895,664</b>	
Less : Prior Period Expenses		267,574	-	
Add: Prior Period Income		-	859,555	
		<b>35,805,176</b>	<b>86,755,219</b>	
VI. Exceptional items		-	-	
<b>VII. Profit before TAX</b>		<b>35,805,176</b>	<b>86,755,219</b>	
VIII. Tax expense:				
(1) Current tax		12,191,000	28,223,000	
(2) Previous Year Tax		1,713	723,160	
(3) Deferred Tax-(Expense)/Income		773,224	593,235	
<b>IX. Profit (Loss) for the period (VII-VIII)</b>		<b>22,839,239</b>	<b>57,215,824</b>	
X. Earnings per equity share:				
Basic		1.12	2.80	
Diluted		1.12	2.80	
Significant Accounting Policies and Notes to the financial statements	25			

Notes referred above form an integral part of the financial statements

As per our report of even date attached.

for **Nagaraju & Co.,**  
Chartered Accountants  
Firm Registration No: 02271S

K.Nagaraju  
Proprietor  
M.No: 020474

Place: Guntur  
Date: 27.05.2017

For and on behalf of the Board of Directors

P.V.SRIHARI  
Chief Financial Officer

R.ADI VENKATA RAMA  
Company Secretary

G.V.S.L. KANTHARAO  
Managing Director  
DIN: 01846224

M. HIMAJA  
Director  
DIN: 06505782



## VIRAT CRANE INDUSTRIES LIMITED

# 25-18-54, Opp: Crane Betel Nut Powder works main road, Sampath Nagar, Guntur - 522004..

## Cash Flow Statement for The year ended March 31, 2017

Particulars	Amount(Rs)	Amount(Rs)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Cash flows from Operating Activities		
Operating Profit		22,839,239
<b>Add:</b> Income Tax	12,191,000	
Deferred Tax	773,224	
Depreciation	2,701,767	
Loss on Sale of Vehicles	756,078	
Bad debts written off	27,457	16,422,069
Deferred revenue exp	2,115,000	
<b>Less:</b>		
Rental Income	144,000	144,000
Operating Profit Before Tax and Working Capital Changes		39,117,308
Less: Taxes Paid		28,223,000
Operating Profit Before Working Capital Changes.		10,894,308
Working Capital Changes		
Increase in Trade Payables	46033886	
Increase in Other Current Liabilities	7125623	
Increase in Short Term Provisions	45955	
Increase in Inventory	(25232386)	
Increase in Trade Receivables	(9576052)	
Decrease in Other Current Assets	9818645	
<b>Net Cash Flows From Operating Activities</b>		39109978
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(12458132)	
Increase in Capital work in progress	(3372174)	
Sale of Vehicle	400000	
Rental Income	144000	
<b>Net Cash Flows From Investing Activities</b>		(15286306)
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Increase in Long term borrowings	(806298)	
Decrease in Short Term Borrowings	4806815	
Increase in Long Term Loans & Advances	0	
Increase in Short Term Loans & Advances	1242140	
Decrease in Non Current Assets	(9625953)	
Decrease in Long Term Liability	(3752120)	
Payment of Dividend & Dividend Tax	(12253655)	
<b>Net Cash Flows From Financing Activities</b>		(20389071)
<b>Net Cash Flows during the year</b>		3,434,601
Add: Opening Balance of Cash & Cash Equivalents		18,252,193
<b>Closing Balance of Cash &amp; Cash Equivalents</b>		21,686,794

As per our report of even date attached.

for **Nagaraju & Co.,**  
Chartered Accountants  
Firm Registration No: 02271S

K.Nagaraju  
Proprietor  
M.No: 020474

Place: Guntur  
Date: 27.05.2017

For and on behalf of the Board of Directors

P.V.SRIHARI  
Chief Financial Officer

R.ADI VENKATA RAMA  
Company Secretary

G.V.S.L. KANTHARAO  
Managing Director  
DIN: 01846224

M. HIMAJA  
Director  
DIN: 06505782



## Notes to financial statements for the year ended March 31, 2017

### Note: 1 - Share Capital

Particulars	As on 31/Mar/2017	As on 31/Mar/2016
	Rs	Rs
<b>Authorised</b>		
2,20,00,000 Equity Shares of `10 each	220,000,000.00	220,000,000.00
<b>Issued</b>		
2,04,23,750 Equity Shares of `10 each	204,237,500.00	204,237,500.00
<b>Subscribed &amp; Paid up</b>		
2,04,23,750 Equity Shares of `10 each fully paid	204,237,500.00	204,237,500.00
Less : Calls in Arrears	-	-
<b>TOTAL</b>	<b>204,237,500.00</b>	<b>204,237,500.00</b>

