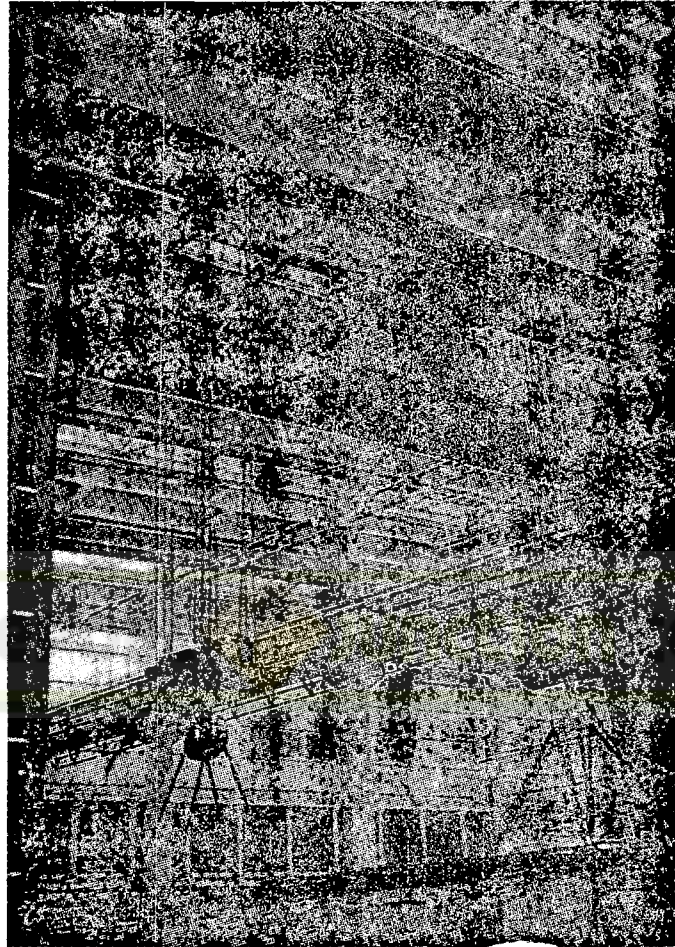


24th Annual Report 1996-97



✓	✓	✓	✓	✓
BKC	DPY	DIV	AC	SHI
				✓
✓	✓	✓	✓	✓
MD	CS	RO	TRA	AGM
				YE



CRANEX LIMITED

CRANEX LIMITED**BOARD OF DIRECTORS**

Shri S. C. Agrawal	<i>Chairman</i>
Shri Piyush Agrawal	<i>Director</i>
Mr. Sandeep Singhal	<i>Director</i>

COMPANY SECRETARY

Mr. A. Gupta

AUDITORS

M/s. P. D. Mittal & Co.
Chartered Accountants
70, Daryaganj
New Delhi - 110 002

REGISTERED OFFICE

9, DDA Market
KATWARIA SARAI
New Delhi-110 016

ADMINISTRATIVE OFFICE & FACTORY

57/1, Industrial Area
Site - IV, Sahibabad - 201 010
(Ghaziabad) U.P.
Phone : 91-771146, 771895

BANKERS

Standard Chartered Bank
17, Parliament Street
New Delhi - 110 001

CRANEX LIMITED**NOTICE**

Notice is hereby given that the 24th Annual General Meeting of **CRANEX LIMITED** will be held at the Community Centre, Kalyan Kendra Hall, 'C' Block, Vasant Vihar, New Delhi - 110 057 on Tuesday, the 23rd day of June, 1998 at 4.00 P.M. to transact the following business :

1. To receive and adopt the Director's Report and the Audited Balance Sheet and Profit & Loss Account for the year ended 30th September, 1997.
2. To appoint a Director in place of Shri Piyush Agrawal, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting of the Company and to fix their remuneration.

SPECIAL BUSINESS

4. To pass following resolution with or without modification by way of Special Resolution :-
 "RESOLVED THAT the Registered Office of the Company be shifted from B-2/21, Vasant Vihar, New Delhi-110 057 to 9, DDA Market, Katwaria Sarai, a location within the municipal limits of state of NCT of Delhi/New Delhi".
 "RESOLVED FURTHER THAT necessary intimation/information be sent to the Registrar of Companies Delhi & Haryana and/or any other Government Deptt. or Statutory authority in this regard and necessary approval permission be obtained from any statutory/Non statutory body, if any, required in this regard".

