



SANGHVI

# SANGHVI MOVERS LIMITED







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**SANGHVI MOVERS LIMITED**

<p><b>Board of Directors</b>  Chandrakant Sanghvi - Chairman &amp; Managing Director  Vijay Mainkar - Director  Dara Damania - Director  S. Padmanabhan - Director  Gary Jit Meng Ng - Director  Pradeep Rathi - Director  Dinesh Munot - Director  Mina Sanghvi - Director  Sanjay Asher - Director  Sham Kajale - Executive Director &amp; CFO</p>	<p><b>Bankers</b>  Axis Bank  Bank of Baroda  Bank of India  Corporation Bank  Dena Bank  ICICI Bank  ING Vysya Bank  State Bank of Hyderabad  State Bank of India  The Saraswat Co-op Bank Limited</p>												
<p><b>Company Secretary &amp; Chief Compliance Officer</b>  Rajesh Likhite</p> <p><b>Auditors</b>  B S R &amp; Co. LLP  Chartered Accountants</p>	<p><b>Information for the shareholders</b>  <b>Annual General Meeting : Friday, 26<sup>th</sup> of September 2014</b>  <b>Time : 11.00 a.m.</b>  <b>Venue : Registered Office of the Company</b>  Date of Book Closure : 15<sup>th</sup> September 2014 to 26<sup>th</sup> September 2014  (Both days inclusive)</p>												
<p><b>Registered Office</b>  Survey No. 92, Tathawade,  Taluka Mulshi, Pune - 411033  Tel : 91-20-66744700  Fax : 91-20-66744724  E-Mail : info@sanghvicranes.com  cs@sanghvicranes.com  Website : www.sanghvicranes.com  CIN : L29150PN1989PLC054143</p>	<table border="1"> <thead> <tr> <th>Contents</th> <th>Page No.</th> </tr> </thead> <tbody> <tr> <td>Financial Highlights</td> <td>2</td> </tr> <tr> <td>Notice</td> <td>3</td> </tr> <tr> <td>Directors' Report</td> <td>19</td> </tr> <tr> <td>Management Discussion and Analysis</td> <td>22</td> </tr> </tbody> </table>	Contents	Page No.	Financial Highlights	2	Notice	3	Directors' Report	19	Management Discussion and Analysis	22		
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<p><b>Registrar &amp; Share Transfer Agent</b>  Link Intime India Private Limited  Block No 202, Akshay Complex, 2nd Floor,  Near Ganesh Temple, Off Dhole Patil Road,  Pune - 411001  Tel : +91 20 26160084/ 26161629  Fax : +91 20 26163503  E-mail : pune@linkintime.co.in  Website : www.linkintime.co.in</p>	<table border="1"> <tbody> <tr> <td>Report on Corporate Governance</td> <td>24</td> </tr> <tr> <td>Independent Auditors' Report</td> <td>39</td> </tr> <tr> <td>Balance Sheet</td> <td>44</td> </tr> <tr> <td>Statement of Profit and Loss Account</td> <td>45</td> </tr> <tr> <td>Cash Flow Statement</td> <td>46</td> </tr> <tr> <td>Notes forming part of the financial statements</td> <td>48</td> </tr> </tbody> </table>	Report on Corporate Governance	24	Independent Auditors' Report	39	Balance Sheet	44	Statement of Profit and Loss Account	45	Cash Flow Statement	46	Notes forming part of the financial statements	48
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<b>CRANE RENTALS</b>													



# FINANCIAL HIGHLIGHTS

(₹ in Lakhs)