### Note: 1A :

#### Reconciliation of Funds of share holders outstanding at the beginning and at the end of 31.03.2017

Particulars	As on 31/Mar/2017		As on 31/march/2016	
	Equity Shares		Equity Shares	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	20,423,750.00	204,237,500.00	20,423,750.00	204,237,500.00
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	20,423,750.00	204,237,500	20,423,750.00	204,237,500.00

### Note: 1B :

All the share holders of the company have equal rights with regard to dividend and voting right

### Note: 1C : List of Share Holders holding more than 5% Shares

S.No	Name of Shareholder	As on 31/Mar/2017		As at 31 March 2016	
		No. of Shares	% of Holding	No. of Shares	% of Holding
1	G.V.S.L Kantha Rao	14,593,500.00	71.45	14,582,000.00	71.40



**Note: 2 - Reserves & Surplus**

	Rs.	
	As at 31.03.2017	As at 31.03.2016
<b>a. General Reserve</b>		
Opening balance	18,278,874	15,418,083
Add: Additions during the year	2,283,924	2,860,791
Less: Carrying Value of Assets adjusted as per Sch.II to Companies Act,2013	-	-
<b>Total (a)</b>	<b>20,562,798</b>	<b>18,278,874</b>
<b>b. Surplus in Statement of Profit &amp; Loss</b>		
Opening Balance	71,584,590	53,990,487
Add: Profit for the period	22,839,239	57,215,824
Less: Appropriations		
Transfer to General Reserve	2,283,924	2,860,791
Proposed final dividend @ 5% for 2015-16	10,211,875	-
Tax on proposed final dividend for 2015-16	2,041,780	-
Dividend & Tax on Dividend for the FY 2014-15	-	24,507,280
Interim Dividend & Tax on Dividend for the FY 2015-16	-	12,253,650
<b>Total (b)</b>	<b>79,886,250</b>	<b>71,584,590</b>
<b>TOTAL (a) + (b)</b>	<b>100,449,048</b>	<b>89,863,464</b>

**Note: 3 - Long Term Borrowings**

Particulars	As at 31.03.2017	As at 31.03.2016
Secured		
Vehicle Loan From HDFC	-	806,298
<b>Total</b>	<b>-</b>	<b>806,298</b>

**Note: 4 - Other Long Term Liabilities**

Particulars	As at 31.03.2017	As at 31.03.2016
(a) Deffered Sales Tax & CST	7,302,183	7,702,183
(b) APGST Penalty	2,384,040	2,384,040
© Others	-	3,352,120
<b>Total</b>	<b>9,686,223</b>	<b>13,438,343</b>

**Note: 5 - Long Term Provisions**

Particulars	As at 31.03.2017	As at 31.03.2016
<b>(a) Provision for employee benefits</b>		
(a) Gratuity ( unfunded )	788,188	788,188
<b>Total</b>	<b>788,188</b>	<b>788,188</b>

**Note: 6 - Short Term Borrowings**

Particulars	As at 31.03.2017	As at 31.03.2016
<b>Secured</b>		
Andhra Bank OD (Cash Credit)	5,239,817	-
<b>Current maturities of Long term Debt/Borrowing</b>		
Vehicle Loans from HDFC	162,198	595,200
<b>Unsecured Loans</b>		
Chits Payable	-	-
<b>TOTAL</b>	<b>5,402,015</b>	<b>595,200</b>

