CRANEX
CRANEX LIMITED
CIN - L74899DL1973PLC006503

AN ISO 9001:2008 CERTIFIED COMPANY

Regd. Off. : 9, D. D. A. Market, Katwaria Sarai, Opposite Qutab Hotel, New Delhi-110 016
Works : 57/1, Site-IV, Industrial Area, Sahibabad-201 010, Distt. Ghaziabad (U.P.) Ph.: 0120-4333427, 4167628
Fax : 91-120-4167630 **Website** : www.cranexltd.com **Email** : cranex1@yahoo.com, info@cranexltd.com

18.01.2023

To,
The Secretary,
Corporate Relationship Department,
Bombay Stock Exchange,
2nd Floor, New Trading Wing,
Rotunda Building, P.J. Towers,
Dalal Street, Mumbai-400001

Ref. Scrip Code: 522001- CRANEX LIMITED
ISIN: INE608B01010

SUB: DISCLOSURE OF IMPACT OF AUDIT QUALIFICATIONS

Dear Sir,

In terms of Regulations 33(3) (d) of SEBJ (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended by SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2016, read with SEBT Circular No. CIR/CFD/CMD/56/2016 dated May 27, 2016, and with reference to your email dated 22 November, 2022 for submission of Statement of Impact of Audit Qualifications with respect to Limited Review Report on Standalone and Consolidated Financial Results for the second Quarter and half- Year ended on 30th September, 2022, please find attached herewith declaration in respect of Limited Review Report. We submit here with enclosed statement on impact of Audit Qualifications for the financial result on (standalone & consolidated) of the company for September 30, 2022.

You are requested to please take the above information in your record.

Thanking You
Yours Faithfully

For Cranex Limited
renu Digitally signed by renu Date: 2023.01.18 12:12:12 +05'30'

Renu
Company Secretary and Compliance Officer
Membership Number – A29426

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oSs Certification

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Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results - (*Standalone*)

(in lakhs)

Statement on Impact of Audit Qualifications for the half Year ended September 30, 2022 [*Under*Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I.	Sl. No.	Particulars	**Audited Figures (as reported before adjusting for qualifications)**	**Adjusted Figures (audited figures after adjusting for qualifications)**
	1	Turnover / Total Income	1587.91	1587.91
	2	Total Expenditure	1553.39	1559.60
	3	Net Profit/ (Loss)	22.26	16.05
	4	Earnings Per Share	0.37	0.27
	5	Total Assets	5031.19	5031.19
	6	Total Liabilities	4074.05	4127.99
	7	Net Worth	957.14	903.20
	8	Net Profit before OCI	22.26	16.05
	9	Other Comprehensive Income	0	2.19
	8	Net Profit after OCI	22.26	18.23
II.	**Audit Qualification (each audit qualification separately):**			

a. Details of Audit Qualification: Qualification has been given to create the provision for gratuity. Given below is the other qualification given by the auditor.

(i)The Company has not complied with provisions of IND AS-15 'Employee Benefits' as it has not obtained actuarial valuation in respect of provision for gratuity liability to its employees and hence not made any provision towards gratuity liability. The impact of liability on this account is therefore not ascertainable and cannot be quantified.

(ii)We draw attention to the fact that there are differences between Audited Annual Balance sheet and Statement of Profit as on March 31, 2022 furnished in accordance with section 134 of the Companies act 2013 and Statement of audited financial results for the quarter and year ended March 31, 2022 prepared by the company pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The differences are as under:-

Difference in Balance Sheet

(Amount in Lakhs)

Particular	As per Audited Financial Statement As on March 31, 2022	As per Published Results as on March 31, 2022
Property Plant and Equipment	605.41	599.09
Long term loans and advances	158.96	-
Other non-current assets	375.39	492.09
Deferred tax assets (net)	7.21	-
Inventories	1247.71	1257.08
Trade Receivable	1589.19	1491.97
Cash and Cash equivalents	16.22	2.11
Other current assets	236.44	340.19
Borrowings	2277.79	2273.41
Other non-current liabilities	-	92.49
Trade Payable	1030.10	939.30
Other Current Liabilities	148.32	109.01
Provisions	27.45	15.45

