

BOARD OF DIRECTORS

CHAIRMAN & Mg. DIRECTOR	- Shri S.C.Agrawal
WHOLE TIME : Executive Director	- Shri Piyush Agrawal
INDEPENDENT DIRECTORS	- Shri Anil Kumar Jain - Shri Ashwani Kumar Jindal - Shri M.C.Jain
STATUTORY AUDITORS	- P.D.Mittal & Co. - Chartered Accountants - 70, Daryaganj - New Delhi: 110 002
REGISTERED OFFICE	- 9, DDA Market - Katwaria Sarai - New Delhi: 110 016
PLANT & ADM. OFFICE:	- 57/1, Ind. Area Site IV - Sahibabad: 201 010
BANKERS	- Syndicate Bank - Sahibabad: 201 010

NOTICE

Notice is hereby given that the 35th Annual General Meeting of CRANEX Ltd. will be held on Thursday the 30th September 2010, at 11 A. M. at 9, DDA Mkt, Katwaria Sarai, New Delhi 110 016, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider, and adopt the Audited Balance Sheet of the Company as at March 31st. 2010 and the Profit & Loss Account for the year ended on that date and the Reports of the Directors and the Auditors thereon.
2. To elect a Director in place of Mr. Anil Kumar Jain who retires by rotation and being eligible offers himself for re-election.
3. To appoint M/s P.D.Mittal & Co. Chartered Accountants Auditors of the company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.
4. To appoint M/s Brajesh Kumar & Associates, practicing Co. Secretary, as the company's Secretarial Auditor from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS:

5. To consider and if thought fit, to pass with or without modification, the following resolution as an ORDINARY RESOLUTION:

RESOLVED THAT pursuant to the applicable provisions of the Securities and Exchange Board of India (De-listing of Securities) Guidelines, 2003 (herein after referred as the De-listing Guidelines) and subject to the provisions of the Companies Act 1956 (including any statutory modifications or re-enactments thereof for the time being in force), the Securities Contract (Regulation) Act 1956 and the rules framed there under, listing agreements and all other applicable rules, regulations and guidelines and subject to the approvals, consents, permissions or sanctions of Securities and Exchange Board of India (SEBI), Stock-Exchanges where the shares of the company are listed and other appropriate authorities, institutions or regulators as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by any authority while granting such approvals, consents, permissions, or sanctions which may be agreed to by the Board of Directors of the Company (herein after referred to as a Board and expressions shall be deemed to include any committee of the Board) the consent of the Company be and is hereby accorded to the Board of Directors of the company to get the shares de-listed from the Delhi Stock Exchange Association Ltd, New Delhi and the Board of Directors be and is hereby authorised to do all acts, deeds and things required to implement this resolution

By order of the Board
For **Cranex Limited**,
Director

Place : **New Delhi**
Dated : 16-08-2010

NOTES:

1. 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/herself and a proxy need not be a Member of the Company. The instrument appointing the Proxy to be valid, shall be deposited at the Registered Office of the Company not later than 48 hours before the time fixed for holding the Meeting.
2. Explanatory Statement of material facts pursuant to Section 173 of the Companies Act, 1956, for item no. 5 of the Notice is annexed hereto and forms part of the Notice.
3. Members/Proxies are requested to bring the attendance slip sent with the Annual Report duly filled-in for attending the Meeting. Members who hold shares in the dematerialised form are requested to indicate their DP ID & Client ID Numbers in the Attendance slip.
4. The register of Director's Shareholding maintained u/s 307 of the Companies Act, 1956, would be available for inspection by the members at the AGM.
5. The Register of Members and the Share Transfer Books of the Company will remain closed from 28th September 2010 to 30th September 2010 (both days inclusive)
6. For shares held in physical form, any change in address may be intimated immediately to the Company's share transfer division by quoting the Folio number(s).
However, for shares held in demat form, change in address, nomination, power of attorney etc. may be intimated directly to the member's DP.
7. Members seeking any information with regard to accounts are requested to write to the Company at an early date so as to enable the Management to keep the information ready.
8. Shri Anil Kumar Jain, Director, retires by rotation and being eligible offers himself for re-appointment.
9. The Information pursuant to Corporate Governance clause 49 of the Listing Agreement(s) is furnished in the statement of Corporate Governance and is a part of this Annual Report.
10. The statutory auditors of the company M/s P.D.Mittal & Co. have expressed their willingness for re-appointment as the company's statutory auditors and are eligible for the same.
11. M/s Brajesh Kumar & Associates, practising Co. Secretary have expressed their willingness for appointment as the company's secretarial auditors and are eligible for the same.
12. Members are requested to consolidate multiple share certificate/multiple folios into one share certificate/one folio to save on the cost of dematerialising their share holdings.
13. Members are hereby informed that the copies of the Annual Report will NOT be distributed at the venue of the AGM and hence they are advised to bring their copies of the Annual Report, which are mailed by the Company to them at their registered address.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

ITEM No. 5.