**Note: 7 - Other Current Liabilities**

Particulars	As at 31.03.2017	As at 31.03.2016
(a) Advance from Customers	456,477	456,477
(b) Other Liabilities	1,168,125	638,581
(c) Outstanding Expenses	1,804,167	1,695,407
(d) Others	6,494,838	1,877,223
(e) <u>Statutory Liabilities</u>	-	-
(i) Taxes Payable	50,068	49,168
(ii) Tax Deducted at Source	362,269	481,413
(iii) Agricultural Cess Payable	1,735,785	587,460
(f) Sundry Creditors for Expenses & Services	5,880,185	9,626,670
(g) Sundry Creditors for Capital Goods	1,484,104	1,384,424
(h) Debtors with Credit balances	4,779,975	293,548
(i) Banks with Credit Balances	30,978	30,978
<b>Total</b>	<b>24,246,971</b>	<b>17,121,348</b>

**Note: 8 - Short Term Provisions**

Particulars	As at 31.03.2017	As at 31.03.2016
<b>(a) Provision for employee benefits</b>		
PF Payable	99,993	163,692
ESI Payable	29,863	
Bonus	281,080	229,097
Professional Tax Payable	5,050	
Leave Encashment (unfunded)	276,414	253,656
<b>(b) Others</b>		
Provision for Income Taxation	19,662,380	35,694,380
<b>Total</b>	<b>20,354,780</b>	<b>36,340,825</b>



**Note 10: Non Current Investments**

Particulars	As at 31.03.2017	As at 31.03.2016
<b>Investment in Non Quoted Shares( Valued at Cost )</b>		
Virat Crane Agri Tech Limited ( FV Rs.10 each) (35,01,300 Equity shares have been pledged to IDBI out of 39,66,780 Equity shares)	39,667,800	39,667,800
Yenkey Drugs and Pharma Limited ( FV Rs.10 each)	1,250,000	1,250,000
Symphony Studios Pvt Limited ( FV Rs.10 each)	300,000	300,000
Crane Food Products Pvt Ltd.	25,000	25,000
<b>Total</b>	<b>41,242,800</b>	<b>41,242,800</b>

**Note 11: Long Term Loans and Advances**

Particulars	As at 31.03.2017	As at 31.03.2016
<b>a) Loans and Advances to Related Parties</b>		
Crane Infrastructure Ltd	2,999,970	2,999,970
Virat Crane Agri Tech Ltd	63,144,293	63,144,293
Virat Carne Bottling Ltd	345,000	345,000
<b>b) Other Loans and Advances</b>		
Himaja Enterprises	300,000	300,000
Vintage Enterprises	1,248,552	1,248,552
Jain Brothers	1,300,000	1,300,000
D.J.Mechnein (India) Ltd	1,300,000	1,300,000
<b>Total</b>	<b>70,637,815</b>	<b>70,637,815</b>

**Note: 12 - Other Non Current Assets**

Particulars	As at 31.03.2017	As at 31.03.2016
<b>UnSecured, considered good</b>		
Recurring deposit	704,000	572,000
Security Deposits with government Authorities	203,646	203,646
Electricity	724,970	724,970
Telephones	185,229	185,229
Other Deposits	556,242	556,242
Rent	154,000	154,000
Chits Recievable & Chit Loss Suspense	27,863,753	16,254,800
Deffered Advertisement Expenses	2,115,000	4,230,000
<b>Total</b>	<b>32,506,840</b>	<b>22,880,887</b>

**Note: 13 - Inventories**

Particulars	As at 31.03.2017	As at 31.03.2016
a. Raw Materials and components (Valued at Cost)	40,140,846	14,404,749
b. Packing Material	4,097,463	3,907,964
c. Finished goods	10,745,094	11,438,303
<b>Grand Total</b>	<b>54,983,402</b>	<b>29,751,016</b>

**Note: 14 - Trade Receivables**

Particulars	As at 31.03.2017	As at 31.03.2016
<b>Trade receivables outstanding for a period less than six months.</b>		
Unsecured, considered good	13,320,723	3,644,124
<b>Trade receivables outstanding for a period more than six months</b>		
Unsecured, considered good	5,347,948	5,448,495
<b>Total</b>	<b>18,668,671</b>	<b>9,092,619</b>