(A. GUPTA)
Company Secretary

Registered Office :

9, DDA Market, Katwaria Sarai
New Delhi - 110 016

Place : New Delhi

Dated : 4th May, 1998

NOTES

1. Relative explanatory statement required under Section 173(2) of the Companies Act, 1956 is annexed hereto.

2. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. Proxies, in order to be effective, must be received by the Company at its Registered Office not less than 48 hours before the meeting. Form of Proxy is enclosed.

3. Members are requested to bring their respective copies of the Annual Report and Attendance Slip to the meeting.

4. Register of Members and Share Transfer Books of the Company shall remain closed from 23.02.98 to 24.02.98 (both days inclusive) as already intimated.

5. Members are requested to quote their respective ledger folio number(s) in all correspondence with the Company and to notify the Company at its Registered Office/Administrative Office of any change in their Registered Address along with PAN Income Tax Code Number.

6. As required u/s 205(5) of the Companies Act, 1956, unpaid dividends relating to financial year ending 30th June, 1993, will be transferred to General Revenue Account of the Central Govt. after getting the final reconciliation from the paying Bankers. The concerned shareholders will be informed individually.

7. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company during the office hours on all working days except Sunday and Holidays between 11.00 A.M. to 1.00 P.M. upto the date of Annual General Meeting.

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

(A. GUPTA)
Company Secretary

Registered Office :

9, DDA Market, Katwaria Sarai
New Delhi - 110 016

Place : New Delhi

Dated : 4th May, 1998

EXPLANATORY STATEMENT UNDER SECTION 173 (2) OF THE COMPANIES ACT, 1956**ITEM NO. 4**

Your Company's Registered Office was situated in a Leasehold Premises at B-2/21, Vasant Vihar, New Delhi-110 057.

The lease period has since expired and the Company is required to handover vacant possession of the premises.

Under the circumstances, the Registered Office has been shifted from B-2/21, Vasant Vihar, New Delhi-110 057 to 9, DDA Market, Katwaria Sarai, New Delhi which is considered a suitable location within the same state of NCT of Delhi/New Delhi and the Administrative Office, for all general correspondence and business activities to Company's factory at 57/1, Industrial Area, Site IV, Sahibabad (U.P.).

However, as a matter of fact, Company does not require the consent of shareholders for this. But keeping in view the future requirement and as a matter of abundant caution, matter has been referred to shareholders for their kind consideration & information.

None of the Directors are interested in the Resolution.

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

(A. GUPTA)
Company Secretary

Place : New Delhi

Dated : 4th May, 1998

CRANEX LIMITED**DIRECTORS' REPORT**

To The Members,

1. Your Directors have pleasure in presenting this 24th Annual Report and Audited Accounts for the year ended 30th September, 1997.

2. FINANCIAL RESULTS (Rupees)
(15 Months)

	Current Period (15 Months) 30.09.97	Previous Year (12 Months) 30.06.96
Gross Revenue	8,44,69,160	9,53,33,809
Profit after Interest but before Depreciation	88,87,085	58,60,239
Less Depreciation	43,35,256	1,03,94,500
Profit/(Loss) after Depreciation	45,52,829	(45,34,261)
Net of Depreciation added back/Loss on Sale of Assets	26,37,000	0.00
Profit/Loss after Tax	71,89,829	(45,34,261)
Balance B/F from P & L A/c	1,57,39,505	2,02,73,766
Amount available for Appropriation	2,29,29,334	1,57,39,505

3. DIVIDEND

Keeping in view the future needs of the Company & the present economic recession & tight money market, your Directors are constrained to skip dividend for the period ended on 30.09.97.

4. PROFITABILITY

Your Company's core competence has been in Crane manufacture which has maintained continuous profitability consistently during the past twenty years. However, due to the depressed economic condition of the Country, Capital Goods market is not very buoyant & your Company is also feeling the effects of this slowdown.

In addition, Company's new venture in Export is still in its initial stages and the experience earned would be to advantage in future.