The Securities and Exchange Board of India (SEBI) had issued directives for de-listing of securities with any exchange as (De-listing of Securities) guidelines, 2003, (herein after referred as the De-listing Guidelines) incorporating provisions for de-listing of securities of a body corporate voluntarily by the promoters or an acquirer or any other person from the Stock Exchange.

Presently, The company's equity shares are listed at :

1. Delhi Stock Exchange, New Delhi
2. The Bombay Stock Exchange, Mumbai.

With the extensive networking of the Stock Exchange Mumbai (BSE) and the extension of BSE terminals to other cities as well, investors have access to online dealings in the company's equity shares across the country. The trading in the equity shares of the company in any case takes place only on the BSE and there is no trading of company's shares at Delhi Stock Exchange.

Company has been pursuing with Delhi Stock Exchange for de-listing, but in spite of repeated requests & reminders for de-listing, they have not complied and hence this resolution to pursue the matter and get de-listing formalities completed with Delhi Stock Exchange.

The Company's equity shares shall continue to be listed and traded on Bombay Stock Exchange as usual.

Your Directors recommend the Special resolution for your approval.

None of the Directors is concerned or interested in the above resolution.

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

Place : **New Delhi**

Dated : 16-08-2010

DIRECTORS REPORT

TO THE MEMBERS OF CRANEX LIMITED

Your Directors are happy to present the 35th Annual Report of the Company together with the Audited Accounts for the year ended March 31st.2010

FINANCIAL RESULTS

	Current year ended (12 months) 31-03-2010	(Rs. in Lakhs) Prev. year ended (12 months) 31-03-2009
1. Gross Revenue	1861.32	1260.91
2. Profit before interest & depreciation	(9.97)	47.71
3. Interest (working capital)	2.20	41.40
4. Profit after Interest but before depreciation	(12.17)	4.84
5. Depreciation	16.47	4.84
6. Amortization of old P&M	0.00	1.16
7. Profit/loss after depreciation	(28.64)	35.40
8. Fringe benefit tax	0.00	0.93
9. Provision for tax	NA	NA
10. Profit/loss after tax	(28.64)	34.47

DIVIDEND

Keeping in view the present financial position of the company, your Directors do not recommend any dividend for the year ended 31st.March 2010.

PERFORMANCE

Your Company has been able to active a higher turnover of about 50% compared to pervious year, but has not been able to report operating profit due to increased cost of raw materials and non availability of price escalation clause in the contract.

BIFR

The Hon'ble BIFR, have appointed IDBI as the Operating agency and have directed to submit a Revised draft Rehabilitation Scheme (DRS). The same is being submitted incorporating the following main provisions:

- (a) The existing Share Capital of Rs.600 lacs comprising of 60,00,000 Shares of Rs.10/- each be reduced by 50% bringing down the Share Capital of the company to Rs.300 lacs only comprising of 30,00,000 lac shares of Rs.10/- each adjusting Rs. 300lacs against the accumulated losses.
- (b) To meet company's working capital requirements, raise fresh capital of Rs.300 lacs by issue of 30,00,000 Equity Shares of Rs.10/- each and allot them on Preferential basis against the unsecured loans outstanding.
- (c) Income Tax department to allow the company to carry forward unabsorbed assessed loss. This will result in the Net Worth of the Company become positive and be out of purview of BIFR in due course.

SECRETARIAL AUDITOR

You are requested to approve appointment of M/s Brajesh Kumar & Associates, practising Company secretary, to act as company's Secretarial Auditors so that their Secretarial audit Report could form a part of the company's Annual Report of next AGM.

MANAGEMENT DISCUSSIONS AND ANALYSIS

FINANCIAL RESTRUCTURING

In the best interest of the company and to ensure future growth, a Revised Draft Rehabilitation scheme is being submitted to the Hon'ble BIFR. Immediately after the Sanctioned Scheme (SE) is received from the Hon'ble BIFR, the Company will be out of BIFR purview.

OUTLOOK

Infrastructural and industrial growth in the country will need large numbers of EOT cranes, which is the core competence of your company. Your company enjoys a special position in the crane industry and the outlook is likely to be very promising.