PARTICULARS	2013-14	2012-13	2011-12	2010-2011	2009-2010
<b>Total Income</b>	<b>24,973.26</b>	34,741.01	47,146.33	37,352.25	34,273.12
Total Expenditure	<b>10,790.31</b>	10,745.81	13,504.95	10,544.74	7,887.35
<b>Gross Profit</b>	<b>14,182.95</b>	23,995.20	33,641.38	26,807.51	26,385.77
Interest	<b>4,620.68</b>	6,337.40	7,708.63	4,919.60	4,747.28
<b>PBDT</b>	<b>9,562.27</b>	17,657.80	25,932.75	21,887.91	21,638.49
Depreciation	<b>11,858.69</b>	11,809.77	11,060.30	9,288.48	7,872.97
<b>Profit Before Tax</b>	<b>(2,296.42)</b>	5,848.03	14,872.45	12,599.42	13,765.52
Provision For Taxation -					
Current Tax & Previous Years' Tax	<b>31.81</b>	1,417.20	3,535.10	2,747.67	3,451.73
Deffered Tax	<b>(877.97)</b>	338.03	1,300.72	1,220.72	1,271.71
<b>Profit After Tax Before</b>					
<b>Extra-Ordinary Items</b>	<b>(1,450.26)</b>	4,092.74	10,036.63	8,631.03	9,042.08
Extra-Ordinary Items	-	-	140.59	-	-
<b>Profit After Tax After</b>					
<b>Extra-Ordinary Items</b>	<b>(1,450.26)</b>	4,092.74	10,177.22	8,631.03	9,042.08
<b>Cash Profit</b>	<b>9,530.46</b>	16,240.52	22,538.24	19,140.24	18,186.77
Gross Block	<b>1,71,282.50</b>	1,68,051.44	1,66,441.98	1,45,283.67	1,18,608.89
Depreciation	<b>70,799.39</b>	59,030.85	47,843.10	38,263.71	30,640.29
Net Block	<b>1,00,483.11</b>	1,09,020.59	1,18,598.88	1,07,019.96	87,968.60
<b>Dividend</b>					
In Percentage	<b>Nil</b>	50.00	150.00	150.00	150.00
In Amount	<b>Nil</b>	432.88	1298.64	1,298.64	1,298.64
Paid-Up Capital	<b>865.76</b>	865.76	865.76	865.76	865.76
Reserves	<b>64,025.82</b>	65,476.08	61,886.44	53,218.53	46,096.81
Shareholders' Funds	<b>64,891.58</b>	66,341.84	62,752.20	54,084.29	46,962.57
Debt : Equity	<b>0.72</b>	0.88	1.12	1.19	1.01
<b>Earning Per Share (₹)</b>					
<b>Basic</b>	<b>(3.35)</b>	9.45	23.51	19.94	20.89
<b>Diluted</b>	<b>(3.35)</b>	9.45	23.51	19.94	20.89
Cash Eps (₹)	<b>22.02</b>	37.52	52.07	44.22	42.01
Book Value (₹)	<b>149.91</b>	153.26	144.96	124.94	108.49
<b>Capex</b>	<b>Nil</b>	Nil	23,000	29,900	16,000

## **Notice**

NOTICE is hereby given that the Twenty-fifth Annual General Meeting of the Members of Sanghvi Movers Limited will be held on Friday, the 26<sup>th</sup> day of September 2014, at 11.00 a.m. at the Registered Office of the Company, at Survey No. 92, Tathawade, Taluka Mulshi, Pune 411033, to transact the following business :

### **Ordinary Business:**

1. To receive, consider and adopt the Financial Statements for the year ended on 31<sup>st</sup> March 2014, including audited Balance Sheet as at 31<sup>st</sup> March 2014 and the Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. Mina C. Sanghvi (holding DIN 00116748), who retires by rotation and being eligible, offers herself for re-appointment.
3. To appoint a Director in place of Mr. Sham D. Kajale (holding DIN 00786499), who retires by rotation and being eligible, offers himself for re-appointment.
4. To consider, and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

"**RESOLVED THAT** pursuant to the provisions of sections 139 of the Companies Act, 2013 ("Act") and other applicable provisions of the Act, if any and the Rules framed thereunder, as amended from time to time, B S R & Co. LLP, Chartered Accountants, Pune, (Firm Registration Number 101248W allotted by the Institute of Chartered Accountants of India) be and are hereby re-appointed as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the thirtieth Annual General Meeting of the Company, to be held in the year 2019 (subject to ratification of their appointment at every Annual General Meeting) on such remuneration, as may be determined by the Board of Directors in consultation with the Auditors."