**Note: 15 - Cash & Cash Equivalents**

Particulars	As at 31.03.2017	As at 31.03.2016
Balances with banks	(1,232,299)	(173,366)
Cash on hand	19,777,865	16,682,886
Earmarked Balances for unpaid dividend	3,141,228	1,742,673
<b>Total</b>	<b>21,686,794</b>	<b>18,252,193</b>

**Note: 16 - Short Term Loans & Advances**

Particulars	As at 31.03.2017	As at 31.03.2016
Intercompany Deposit	11,915,388	13,157,528
<b>Total</b>	<b>11,915,388</b>	<b>13,157,528</b>

**Note: 17 - Other Current Assets**

Particulars	As at 31.03.2017	As at 31.03.2016
a. Advance to Suppliers	6,875,228	6,875,228
b. Advance for Expenses	1,000,628	984,928
c. Advances to Staff	-	0
d. Taxes paid under protest	1,606,408	1,606,408
e. Other Advances Recoverable	4,478,281	3,619,622
f. Debtors for land	-	0
g. Residual Value of Scrap	2,222,670	2,222,670
h. VAT Receivable	4,321,639	7,513,220
i. VAT Refund Receivable	6,500,000	6,500,000
j. Others	17,944,252	25,181,578
k. Sundry Creditors with Debit Balance	1,485,700	1,485,700
l. Sundry Creditors for Expenses & Services with Debit Balance	-	264,096
<b>Total</b>	<b>46,434,806</b>	<b>56,253,451</b>

**Note: 18 - Revenue From Operations**

Particulars	As at 31 March 2017	As at 31 March 2016
Sale of products	714,829,560	608,620,670
<b>Total</b>	<b>714,829,560</b>	<b>608,620,670</b>

**Note: 19 - Other Income**

Particulars	As at 31 March 2017	As at 31 March 2016
Chit Dividend	2,672,900	2,657,200
Rental Income	144,000	114,000
Discount	15,885	19,759
Interest Received	-	496,072
Miscellaneous	157,384	101,426
<b>Total</b>	<b>2,990,169</b>	<b>3,388,457</b>

**Note: 20 - Material Consumption**

Particulars	As at 31 March 2017	As at 31 March 2016
Opening Stock of Raw Materials & Packing Material	18,312,713	28,681,896
Add: Purchases & Carriage Inwards	630,125,296	430,471,100
	648,438,009	459,152,996
Less: Closing Stock	44,238,309	18,312,713
<b>Raw Materials Consumed</b>	<b>604,199,700</b>	<b>440,840,283</b>

**Note: 21 - Changes in Inventories**

SR.No	Particulars	As at 31 March 2017	As at 31 March 2016
1	<b>OPENING BALANCE</b>		
	Finished Goods	11,438,303	12,614,747
	<i>Sub Total</i>	<b>11,438,303</b>	12,614,747
2	<b>CLOSING BALANCE</b>		
	Finished Goods	10,745,094	11,438,303
	<i>Sub Total</i>	10,745,094	11,438,303
3	<b>INCREASE/(DECREASE) IN STOCK</b>	<b>(693,210)</b>	(1,176,444)

**Note: 22 - Employee Benefit Expenses**

Particulars	As at 31 March 2017	As at 31 March 2016
(a) Salaries, wages and incentives	10,715,056	6,365,847
(b) Employers Contributions to PF	516,716	474,825
(c) Bonus	281,080	160,000
(d) Leave with Wages	200,677	175,105
(e) ESI Contribution	131,461	-
(f) Staff welfare expenses	96,126	75,064
(g) Medical Allowance	25,724	
(h) Professional Tax	9,161	
<b>Total</b>	<b>11,976,001</b>	<b>7,250,841</b>

**Note: 23 - Finance Cost**

Particulars	As at 31 March 2017	As at 31 March 2016
Bank Charges	113,404	62,640
Interest on TDS and IT	146,183	1,467,167
Interest on ESI	-	-
Interest Expense	502,296	153,146
Loss on Chits	1,378,947	870,000
Financial Charges	161,000	
<b>Total</b>	<b>2,301,830</b>	<b>2,552,953</b>