Difference in Statement of Profit and Loss

Particulars	As per Financial Statement For the year ended 31/03/2022	As per Published Results For the year ended 31/03/2022
Other Income	28.05	24.25
Cost of material consumed	2420.77	2167.78
Purchase of stock in trade	50.78	-
Change in Inventories	50.78	199.71
Employee Benefit expenses	391.87	385.68

Depreciation and Amortization	28.80	34.80
Finance cost	122.45	103.75
Other Expenses	883.36	1053.31

b. **Type of Audit Qualification :**Qualified Opinion

c. **Frequency of qualification:** appeared first time

d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Management has taken a note of the qualifications and its impact on the account and will adjust after taking into account the impact of all the qualifications as quantified by the auditors.

Para 4(b) of Limited Review Report on standalone results :- The company undertook reclassification and restatement of certain financial figures. As a result there was a change in some figures of Balance Sheet and Profit and Loss. However, the net profit and the EPS of the company remains the same, and there is no change in that. Further, there is no material change in the Company's workings and financials which impacted the overall profitability, for the financial year ending 31 March 2022.

e. For Audit Qualification(s) where the impact is not quantified by the auditor:

Para 4(a) of Limited Review Report on standalone results :- Management's estimation on the impact of audit qualification: Due to oversight Company did not created provision for gratuity in its accounts for half year ending September, 2022 and for earlier years. But, it is to inform that, Since the number of employees is very minimal, impact of gratuity provision is also very minimal on the profitability of the Company. Now after statutory auditors qualification in the results of the company for the half year ending 30th Sept, 2022. Company decided to rectify the error and after computing the impact has revised the results as well. Figures are given below:-

(Rs. In Lakhs)

Particulars	**Half Year Ended**	
	before adjustment	**after adjustment**
P&L		
Employee benefit expenses	217.13	223.34
P&L before exceptional items & tax	34.51	28.30
Net profit before OCI	22.26	16.05
Other Comprehensive Income	-	2.19
Net profit after OCI	22.26	18.23
EPS	0.37	0.27

		Balance Sheet		
		Reserves & Surplus	357.14	303.21
		Short term provision	-	42.09
		Long term provision	-	11.85
	If management is unable to estimate the impact, reasons for the same:			
	(iii) **Auditors' Comments on (i) or (ii) above:**			
III.	Signatories			
	□ Piyush Agrawal, (Managing Director)	Piyush Agrawal		
	□ Chaitanya Agrawal, (CFO)			
	□ Ashwini Kumar Jindal, Audit Committee Chairman			
	□ Rajan Bansal, Statutory Auditor	Rajan Bansal		
	Place: Ghaziabad			
	Date:13/01/2023			

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Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results - (*consolidated*)

(in lakhs)

Statement on Impact of Audit Qualifications for the Half Year ended September, 2022 [*Under*Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I.	Sl. No.	Particulars	**Audited Figures (as reported before adjusting for qualifications)**	**Adjusted Figures (audited figures after adjusting for qualifications)**
	1	Turnover / Total Income	1587.91	1587.91
	2	Total Expenditure	1553.39	1559.60
	3	Net Profit/ (Loss)	19.56	13.35
	4	Earnings Per Share	0.33	0.22
	5	Total Assets	5014.55	5014.55
	6	Total Liabilities	4074.05	4127.99
	7	Net Worth	940.50	886.56
	8	Net profit before OCI	19.56	13.35
	9	Other Comprehensive Income	-	2.19
	10	Net profit after OCI	19.56	15.53
II.	**Audit Qualification (each audit qualification separately):**			

A. Details of Audit Qualification: Qualification has been given to create the provision for gratuity. Given below is the other qualification given by the auditor.