### **Special Business:**

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**
- "**RESOLVED THAT** pursuant to the provisions of sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) read with Schedule IV to the Companies Act, 2013 and Clause 49 of the Listing Agreement, Mr. Dinesh Munot (holding DIN 00049801), a Non Executive Director of the Company and in respect of whom the Company has received a notice in writing from a member under section 160 of the Companies Act, 2013 proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company, to hold office for five consecutive years for a term up to 31<sup>st</sup> March 2019, not liable to retire by rotation."
6. To consider and if thought fit, to pass with or without modification(s), the following resolution as **Ordinary Resolution:**

"**RESOLVED THAT** pursuant to the provisions of sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) read with Schedule IV to the Companies Act, 2013 and Clause 49 of the Listing Agreement, Mr. Dara Damania (holding DIN 00403834), a Non Executive Director of the Company and in respect of whom the Company has received a notice in writing from a member under section 160 of the Companies Act, 2013 proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company, to hold office for five consecutive years for a term up to 31<sup>st</sup> March 2019, not liable to retire by rotation."

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

"**RESOLVED THAT** pursuant to the provisions of sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) read with Schedule IV to the Companies Act, 2013 and Clause 49 of the Listing Agreement, Mr. S. Padmanabhan (holding DIN 00001207), a Non Executive Director of the Company and in respect of whom the Company has received a notice in writing from a member under section 160 of the Companies Act, 2013 proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company, to hold office for five consecutive years for a term up to 31<sup>st</sup> March 2019, not liable to retire by rotation."

8. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

"**RESOLVED THAT** pursuant to the provisions of sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) read with Schedule IV to the Companies Act, 2013 and Clause 49 of the Listing Agreement, Mr. Vijay Mainkar (holding DIN 00170719), a Non Executive Director of the Company and in respect of whom the Company has received a notice in writing from a member under section 160 of the Companies Act, 2013 proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company, to hold office for five consecutive years for a term up to 31<sup>st</sup> March 2019, not liable to retire by rotation."

9. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

"**RESOLVED THAT** pursuant to the provisions of sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) read with Schedule IV to the Companies Act, 2013 and Clause 49 of the Listing Agreement, Mr. Pradeep Rathi (holding DIN 00018577), a Non Executive Director of the Company and in respect of whom the Company has received a notice in writing from a member under section 160 of the Companies Act, 2013 proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company, to hold office for five consecutive years for a term up to 31<sup>st</sup> March 2019, not liable to retire by rotation."

10. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

"**RESOLVED THAT** pursuant to the provisions of sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) read with Schedule IV to the Companies Act, 2013 and Clause 49 of the Listing Agreement, Mr. Sanjay Asher (holding DIN 00008221), a Non Executive Director of the Company and in respect of whom the Company has received a notice in writing from a member under section 160 of the Companies Act, 2013 proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company, to hold office for five consecutive years for a term up to 31<sup>st</sup> March 2019, not liable to retire by rotation."

11. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

"**RESOLVED THAT** pursuant to section 309 (5B) read with Schedule XIII to the Companies Act, 1956 and also subject to such other consents and approvals as may be necessary, consent of the members of the Company be and is hereby accorded for waiver of recovery of excess amount of remuneration

paid to Mr. C. P. Sanghvi (holding DIN 00116599), Managing Director of the Company during the financial year 2013-14, in excess of the limits prescribed in schedule II of Part II of Schedule XIII to the Act.

**RESOLVED FURTHER THAT** the Board of Directors or Committee thereof be and are hereby authorized to make application to the Central Government and/or to any other authority, and to do all such acts, deeds and things as may be required to be done in this regard including making of representation before the Central Government."

12. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of sections 196, 197 and other applicable provisions of the Companies Act, 2013, read with Schedule V of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or enactments or re-enactment thereof for the time being in force) and provisions of the Articles of Association of the Company, the members of the Company do hereby approve variation in the terms of appointment of Mr. C. P. Sanghvi (holding DIN 00116599) as Managing Director of the Company for the remaining period of his term upto 30<sup>th</sup> September 2016, upon the terms & conditions of the appointment and remuneration as approved by the Board of Directors and subject to the other approvals, if any, as may be required and as mentioned in Explanatory Statement annexed hereto.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the resolution, the Remuneration Committee of the Board of Directors of the Company be and are hereby authorised to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary proper or desirable in this regard."

13. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to section 309 (5B) read with Schedule XIII to the Companies Act, 1956 and also subject to such other consents and approvals as may be necessary, consent of the members of the Company be and is hereby accorded for waiver of recovery of excess amount of remuneration paid to Mr. Sham D. Kajale (holding DIN 00786499), Executive Director & CFO of the company during the financial year 2013-14, in excess of the limits prescribed in schedule II of Part II of Schedule XIII to the Act.

**RESOLVED FURTHER THAT** the Board of Directors or Committee thereof be and are hereby authorised to do all such acts, deeds and things as may be required to be done in this regard."

By Order of the Board of Directors  
**For Sanghvi Movers Limited**

**Rajesh P. Likhite**  
Company Secretary &  
Chief Compliance Officer

Pune, 8<sup>th</sup> August 2014  
**Registered Office:**  
Survey No. 92, Tathawade,  
Taluka Mulshi, Pune 411033

## 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 THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY.
2. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.
3. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified true copy of the board resolution authorising their representative to attend and vote on their behalf at the meeting.
4. Members/Proxies are requested to bring their duly filled Attendance Slips to be deposited to Company's officials at the venue of the meeting.
5. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, 15<sup>th</sup> day of the September 2014 to Friday, the 26<sup>th</sup> day of September 2014 (both days inclusive), for the purpose of Annual General Meeting.
6. In terms of Article 122 of the Articles of Association of the Company, read with section 152 of the Companies Act, 2013 (section 256 of the Companies Act, 1956) Mrs. Mina C. Sanghvi and Mr. Sham D. Kajale, Director retire by rotation at the ensuing Meeting and being eligible, offer themselves for re-appointment. The Board of Directors of the Company recommends respective re-appointment.
7. The explanatory statement pursuant to section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
8. Members whose shareholding is in the dematerialised form are requested to direct change of address and updation of bank account details to the respective depository participants.
9. Members are requested to :
  - consider dematerializing the Equity Shares held by them,
  - intimate to the Company's Registrar & Share Transfer Agent/their Depository Participants (DP) changes, if any, in their registered addresses at an early date,
  - quote ledger folio numbers and/or DP Identity and Client Identity Numbers in all their correspondence,
  - inform the Registrar & Share Transfer Agent of the Company the particulars of Bank Account Number with the Name of the Bank and its Branch.
  - direct all their correspondence to the Registrar & Share Transfer Agent of the Company and
  - bring their copies of the Annual Report and the Attendance Slips with them at the Annual General Meeting.

10. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
11. Members desirous of obtaining any information concerning accounts and operations of the Company are requested to address their questions in writing to the Company atleast 10 days in advance before the date of Annual General Meeting, so that the information required may be made available at the Meeting.
12. It may be noted that Dividend which remains unpaid or unclaimed for a period of seven years will be transferred to the Investor Education and Protection Fund of the Central Government and thereafter no claim shall lie in respect thereof. The Shareholders, who have not claimed the Dividend for the Years ended 31<sup>st</sup> March 2008, onwards, are requested to claim the same from the Company at the earliest.
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. The Members holding shares in dematerialized form are requested to submit the PAN to the Depository Participants with whom the demat account is maintained. Members holding the shares in physical mode are requested to submit their PAN to the Company/Registrars and Transfer Agents.
14. Electronic copy of the Notice of the Twenty-fifth Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the Twenty-fifth Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
15. Members may also note that the Notice of the Twenty-fifth Annual General Meeting and the Annual Report for 2013-14 will also be available on the Company's website [www.sanghvicranes.com](http://www.sanghvicranes.com) for their download.
16. **Voting through electronic means:**

In compliance with provisions of section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide member's facility to exercise their right to vote at the Twenty-fifth Annual General Meeting (AGM) by electronic means.