SUBSIDIARY

The Company's Wholly Owned Subsidiary Company "Cranex International, Inc, in Virginia (U.S.A) has been working satisfactorily and has reported good results . The results of the Company for the year ended 31st February 2009 are annexed with this Annual Report.

DEMATERIALIZATION OF SHARES

As the Members are aware, the Company's shares are in the compulsory demat mode facilitated through NSDL and CDSL. Your Directors earnestly appeal to all of you to Demat your shares of the company and derive the benefits of holding the shares in electronic form.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Sec.217(2AA) of the Company's Acr,1956 with respect to Directors' Responsibility Statement, it is hereby confirmed:

1. That in the preparation of the annual accounts for the year ended 31st March 2010, the applicable Accounting Standards had been followed along with proper explanation relating to material departures.
2. That the Directors had selected such accounting policies and applied them consistently and made judgement and estimates that were 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 or loss of your Company for the year under review.

3. That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities if, as and when they arise.
4. That the Directors had prepared the accounts for the year ended March 31st.2010 on a "Going Concern" basis

CORPORATE GOVERNANCE

Your Company is committed to the standards of Corporate Governance and in this direction has laid down well documented internal policies, procedures including Board and Committee procedures and practices in particular relation with Shareholders, Customers, Suppliers and Employees in order to enhance the long-term Shareholder value and maximize interest of all stakeholders.

Your Company has complied with the provisions of Clause 49 of the Listing Agreement relating to Corporate Governance.

A detailed Report on Corporate Governance and a Certificate from the Auditors of your Company regarding the compliance of conditions of Corporate Governance and a Management Discussion and Analysis report have been attached to form part of the Annual Report.

DIRECTORS

In accordance with the requirements of the Companies Act, 1956 and the Company's Articles of Association, Mr. Anil Kumar Jain, Director of the Company, retires by rotation and being eligible offers himself for reappointment. Your directors solicit your approval for his reappointment as a director of the company..

PARTICULARS OF EMPLOYEES

During the period under review, the company had no employee who are covered under section 217(2 A) Companies Act 1956.

FIXED DEPOSIT

During the year under review your company has not invited any deposits from the Public U/s 58 A Act of the Companies Act, 1956.

LISTING

At present the securities of the Company are listed at Bombay Stock Exchange. The company has paid the listing fees to Bombay Stock Exchanges for the current year.

AUDIT COMMITTEE

Pursuant to the provisions of clause 49 of the listing agreement, the Company had constituted an Audit Committee of the Board of Directors consisting of three independent Non Executive Directors. Shri Anil K. Jain holds the office as Chairman of the Committee. During the year under review Shri Ashwani K. Jindal and Shri M.C. Jain were also the members of the Audit Committee.

The terms of reference stipulated by the Board to the Audit Committee are, as contained under Clause 49 of the Listing Agreement, i.e

- a. Oversight of the Company's financial reporting process and the disclosure of its financial information.
- b. Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
- c. Reviewing with management the annual financial statements before submission to the board, focussing primarily on (i) any changes in accounting policies and practices, (ii) major accounting entries based on exercise of judgement by management, (iii) qualifications in draft audit report, (iv) significant

adjustments arising out of audit, (v) the going concern assumption, (vi) compliance with accounting standards, (vii) compliance with Stock Exchange and legal requirements concerning financial statements and (viii) any related party transactions i.e. transactions of the company of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of Company at large.

- d. Reviewing with the management, external and internal auditors, and the adequacy of internal control systems.
- e. Reviewing the adequacy of internal audit functions.
- f. Discussion with internal auditors any significant findings and follow up there on.
- g. 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.
- h. Discussion with external auditors before the audit commences nature and scope of audit as well as have post - audit discussion to ascertain any area of concern.
- i. Reviewing the Company's financial and risk management policies.

AUDITORS

M/s. P.D.Mittal & Co. Chartered Accountants the company's Auditors retire at the conclusion of this Annual General Meeting and being eligible offer themselves for reappointment which, if made, will be in confirmation with the provisions of Section 224 (1B) of Companies Act, 1956.

SECRETARIAL AUDITOR

You are requested to approve appointment of M/s Brajesh Kumar & Associates, practising Company secretary, to act as company's Secretarial Auditors so that their Secretarial audit Report could form a part of the company's Annual Report of next AGM.

ACKNOWLEDGMENT

Your Directors commend the continuing commitment and dedication of employees at all levels. The Directors would also like to thank all other stakeholder, including bankers and other business associates, who have provided sustained support and encouragement. This has understandably, been critical for all the Company's success The Directors look forward to their continued support in the years to come.

