

MANAGEMENT DISCUSSION AND ANALYSIS REPORT**A. BUSINESS HIGHLIGHTS :****Turnover:**

Crown Lifters Limited has turnover of Rs.149,795,326 in 2017-2018.

Employee Benefit Expenses:

Employees' emolument (other than managerial remuneration) is Rs.18,233,047 during the year as against Rs. 15,906,723 during the previous year.

Administrative and Selling Expenses:

Major components of administrative and other expenses includes Bank Charges & Commission, Sales Promotion & Presentation, Brokerage & Commission, Site Exp., Legal and Professional Tax, Rent, listing fees, insurance premium, Sundry Exp., Bad Debts written off, etc. Administrative and Selling expenses for the year amounted to Rs.13,358,059 as against Rs. 16,847,730 during the previous year.

Interest and Finance Charges:

Interest and finance charges / bank charges during the year come to Rs. 40,391,163 as against Rs.39,283,493 during the previous year.

Depreciation:

Depreciation charge for the current year came to Rs.81,368,167 as against Rs. 72,018,153 of the previous year.

Provision for Tax:

Due to loss, the Company has not made any provision towards current tax for the financial year 2017-18.

Profit/Loss after Tax:

The Company has incurred loss after of Rs. (61,158,145) as against the profit during previous year of Rs.29,923,876. The Directors are hopeful for the better performance in the future.

Earnings per Share:

Basic and diluted earnings per share for the current year worked out to Rs. (29) as against Rs. 18.72 during the previous year.

FINANCIAL CONDITION:**Non Current Liabilities:**

The Company's Non Current Liabilities includes Long Term borrowings (Secured loans) of Rs.274,516,808 and Long term provision of Rs. 677,355 as at 31st March 2018 as against Long Term Borrowings of Rs. 353,409,432.00 and Long term provision of Rs. 520,425 as at 31st March 2017.

Current Liabilities:

Company's Current Liabilities includes Short term borrowings of Rs.4,781,081, Trade payables of Rs.8,356,788 and Other Current Liabilities of Rs.113,485,298 aggregating to Rs. 126,623,167 as at 31st March 2018 against Rs. 88,964,967 of the previous year.

Fixed Assets:

Net block of the fixed assets at the end of the year is Rs.536,242,144 as against Rs. 587,912,680 in the previous year.

Current Assets:

During the year, the Company has current assets of Rs.75,128,395 as against Rs. 128,850,834 of the previous year.

B. SEGMENT WISE PERFORMANCE :

The company is operating as largest and most preferred supplier of construction equipments servicing all industrial sectors by offering competitive technological edge. Your company has adopted various marketing strategies for sustained growth including increase in number of clients / customers to reduce the dependency on any single client / customer.

C. AN INDUSTRY OVERVIEW :

The management is confident of improvement in the company's working in the near future with fast growth.

The scenario of the infrastructure industry and economy in general is buoyant even after the industry is exposed to competition with policy of the government. The process of development, increasing thrust of the government on the infrastructure industry, the future of the industry in which our company is working i.e. renting of cranes appears quite bright.

D. SWOT ANALYSIS OF THE COMPANY :**Strength:**

- Management depth and ability to manage client / customer relationships
- Enhanced presence in the market through clientele basis

Opportunities and Threats:

The renting of Construction Equipments industry is subject to tough competition amongst various segments within and outside the country. The threat of competition is comparatively relatively less in the area in which your company is operating. The increase in demand from business sector will provide opportunity to your company to increase more market share. Moreover, suppliers of construction Equipments industry witnessing changes in business dynamics.

E. RISKS AND CONCERNS :

Your company is mainly focusing on manpower and the intelligence. Apart from the risk on account of governmental policies and regulatory changes, business of the company are exposed to certain operating business risks, which is mitigated by regular monitoring and corrective actions. The company has taken necessary measures to safe guard its assets and interest etc.

F. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY :

The company has proper and adequate system of internal controls commensurate with its size and nature of operations to provide reasonable assurance that all assets are safeguarded, transactions are authorized, recorded and reported properly and to monitor internal business process, financial reporting and compliance with applicable laws.

The internal control system has been designed so as to ensure that the financial and other records are reliable and reflects a true and fair view of the state of the Company's business. A qualified and independent committee of the Board of Directors actively reviews the adequacy and effectiveness of internal control systems and suggests improvements for strengthening them.

G. HUMAN RESOURCE MANAGEMENT :

The Company believes that human resource is the most important assets of the organization. It is not shown in the corporate balance sheet, but influences appreciably the growth, progress, profits and the shareholders' values. During the year your company continued its efforts aimed at improving the HR policies and processes to enhance its performance. The vision and mission of the company is to create culture and value system and behavioral skills to insure achievement of its short and long term objectives.

CAUTIONARY STATEMENT:

Statement made in the Management Discussion and Analysis Report describing the company's objectives, projections, estimates, expectations may be "Forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand supply and price conditions in the markets in which the company operates changes in the government regulations, tax laws & other statutes and other incidental factors.