**INSTRUCTIONS FOR ELECTRONIC VOTING BY MEMBERS:**

The e-voting period commences on 17<sup>th</sup> September 2014 (09.00 am IST) and ends on 19<sup>th</sup> September 2014 (6.00 pm IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 15<sup>th</sup> day of September 2014 may cast their vote electronically. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

- A. In case a Member receives an email [for members whose email IDs are registered with the Company/ Depository Participants(s)]:
  - (i) Launch internet browser by typing the following URL: [www.evotingindia.com](http://www.evotingindia.com)
  - (ii) Click on Shareholder

- (iii) Now Enter your User ID
- For CDSL: 16 digits beneficiary ID,
  - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xv) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) Note for Non - Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xvii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/ Depository Participants(s) or requesting physical copy]:
- a. Please follow all steps as given above, to cast vote.
- (i) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of 15th day of September 2014.
  - (ii) Mr. Vinayak Khanvalkar, Company Secretary in whole time in Practice has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
  - (iii) The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the voting period unblock the votes in the presence of at least two (2) witnesses not in the

employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

(iv) The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.sanghvicranes.com](http://www.sanghvicranes.com) and on the website of CDSL [www.cdslindia.com](http://www.cdslindia.com) within two (2) days of passing of the resolutions at the AGM of the Company.

17. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 am to 5.00 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.
18. Details under Clause 49 of the Listing Agreement with the Stock Exchange in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.
19. Your Company is concerned about the environment and utilizes natural resources in a sustainable manner. The Ministry of Corporate Affairs has taken a "Green Initiative in Corporate Governance", by allowing companies to send notices and documents to their shareholders electronically to facilitate paperless communication.
20. Sanghvi Movers Limited as a part of its corporate social responsibility undertakes "Green initiative" and intends to send documents to the shareholders in electronic form, at the email address, registered with the Depository Participant. We request you to update your email address with your Depository Participant to ensure that documents reach your preferred email address. By registering email address, you will receive the communication swiftly, save trees, reduce paper consumption, eliminate wastage of paper, avoid loss of documents in post and savings on the printing and postage.
21. The Annual Report is available on the website of the Company i.e. on [www.sanghvicranes.com](http://www.sanghvicranes.com)
22. In case of any queries, complaints, change of address, etc., members are requested to e-mail at [grievance.redressal@sanghvicranes.com](mailto:grievance.redressal@sanghvicranes.com) or [pune@linkintime.co.in](mailto:pune@linkintime.co.in) or send their queries, complaints to the Registered Office of the Company or Link Intime India Private Limited, Registrar & Share Transfer Agent of the Company.
23. The Register of Directors' shareholding & Key Managerial Personnel maintained under section 170 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.

By Order of the Board of Directors  
**For Sanghvi Movers Limited**

**Rajesh P. Likhite**  
Company Secretary &  
Chief Compliance Officer

Pune, 8<sup>th</sup> August 2014

**Registered Office:**  
Survey No. 92, Tathawade,  
Taluka Mulshi, Pune 411033

**EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

According to the provisions of section 102 of the Companies Act, 2013, the following explanatory statement sets out all material facts relating to the business to be mentioned in Item No. 5 to 13 to the notice:

The Company had pursuant to the provisions of the Clause 49 of the Listing Agreement entered with the stock exchanges, appointed Mr. Dinesh Munot, Mr. Dara Damania, Mr. S. Padmanabhan, Mr. Vijay Mainkar, Mr. Pradeep Rathi and Mr. Sanjay Asher as Independent Directors at various times, in compliance with the requirements of Clause 49.