(i)The Parent Company has not complied with provisions of IND AS-15 ‘Employee Benefits’ as it has not obtained actuarial valuation in respect of provision for gratuity liability to its employees and hence not made any provision towards gratuity liability. The impact of liability on this account is therefore not ascertainable and cannot be quantified.

(ii)We draw attention to the fact that there are differences between Audited Annual Balance sheet and Statement of Profit as on March 31, 2022 furnished in accordance with section 134 of the Companies act 2013 and Statement of audited financial results for the quarter and year ended March 31, 2022 prepared by the company pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The differences are as under:-

Difference in Balance Sheet

(Amount in Lakhs)

Particular	As per Audited Financial Statement For the year as on March 31,2022	As per Published Results as on March 31,2022
Property Plant and Equipment	605.41	599.09
Long term loans and advances	158.96	-
Other non-current assets	375.39	492.09
Inventories	1247.71	1257.08
Investments	0.01	-
Other Equity	315.80	334.87
Trade Receivable	1589.19	1491.97
Cash and Cash equivalents	43.84	2.11
Other current assets	236.44	340.19
Borrowings	2277.79	2091.41
Other non-current liabilities	165.56	92.49
Trade Payable	1030.10	939.30
Other Current Liabilities	148.32	109.01
Provisions	27.45	15.45

Difference in Statement of Profit and Loss

Particulars	As per Financial Statement For the year ended 31/03/2022	As per Published Results For the year ended 31/03/2022
Other Income	28.05	24.25

Cost of material consumed	2420.77	2167.78
Purchase of stock in trade	50.78	-
Change in Inventories	50.78	199.71
Employee Benefit expenses	391.87	385.68
Finance cost	122.45	103.75
Other Expenses	887.62	1059.31

b. **Type of Audit Qualification :**Qualified Opinion

c. **Frequency of qualification:** appeared first time

d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
Management has taken a note of the qualifications and its impact on the account and will adjust after taking into account the impact of all the qualifications as quantified by the auditors.

Para 4(b) of Limited Review Report on consolidated accounts:- The company undertook reclassification and restatement of certain financial figures. As a result there was a change in some figures of Balance Sheet and Profit and Loss. However, the net profit and the EPS of the company remains the same, and there is no change in that. Further, there is no material change in the Company's workings and financials which impacted the overall profitability, for the financial year ending 31 March 2022.

e. For Audit Qualification(s) where the impact is not quantified by the auditor:

Para 4(a) of Limited Review Report on consolidated accounts: - Due to oversight Company did not created provision for gratuity in its accounts for half year ending September, 2022 and earlier years. But, it is to inform that, Since the number of employees is very minimal, impact of gratuity provision is also very minimal on the profitability of the Company. Now after statutory auditors qualification in the results of the company for the half year ending 30th Sept, 2022. Company decided to rectify the error and after computing the impact has revised the results as well. Figures are given below:-

(Rs In lakhs)

Particulars	**Half Year Ended**	
	before adjustment	**after adjustment**
P&L		
Employee benefit expenses	217.13	223.34
P&L before exceptional items & tax	34.51	28.3
Net profit before OCI	19.56	13.35
Other Comprehensive Income	0	2.19
Net profit after OCI	19.56	15.53
EPS	0.33	0.22

Balance Sheet		
Reserves & Surplus	340.50	286.57
Short term provision	0	42.09
Long term provision	0	11.85

	(ii) **If management is unable to estimate the impact, reasons for the same:**	
	(iii) **Auditors' Comments on (i) or (ii) above:**	
III.	Signatories	
	□ Piyush Agrawal, (Managing Director)	Piyush Agrawal
	□ Chaitanya Agrawal, (CFO)	
	□ Ashwini Kumar Jindal, Audit Committee Chairman	A Jindal
	□ Rajan Bansal, Statutory Auditor	Rajan Bansal
	Place: Ghaziabad	
	Date:13/01/2023	