**Note: 24 - Other Expenses**

SR No	Particulars	As at 31 March 2017	As at 31 March 2016
1	Advertisement	8,324,199	21,968,632
2	Audit Fees	150,000	150,000
3	Agricultural Cess	1,885,605	1,844,754
4	Business Promotion	5,322,196	6,943,344
5	Conveyance	-	2,185
6	Insurance	177,420	240,011
7	Depot Maintenance Expenses	4,860,792	4,171,765
8	Director's Remuneration	4,200,000	4,200,000
9	Marketing Consultant Remuneration	845,000	1,080,000
10	Factory Expenses	3,346,900	2,701,795
11	Legal & Professional Fees	152,291	392,651
12	Professional Charges	343,500	660,000
13	Loss on sale of Vehicles	756,078	26,650
14	Loading & Unloading Charges	1,950	1,100
15	Miscellaneous Expenses	461,203	340,916
16	Office Maintenance	782,145	933,753
17	Telephone & Internet Charges	273,420	-
18	Power & Fuel	3,771,242	3,451,140
19	Penalties	-	-
20	AGM Expenses	-	52,235
21	Rates & taxes	2,890,020	3,153,953
22	Rent	1,802,867	2,272,337
23	Repairs and Maintenance	1,854,201	1,317,665
24	Security Charges	566,500	411,282
25	Web Designing & Maintenance	11,500	31,800
26	Selling & Dist. Expenses	7,213,703	6,727,451
27	Shortages and Damages	130,430	863,074
28	CSR Expenses	438,000	835,000
29	Travelling Expense	6,063,959	4,046,507
30	Service Tax	1,106,894	3,653,657
31	Bad Debts Written off	27,457	-
32	Assets Written Off	-	-
33	Deferred Revenue Expenditure(w/f)	2,115,000	-
<b>Total</b>		<b>59,874,471</b>	<b>72,473,657</b>



## 25. SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE FINANCIAL STATEMENTS:

### **Note:-25 (A)**

#### **Statement on significant accounting policies:**

The following are the significant accounting policies adopted in the preparation and presentation of financial statements.

#### **1. Basis of Presentation of Financial Statements:**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the Companies (Accounts) Rules 2014 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those of the previous year.

#### **2. Use of Estimates:**

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of Assets or Liabilities in the future periods.

#### **3. Fixed Assets :**

Fixed assets are stated at cost and net of subsidies less accumulated depreciation/impairment losses, if any. The cost comprises purchase consideration, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition to the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from sale/discard of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is sold/discarded.

#### **4. Depreciation:**

- a. Depreciation is provided on Straight Line Method over the useful lives of the assets in the manner prescribed in Schedule II to the Companies act, 2013.
- b. Individual assets costing less than Rs.10,000 are fully depreciated in the year of acquisition at the discretion of the management.
- c. In respect of assets acquired/sold during the year, depreciation has been provided on pro-rata basis.

#### **5. Investments:** Long term investments made by the Company are stated at Cost.



6. **Inventories:** All inventories except Work In Progress are valued at Lower of Cost or Net Realizable Value.
  - a. First In First out method has been followed for issues for determining the inventory value.
  - b. Work in Progress is valued on the basis of technical evaluation adopted by the Management.
7. **Deferred Tax:** Deferred tax is recognized, subject to consideration of prudence, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.
8. **Contingent Liabilities:** Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.
9. **Deferred Revenue Expenditure:** Deferred revenue Expenditure is written off over a maximum period of five years against profits.
10. **Retirement Benefits:** As per the information provided and explanations given to us and as per the verification of books of accounts, the company need not make any provisions for retirement benefits during the year.
11. **Revenue Recognition:** Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

**Sale of Goods:**

Revenue is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer. Sales are net of sales returns, rebates and sales tax, wherever applicable.

12. **General:** Accounting policies not specifically referred to are in consistent with the generally accepted accounting principles followed in India.



