

Virat Crane Industries Ltd.

NINTH ANNUAL REPORT 2000-2001



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Virat Crane Industries Ltd.

BOARD OF DIRECTORS	:	Sri G.Subba Rao	Chairman
	:	Sri G.V.S.L.Kantha Rao	Managing Director
	:	Sri R.Jagadish Kumar	
	:	Sri N.C.Vijaya Raghavan	
	:	Sri P.Bhaskara Rao	
AUDITORS	:	Jawahar and Associates	
	:	Chartered Accountants	
	:	1-2-412/B-1, Domalaguda	
	:	Gaganmahal Colony	
	:	HYDERABAD.	
FINANCIAL INSTITUTIONS	:	Industrial Development Bank of India	
	:	Chapel Road HYDERABAD.	
BANKERS	:	The Vysya Bank Ltd.,	
	:	4th Lane, Arundelpet,	
	:	GUNTUR.	
	:	The Lakshmi Vilas Bank Ltd., Patnam Bazar, GUNTUR.	
LEGAL ADVISOR	:	Mr. K.Ramesh Babu	
	:	Advocate,	
	:	4-7-56, Koritipadu, GUNTUR.	
REGISTRARS & SHARE TRANSFER AGENTS	:	M/s Sathguru Management Consultants Pvt. Ltd.,	
	:	Plot no. 15,	
	:	Hindi Nagar, Punjagutta,	
	:	HYDERABAD - 500 034.	
REGISTERED OFFICE	:	D.NO. 25-2-1,	
	:	G.T. ROAD,	
	:	OPP. MASTAN DARGA,	
	:	GUNTUR.	
FACTORY	:	Ankireddypalem Village.	
	:	Chilakaluripet Road,	
	:	GUNTUR.	



Virat Crane Industries Ltd.

NOTICE

NOTICE is hereby given that 9th Annual General Meeting of the Company will be held at the factory premises of the Company at Ankireddypalem Village, Chilakaluripet Road, Guntur, on Saturday 29.09.2001 at 10.00 A.M to transact the following business.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheets as at 31.3.2001 and Profit & Loss Account for the year ended 31.03.2001 and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in the place of Sri N.C.Vijaya Raghavan, who retires by rotation and being eligible offers himself for re-election.
3. To appoint M/s Jawahar and Associates Chartered Accountants the retiring auditors as Auditors of the company who shall hold office from the conclusion of this Meeting to the conclusion of the next Annual General Meeting of the Company.

BY ORDER OF THE BOARD

For VIRAT CRANE INDUSTRIES LTD.,

Sd/

G.V.S.L.KANTHA RAO
MANAGING DIRECTOR

GUNTUR

DATE : 31-05-2001

NOTES :

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the company.
Instrument of proxies in order to be effective must be deposited at the Company's registered office at not less than forty eight hours before the meeting.
2. The Register of Members and Share Transfer Books will remain closed from 21.9.2001 to 29.9.2001 (both days inclusive)

3. Members/Proxies shall fill the attendance slip for attending the meeting.
4. Members who hold shares in Dematerialised form are requested to bring their client ID and DPID numbers for easy identification of attendance at the meeting.
5. Members are requested to inform immediately the change, if any of address registered with the company.
6. Members desiring to seek any information on the Annual Accounts are requested to write to the Company at an early date to enable compilation of information.
7. Sathguru Management Consultants Pvt. Ltd., are Registrars and Transfer Agents for both 'Demat' and physical form of shares.
8. The Members may contact in future
M/S SATHGURU MANAGEMENT CONSULTANTS PVT- LTD.,
Plot No. 15, Hindi Nagar, Punjagutta,
HYDERABAD-500 034.
TEL NO. 3350586, 3356507, 3356975
FAX NO. 3354042.

DIRECTORS REPORT

Your Directors have pleasure in presenting you the Ninth Annual Report and the Annual Accounts for the financial year ending 31st March 2001.

FINANCIAL RESULTS:

	(Rs. in Lacs)	
	2000-2001	1999-2000
Sales & Other Income	1139.85	707.26
Profit/(Loss) before Int.&Dep.	99.72	108.44
Interest	36.91	60.02
Depreciation	31.41	31.38
Profit/(Loss) before Tax	31.40	17.04
Provision for Taxation	3.73	1.97
Profit/(Loss)	27.67	15.07

Your Directors inform that the company has made a profit of Rs. 99.72 lacs before interest and depreciation. The company has earned a net profit of Rs. 27.67 lacs after providing interest of Rs. 36.91 lacs and Depreciation of Rs. 31.41 lacs and Tax of Rs. 3.73 lacs.



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OPERATIONS :

During the year under review, the Company's products show a sign of improvement over the previous year even though Gutkha continued to be effected with adverse market conditions.

The Company is studying various alternatives in manufacturing /marketing for diversification to the extent beneficial . In this direction company has introduced Sanmathi Agarbatti besides Curry Masala a food product for trading.

DIVIDENDS :

Due to paucity of profits, your directors have decided to skip dividend for the year 2000-2001.