Hence, profits are under pressure but have been maintained by tight fiscal discipline.

5. DIVERSIFICATION & EXPANSION

Your Company is upgrading its Crane Division and focusing on Infrastructure areas which is likely to gain importance in future.

The Export Division is also being geared up for engineering items besides other products.

6. DIRECTORS

We take the opportunity to convey our thanks to Mr. Manfred Bottcher who retires due to expiry of German Collaboration Agreement period, Mr. Sanjeev Goel due to his other pressing engagements and Prof. Dr. Satish Chandra due to health reasons, for their valuable contribution to the Co's growth as Directors.

7. FUTURE PROSPECTS

The Company is negotiating with foreign majors for joint ventures in areas which have future long term potentials.

8. EXPORTS

The Export performance of the Company has been positive during the period under review.

9. PROPOSAL OF WHOLLY OWNED SUBSIDIARY IN USA

In our effort to conserve resources in the current economic scenario to invest in a wholly owned subsidiary in USA, is the proposal being shelved for the present and the Reserve Bank of India, who had granted permission for investment of US\$ 7,50,000/- abroad, is being informed accordingly.

10. NEW PRODUCT

Industrial Remote Control System in collaboration with M/s IKUSI of Spain are being test marketed.

11. DEPOSITS

The Company has not accepted any deposit pursuant to Section 58A of the Companies Act, 1956.

12. PARTICULARS OF ENERGY CONSUMPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

As per Section 217 (1) (C) of the Companies Act, 1956, read with the Companies disclosure of particulars in the Report of the Board of Director Rules, 1988, and forming part of the Directors' Report for the year ended 30th September, 1997 are annexed hereto.

CRANEX LIMITED**13. PARTICULARS OF EMPLOYEES**

Information as per Sub section (2A) of Section 217 of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975, your Directors confirm that the Company, had no employee with a salary of Rs.25,000/- or more per month for any part of the year or Rs.3,00,000/- in aggregate if employed throughout the year and hence no separate schedule is attached.

14. FINANCIAL YEAR

The financial year closing of the Company was 30th June. Due to the delay in finalisation of Accounts permission from ROC was obtained to present the accounts for the period ending 30th September, 1997 (15 months)) and hold the AGM latest by 25th June, 1998.

15. AUDITORS

The Auditors M/s. P. D. Mittal & Co., Chartered Accountants, New Delhi, shall retire at the conclusion of this Annual General Meeting. They have offered themselves for re-appointment. They have confirmed that if appointed, their appointment shall be within the limits of Section 224 (1B) of the Companies Act, 1956.

16. ACKNOWLEDGEMENTS

During the year under review, cordial industrial relations were maintained. Your Directors sincerely thank all the employees for their continued efforts to excel and drive towards the objectives and targets of the Company.

Registered Office :

9, DDA Market, Katwaria Sarai
New Delhi - 110 016

For and on behalf of the Board

Place : New Delhi

Dated : 4th May, 1998

S. C. AGRAWAL

Chairman

**INFORMATION REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN
THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988.**

A. CONSERVATION OF ENERGY

Crane industry does not consume much electricity. However, energy conservation is an on-going activity in the Company and wherever possible energy conservation measures have been implemented. The efforts to conserve and optimize the use of energy through improved operational methods and other means will continue.

B. TECHNOLOGY ABSORPTION**Research & Development (R & D)****1. Specific areas in which R & D carried out by the Company**

- Improved method of fabrication
- Better quality of welding
- Absorbing higher technology
- Reduction in manufacturing time

2. Benefits derived as a result of the above R & D

Launching of new products, improvement in product quality, import substitution and cost effectiveness.

Technology Absorption, Adaption and Innovation

Continuous efforts made to upgrade quality and in house expertise enabled development of improved design of components.

C. FOREIGN EXCHANGE EARNINGS AND OUTGOINGS

Company has earned Foreign Exchange in excess of the Foreign Exchange Outgoing this year for import of goods & travel abroad. Director's foreign travel air ticket has been paid in India in Indian Rupees.

Registered Office :

9, DDA Market, Katwaria Sarai
New Delhi - 110 016

For and on behalf of the Board

Place : New Delhi

Dated : 4th May, 1998

S. C. AGRAWAL

Chairman