**Note:-25(B) NOTES ON ACCOUNTS:**

**1. CONTINGENT LIABILITIES**

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

a. Demands for which liability is not created

Nature of the Statute	Nature of the Dues	Amount (Rs)	Period to which the amount relates	Review Status/Position
1. Agricultural Market Committee Cess	Cess	10,55,689	1994-95 to 2000	Stay given by the Supreme Court. Case is pending.
2. Agricultural Market Committee Cess	Cess	1,06,29,410	2011-12 to 2015-16	Contested with Secretary, AMC, Vijayawada. Case is pending.
3. AP VAT	Commercial Tax Department	73,27,091	2006-07 to 2011-12	Interim stay given by the AP, High Court order dated 10.09.2014. Case has not yet come for hearing.
4. APGST	Sales Tax Authority	1,95,000	1999 - 2000	The Sales Tax Appellate Tribunal has in their order dated 12.04.2013 has struck down the case, allowed the appeal and remanded the case.
5. Luxury Tax	Commercial Tax Department	3,47,484	2005 - 06	Pending with the AP, High Court. In their order dated 24.06.2008, asked to deposit 50% of demand, Rs.1,73,742/- which has been deposited by the Company with CTO, Guntur on 13.08.2008.

b. Corporate Guarantees given to Group Companies:

Virat Crane Industries Limited has given Guarantee of Rs. 10.00 Crores to IDBI taken by Virat Crane Bottling Limited.

The company is contingently liable for equivalent amount of guarantee given to Group Company and not provided in the books.



## 2. List of Related Parties:

a) Associate Companies & firms : 1. Virat Crane Agri Tech Ltd, Guntur

2. Crane Infrastructure Ltd, Guntur

3. Virat Crane Bottling Limited

b) Key Management Personnel: GVSL Kantha Rao

c) Relatives of Key Management Personnel: K. Praveen

## 3. RELATED PARTY TRANSACTIONS:

a. Remuneration to Key Management Personnel: Rs. 42,00,000

b. Salary & Allowances paid to K. Praveen: Rs. 12,00,000

Nature of Transaction	Party & Relation	Max. Amount Outstanding during the year (Rs In Lakhs)	Closing Balance as on 31.03.2017 (Rs In Lakhs)
Advance	Virat Crane Agri Tech Limited	631.57	631.57
Advance	Crane Infrastructure Limited	161.44	149.02
Advance	Virat Crane Bottling Limited	3.45	3.45

No Interest is being charged on the above Advances. There were no transactions in the above mentioned companies during the year except in Crane Infrastructure Limited, and they were long outstanding.

## 4. INVESTMENTS :

Durga Dairy Limited before merger and Virat Crane Industries before merger have pledged their investments in the Equity Shares totaling 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.

## 5. DEFERRED TAX ASSET:

The company has identified the Net Deferred Tax Asset of Rs.18.98 Lakhs (Previous Year Rs. 26.71 Lakhs).





## 6.DEFERRED REVENUE EXPENDITURE:

Out of the Rs. 42,30,000/- being deferred Advertisement expenditure, 50% i.e., Rs. 21,15,000/- was written off in this current year i.e., 2016-17 and balance of Rs. 21,15,000/- is carried over to 2017-18.

## 7.Balances of sundry debtors and sundry creditors are subject to confirmation.

## 8. Earnings Per Share:

Profit After tax / Amount available for Equity Share Holders	Rs. 2,28,39,239/-
Weighted Average Number of Equity Shares Outstanding as on 31.3.2017	Rs. 2,04,23,750
Basic Earnings Per Share	Rs. 1.12/-

## 9. Segment Reporting:

At present the company is operating in only one segment i.e., Dairy Products .

## 10. Long Term Contracts:

There are no long term contracts as on 31.03.2017 including derivative contracts for which there are any material foreseeable losses.

## 11.Previous year figures have been regrouped wherever necessary.

## 12. Details of Specified Bank Notes held and transacted during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December 2016:

(Rupees in lacs)

Particulars	Specified Bank Notes	Other Denomination Notes	Total
Closing cash balance as on 8 <sup>th</sup> November 2016	6.56	191.86	198.42
(+) Permitted receipts	Nil	23.22	23.22
(-) Permitted payments	Nil	22.43	22.43
(-) Amount Deposited in Bank	6.56	0.22	6.78
Closing cash balance as on 30 <sup>th</sup> December 2016	Nil	192.43	192.43