PUBLIC DEPOSITS :

The company has not accepted/ renewed Fixed Deposits from Shareholders, employees and public during the period under review.

LISTING :

The Companies Shares are listed at

1. The Hyderabad Stock Exchange Ltd.,
Himayat Nagar, Hyderabad-500 029.
 2. The Mumbai Stock Exchange Ltd.,
Jeejee Bhoy Towers,
Dalal Street, MUMBAI- 400 001.
- The listing fee is not in arrears.

DIRECTORS :

Sri N.C.Vijaya Raghavan retires by rotation in accordance with Article 101 of Articles of Association of the Company and being eligible for reappointment offers his services for reappointment.

Directors Responsibility Statement:

The Directors would like to inform the members that the Audited Annual Accounts for the year ended 31.3.2001 are in full conformity with the requirements of Companies Act 1956. The Directors further confirm that;

- a) In preparation of the Annual Accounts the applicable accounting standards have been followed with proper explanations if and where required
- b) The accounting policies selected and Consistently applied are reasonable. Prudent Judgement and estimates are made so as to give a true and fair view of the state of affairs of the company for the year.

- c) 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 providing and detecting fraud and irregularity.

- d) The directors had prepared the Annual Accounts on a going concern basis.

AUDITORS:

M/s Jawahar and Associates, Chartered Accountants, Hyderabad who are the auditors of the Company and hold office upto the conclusion of the ensuing Annual General Meeting are recommended for re-appointment.

They have confirmed their eligibility as per Section 224 (1) of the Companies Act.

PERSONNEL:

The Directors express their appreciation for the co-operation and support received from all employees during the year and acknowledge their contribution to the performance of the Company.

There are no employees, employed through out the year and are in receipt of Rs. 6,00,000/- / Rs. 12,00,000 or more or employed for part of the year in receipt of Rs.50,000/- / Rs. 1,00,000/- per month as the case may be as applicable under the Companies (Particulars of Employees) Rules 1975 read with section '217 (2A) of the companies Act 1956 as amended w.e.f 25.10.2000

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS / OUTGOINGS

Consumption of energy is not significant and is only minimum. The fact that the product Fruit Masala and Gutkha are consumer accepted items is a clear proof of absorption of technology by the Company.

AUDIT COMMITTEE:

The Company has an Audit Committee, whose composition, role, functions and powers are in accordance with the legal/SEBI requirements. The Audit Committee Comprises of Sri R.Jagadish Kumar as the Chairman with Sri G.Subba Rao and Sri P.Bhaskara Rao as members.



Virat Crane Industries Ltd.

ACKNOWLEDGEMENTS:

The Directors wish to place on record their appreciation to the various Government Authorities, The Vysya Bank Ltd., The Lakshmi Vilas Bank Ltd., and I.D.B.I for their continued guidance and support. They would also like to place on record their appreciation for the enthusiasm and hard work exhibited by all employees of the Company

for and on behalf of the Board

Sd/-
P.BHASKARA RAO
DIRECTOR

Sd/-
G.V.S.L. KANTHARAO
MANAGING DIRECTOR

Guntur 31-05-2001

JAWAHAR AND ASSOCIATES CHARTERED ACCOUNTANTS

D.NO.1-2-412/B-1, DOMALGUDA
GAGANMAHAL COLONY
HYDERABAD-500 029.

AUDITORS REPORT :

To

The Members of,
VIRAT CRANE INDUSTRIES LIMITED

We have audited the attached Balance Sheet of **VIRAT CRANE INDUSTRIES LIMITED** as at 31st March 2001, and also the Profit & Loss Account for the year ended on that date, in which are incorporated the accounts of the Branches, which we have signed and report as under:

1. As required by the Manufacturing and Other Companies (Auditor's Report) Order 1988, issued by the Company Law Board in terms of Section 227 (4A) of the Companies Act, 1956, a statement on the matters specified in paragraphs 4 and 5 of the said order, is annexed.

2. We further report that:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b) The Balance Sheet and Profit and Loss Account referred to in this report are in agreement with the books of account.

- c) In our opinion, the Balance Sheet and Profit & Loss account dealt with by this report are in compliance with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956 except in respect of A.S 15: Retirement Benefits.
- d) In our opinion and to the best of our information and according to the explanations given to us, the Balance Sheet and Profit & Loss Account together with the notes thereon and attached thereto, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view,
 - i) in the case of Balance Sheet of the state of affairs of the Company as at 31st March, 2001 and
 - ii) in the case of Profit & Loss Account, of the Loss of the Company for the year ended on that date.
- e) To the best of our information and explanations given to us no director is disqualified from being appointed as director of the company under clause(g) of Sub Section(I) of Sec. 274.

for **JAWAHAR AND ASSOCIATES**
(Chartered Accountants)

Sd/-
GUNTUR
31.05.2001.

(**V.UMAPATHI**)
PARTNER

ANNEXURE TO AUDITOR'S REPORT

Referred to in paragraph 1 of our Report of even date.