On behalf of the Board of Directors
S. C. Agrawal
(Chairman)

New Delhi
16-08-2010

ANNEXURE TO THE DIRECTORS' REPORT

INFORMATION PURSUANT TO COMPANIES (Disclosures of Particulars in Report of Board of Directors) Rules, 1988 forming part of the Report of the Directors:

.A. Conservation of Energy:

1. The Company 's requirement of electricity is not very large ,.
2. The Company does not utilize power supply from State Electricity Board.
3. To ensure continuous and need based requirements, your Company has, its own, in-house diesel generating sets.
4. To conserve electricity and save cost, different capacity D.G .sets are utilised as per actual load requirements
5. Your company is examining cost and utility of installing solar power units for use during no load requirements.
6. The total cost of power generation during the year has been Rs.12,91,238
(previous year: Rs.10,03,500)

B. Technology Absorption

The particulars regarding Technology Absorption are not applicable to Your Company

However, your company is constantly improving its technology to match world standards which is reflected in the new orders being received from very quality conscious customers.

C. Foreign Exchange Earnings and Outgo:

1. The Company's Foreign Exchange earning during the year under review has been Rs. 25,91,624 (previous year Rs.17, 04, 634).
2. The Company's foreign exchange outgo during the year has been Rs. 12,600 (previous year Rs.49,012).

On behalf of the Board of Directors

S. C. Agrawal
(Chairman)

New Delhi
16-08-2010

MANAGEMENT DISCUSSIONS & ANALYSIS

FUTURE GROWTH PLAN:

1. FINANCIAL RE-STRUCTURE

In the best interest of the company and to ensure future growth, a Revised Draft Rehabilitation scheme is being submitted to the Hon'ble BIFR. Immediately after the Sanctioned Scheme (SE) is received from the Hon'ble BIFR, the Company's performance will improve substantially.

2. OUTLOOK

Infrastructural and industrial growth in the country will need large numbers of EOT cranes, which is the core competence of your company. Your company enjoys a special position in the crane industry and the outlook is likely to be very promising.

CAUTIONARY STATEMENT

The statement forming part of the Directors' Report and "Management Discussion and Analysis" describing the Company's objectives, estimates, expectations, or projections may be "Forward Looking" within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations, include Government regulations, patent laws, tax regime, economic developments within India and countries in which the Company conducts business, litigation and other allied factors.

For and on behalf of the Board of Directors.

S. C. Agrawal,
(Chairman)

New Delhi
16-08-2010

COMPLIANCE REPORT ON CORPORATE GOVERNANCE

1. CORPORATE GOVERNANCE REPORT

Good Corporate Governance refers to a system that entails transparency, fairness, accountability and integrity. The Company is committed to transparency in all its dealings and places uncompromising emphasis on integrity and regulatory compliance.

The Company's philosophy on Corporate Governance is proactively meeting its obligations to its Shareholders and creating goodwill with all its stakeholders.

I. Board of Directors

The Board of Directors comprises of two whole time Directors , one being the Managing Director and the other a whole time Executive Director while the other three are Independent Professional Directors.

The matters are placed before the Board for their consideration and approval as specified under Annexure 1 of the Listing Agreement.

The composition of the Board of Directors as at 31.3.2010 is as under:

Name	Category
1. Mr. S.C.Agrawal	Chairman & Managing Director
2. Mr. Piyush Agrawal	Whole Time Executive Director & Chief Executive Officer
3. Mr. Anil K. Jain	Non-Executive, Professional Independent Director
4.. Mr. Ashwini K.Jindal	Non-Executive, Professional Independent Director
5. Mr. M.C.Jain	Non-Executive, Professional Independent Director

Notes

- None of the Directors of your Company is a Member or Chairman of outside Committees of Companies in which they are Directors.
- No director is related to any other Director on the Board except Mr. S.C.Agrawal and Mr Piyush Agrawal who are related to each other.

BOARD MEETINGS

The Board of Directors met 6 times during the year under review as against the minimum requirement of 4 times. The dates, place and the number of directors present at the meetings therein are mentioned below:

S.No	Date of the Board Meetings	Place of Meeting	No. of Directors	Attendance
1.	11-05-2009	57/1, Site-iv, Industrial Area, Sahibabad.	5	5
2.	30-07-2009	-DO-	5	5
3.	30-09-2009	-DO-	5	5
4.	28-01-2010	-DO-	5	5
5.	28-02-2010	-DO-	5	5
6.	15-03-2010	-DO-	5	5