As per our report of even date attached

for Nagaraju & Co.,

Chartered Accountants

Firm Registration No: 002271S

for and on behalf of the Board of Directors

K. NAGARAJU

Proprietor

M. NO: 020474

P.V.SRI HARI

Chief Financial Officer

G.V.S.L.KANTHA RAO

Managing Director

R.ADI VENKATA RAMA

Company Secretary

M. HIMAJA

Director

Place: Guntur

Date: 27.05.2017

**VIRAT CRANE INDUSTRIES LIMITED**

D. No - 25-18-54, Opp. Crane Betel Nut Powder Works Office, Main Road, Sampathnagar, Guntur - 522004  
email: viratcraneindustriesltd.@gmail.com CIN: L74999AP1992PLC014392

**ATTENDANCE SLIP**

I/We.....R/o..... hereby record my/our presence at the 25<sup>th</sup> Annual General Meeting of the Virat Crane Industries Limited at 11.00 A.M. on Friday, 29<sup>th</sup> day of September, 2017 at Crane Infrastructure Limited Premises, NH-5, Ankireddy palem Village, Chilakaluripet Road, Guntur, Andhra Pradesh.

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

\* Applicable for investors holding shares in electronic form.

Signature of shareholder(s)/proxy

Note:

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

**VIRAT CRANE INDUSTRIES LIMITED**

D. No - 25-18-54, Opp. Crane Betel Nut Powder Works Office, Main Road, Sampathnagar, Guntur - 522004  
email: viratcraneindustriesltd.@gmail.com CIN: L74999AP1992PLC014392

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

**Proxy form**

I/We, being the member(s) of ..... shares of the above named company. Hereby appoint  
1).....of having email ID.....or failing him  
2).....of having email ID.....or failing him  
3).....of having email ID.....or failing him  
as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 25<sup>th</sup> Annual General Meeting of the company, to be held on the 29<sup>th</sup> day of September 2017 at 11.00 A.M. at Crane Infrastructure Limited Factory premises, NH-5, Ankireddy palem Village, Chilakaluripet Road, Guntur, and at any adjournment thereof in respect of such resolutions as are indicated below:

Sl. No.	Resolution(S)	Vote	
		For	Against
1.	To Receive, consider & adopt the audited stand alone financial statements of the company for the financial year ended on 31st march 2017 & the reports of the board of directors & auditors		
2.	To declare dividend of 0.5 Rupee per equity share of the company for the financial year ended on 31st march 2017		
3.	To appoint a director in place of Mrs. Himaja.M (DIN:06505782) who retires by rotation and being eligible, offers herself for re appointment.		
4.	Appointment of M/s Annantha & Associates (FRN : 010642S) chartered accountants, Guntur, as the statutory auditors of the company for the financial year 2017-18.		
	Special Business		
5.	To Reappoint sri Bhaskara Rao.P (DIN:01846243) as an independent Director for a period of five years		
6.	Determination of fees for delivery of any document through a particular mode of delivery to a member		

\* Applicable for investors holding shares in Electronic form.

Signed this \_\_\_\_ day of \_\_\_\_ 20\_\_

Signature of Shareholder      Signature of Proxy holder

Affix  
Revenue  
Stamps

Signature of the shareholder

Note:

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



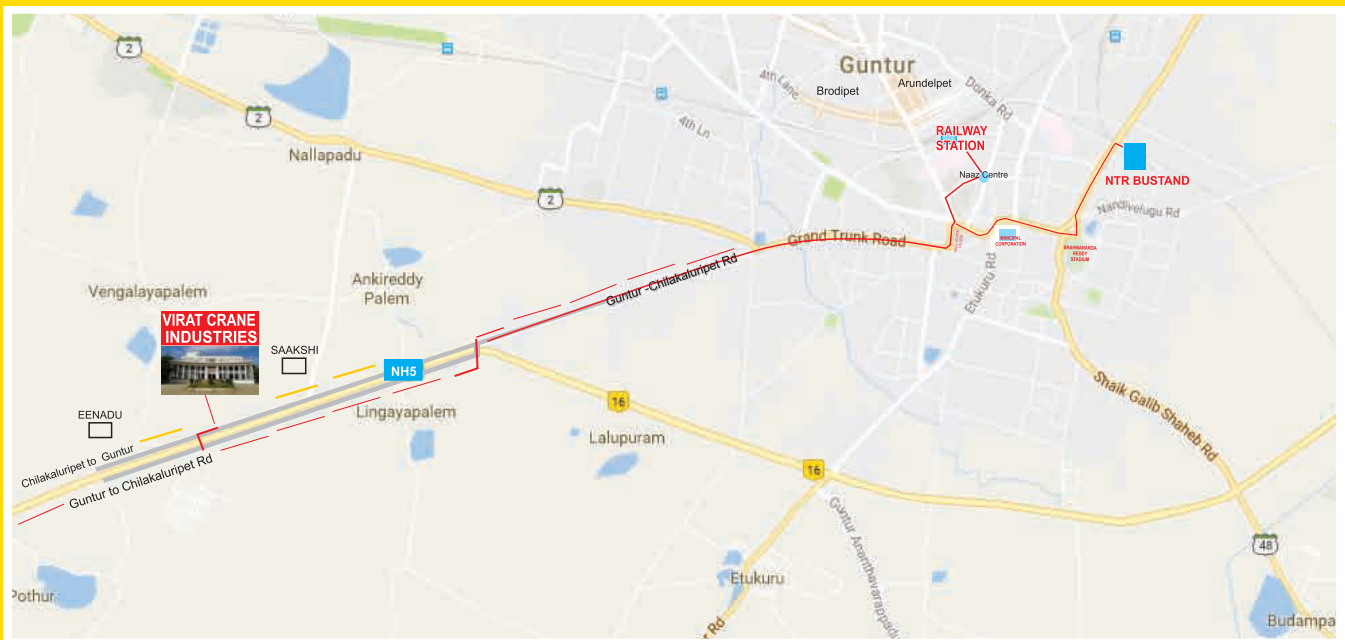
# Upcoming Products from The House of **CRANE**<sup>®</sup>

**DURGA**<sup>®</sup>  
*Paneer*

**DURGA**<sup>®</sup>  
*Lassi*

**BHAVANI**  
Cooking Ghee

## ROUTE MAP



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Date: 30-08-2017

To,  
**Shareholders of Virat Crane Industries Limited,**  
Guntur.

Dear Shareholders,

**Sub: Request to Shareholders for converting their Physical shares into Dematerialized (De-MAT) Shares and updation of Email address at the Registrar & Share transfer agents of the company.**

Dematerialisation (De-MAT) is the process by which securities held in physical form are converted into electronic balances. There are plenty of benefits to the shareholders maintain their shares in Dematerialisation (De-MAT) form i.e in electronic form and kindly update your Email address,so that company can easily communicate any information and periodical reports through Email as well as it will enable us to quick redressal of grievances.

Benefits of dematerialising the share certificate

1. Instant liquidity
2. Elimination of bad deliveries
3. Elimination of all risks associated with physical certificates
4. Avoidance of stamp duty on transfers
5. Immediate transfer / trading of securities
6. Faster settlement cycle
7. Faster disbursement of non cash corporate benefits like rights, bonus, etc.

Hence the company is here by requesting the shareholders that kindly convert your physical shares into De-MAT Form. If you have any query in converting physical shares into De-MAT Form and updating your email address. kindly contact the below mentioned company's Registrars & Share Transfer Agents.

Registrars& Share Transfer Agents  
M/s Big Share Services PVT Limited.  
306, 3<sup>rd</sup> floor, RightWing, Amrutha Ville,  
Opp: Yasodha Hospital, Rajbhavan Road,  
Somajiguda, Hyderabad-50082  
PH:040-23370295

**Regards,**  
**GVSL Kantha Rao,**  
**(Managing Director)**  
**Virat Crane Industries Limited**  
**+91 9491610882**

To,

.....

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.....

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If Undelivered Please Return to :  
**VIRAT CRANE INDUSTRIES LIMITED**  
 # 25-18-54, Opp. CBNP Works, Sampath Nagar, Main Road  
 GUNTUR - 522 004, Andhra Pradesh, India. ☎ : 0863 - 222 33 11