1. The Company has maintained proper records showing full particulars including the quantitative details and situation of fixed assets. The same has been physically verified during the year and no material discrepancies were noticed on verifications.
2. None of the fixed assets have been revalued during the year..
3. Stock of Raw Materials, Finished Goods have been physically verified during the accounting year by the management. In our opinion, the frequency of Verification is reasonable.
4. The procedures of physical verification of stocks followed by the management are



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- reasonable and adequate in relation to the size of the Company and the nature of its business.
5. The discrepancies if any, noticed on Verification between the physical stocks and the book records in respect of Raw Material and Finished Goods items were not material in relation to the operations of the Company and have been properly dealt with in the books of accounts.
 6. The procedure followed for the valuation of the Finished goods and Raw Materials are in accordance with normally accepted accounting principles.
 7. The Company has not taken any loans, secured or unsecured from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956 or under the same management.
 8. The Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
 9. In our opinion and according to the information explanations given to us, there are adequate internal control procedures commensurate with the size of the company and nature of its business with regard to purchase of Stores, Raw Materials, Plant & Machinery, Equipment and other Assets and for the sale of goods.
 10. In our opinion and according to the information and explanations given to us, the transactions if any, of purchase of goods and materials and sale of goods, materials and services, made in pursuance of contracts or arrangements entered in the register maintained under section 301 and aggregating during the Year Rs.50000/- or more in respect of each party have been made at prices which are reasonable having regard to prevailing market price for such goods, materials or services or the prices at which transactions for similar goods, materials or services have been made with other parties.
 11. The Company do not generate any material scrap or realisable by product. Hence the clause relating to maintenance of records for the sale and disposal of scrap or by product is not applicable.
 12. Since the Company has not accepted any fixed deposits during the period under review, the clauses relating to compliance of the provisions of section 58A of the Companies Act, 1956 are not applicable to the company.
 13. In our opinion and explanations given to us, the management has not determined any unserviceable or damaged stores and hence no provision has been made in the accounts.
 14. In our opinion the company has an adequate Internal Audit system commensurate with the size and the nature of its business.
 15. The maintenance of cost records has not been prescribed by the Central Government, under section 209 (1) (D) of Companies Act, 1956.
 16. The provisions of Employees State Insurance Scheme and the Employees Provident Fund and Miscellaneous Provisions Act, 1952 are applicable to the company, and the requirements of paragraph 4(A) (XVII) of the order have been complied by the Company.
 17. According to the information and explanations given to us no undisputed amounts payable by the Company in respect income Tax, Wealth Tax, Sales Tax, Customs Duty and Excise Duty, were outstanding as at 31st March, 2001 for a period of more than 6 months from the date they become payable.
 18. According to information and explanation given to us and on the basis of the records of the Company examined by us, no personal expense have been charged to revenue.
 19. The Company is not a sick industrial company within the meaning of clause (0) of Sub-section (1) of section 3 of the Sick Industrial Companies (Special Provisions) Act, 1985.
 20. In respect of trading operations there are no damaged goods as per records of the company.

For JAWAHAR AND ASSOCIATES
Chartered Accountants

Place : Guntur
Date : 31-5-2001

Sd/-
(V.UMAPATHI)
Partner



Virat Crane Industries Ltd.

BALANCE SHEET AS AT 31-3-2001

PARTICULARS	SCH. NO.	CURRENT YEAR	PREVIOUS YEAR
SOURCES OF FUNDS		RS.	PS.
SHARE CAPITAL	1	72385500	72385500
RESERVES & SURPLUS	2	15137234	12369954
LOAN FUNDS			
SECURED LOANS	3	15897968	21248284
UNSECURED LOANS	4	36859207	34621140
		-----	-----
		140279909	140624878
		-----	-----
APPLICATION OF FUNDS			
FIXED ASSETS			
GROSS BLOCK LESS DEPRECIATION	5	66686640	69632238
INVESTMENTS	6	20442500	20442500
CURRENT ASSETS,			
LOANS & ADVANCES:			
INVENTORY	7	20756364	26273343
SUNDRY DEBTORS	8	1187417	2223094
CASH & BANK BALANCES	9	1268681	563917
ADVANCES	10	36658726	38683331
DEPOSITS	11	6099348	5953734
		-----	-----
		65970536	73697419
CURRENT LIABILITIES & PROVISIONS	12	32079998	42657509
		-----	-----
		33890538	31039910
DEFERRED REVENUE EXPENDITURE		11205219	11205219
MISCELL ANEOUS EXPENDITURE	13	8055012	8305011
(TO THE EXTENT NOT W/OFF)		-----	-----
		140279909	140624878
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NOTES ON ACCOUNTS 20

As per our report of even date
for JAWAHAR AND ASSOCIATES
Chartered Accountants

For and on behalf of the Board
FOR VIRAT CRANE INDUSTRIES LIMITED

Sd/-
V.UMAPATHI
Partner
GUNTUR, 31st May, 2001

Sd/-
P.BHASKARA RAO
Director

Sd/-
G.V.S.L.KANTHA RAO
MANAGINGDIRECTOR