Now pursuant to section 149 (4) of the Companies Act, 2013, which came into effect from 01<sup>st</sup> April 2014, every listed public company is required to have at least one-third of the total number of Directors as Independent Directors, who are not liable to retire by rotation.

The Nomination & Remuneration Committee has recommended the appointment of these Directors as Independent Directors upto 31<sup>st</sup> March 2019.

**Item No. 5**

Mr. Dinesh Munot (holding DIN 00049801), Non Executive (Independent) Director of the Company, joined the Board of Directors on 16<sup>th</sup> December 2009. In terms of section 149 and other applicable provisions of the Companies Act, 2013, Mr. Dinesh Munot, being eligible and seeking appointment as an Independent Director for a term upto five years.

The Company has received notice in writing under the provisions of section 160 of the Companies Act, 2013, from a member along with a deposit of ₹ 100,000/- proposing candidature of Mr. Dinesh Munot, to be appointed as Independent Director of the Company.

The Company has received from Mr. Dinesh Munot declaration in writing that he meets the criteria as independence as prescribed under section 149 (6) of the Companies Act, 2013 & Clause 49 of the Listing Agreement.

In the opinion of the Board, Mr. Dinesh Munot fulfills the condition for appointment as Independent Director as specified in the Act and the Listing Agreement and he is independent of the management.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail the services of Mr. Dinesh Munot as Independent Director.

Except Mr. Dinesh Munot, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 5 This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange.

The Board recommends the resolution set forth in Item No. 5 for the approval of the members.

**Item No. 6**

Mr. Dara Damania (holding DIN 00403834), Non Executive (Independent) Director of the Company, joined the Board of Directors on 20<sup>th</sup> October 2008. In terms of section 149 and other applicable provisions of the Companies Act, 2013, Mr. Dara Damania, being eligible and seeking appointment as an Independent Director for a term upto five years.

The Company has received notice in writing under the provisions of section 160 of the Companies Act, 2013,

from a member along with a deposit of ₹ 100,000/- proposing candidature of Mr. Dara Damania, to be appointed as Independent Director of the Company.

The Company has received from Mr. Dara Damania declaration in writing that he meets the criteria as independence as prescribed under section 149 (6) of the Companies Act, 2013 & Clause 49 of the Listing Agreement.

In the opinion of the Board, Mr. Dara Damania fulfills the condition for appointment as Independent Director as specified in the Act and the Listing Agreement and he is independent of the management.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail the services of Mr. Dara Damania as Independent Director.

Except Mr. Dara Damania, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 6 This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange.

The Board recommends the resolution set forth in Item No. 6 for the approval of the members.

#### **Item No. 7**

Mr. S. Padmanabhan (holding DIN 00001207), Non Executive (Independent) Director of the Company, joined the Board of Directors on 02<sup>nd</sup> September 2006. In terms of section 149 and other applicable provisions of the Companies Act, 2013, Mr. S. Padmanabhan, being eligible and seeking appointment as an Independent Director for a term upto five years.

The Company has received notice in writing under the provisions of section 160 of the Companies Act, 2013, from a member along with a deposit of ₹ 100,000/- proposing candidature of Mr. S. Padmanabhan, to be appointed as Independent Director of the Company.

The Company has received from Mr. S. Padmanabhan declaration in writing that he meets the criteria as independence as prescribed under section 149 (6) of the Companies Act, 2013 & Clause 49 of the Listing Agreement.

In the opinion of the Board, Mr. S. Padmanabhan fulfills the condition for appointment as Independent Director as specified in the Act and the Listing Agreement and he is independent of the management.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail the services of Mr. S. Padmanabhan as Independent Director.

Except Mr. S. Padmanabhan, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 7 This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange.

The Board recommends the resolution set forth in Item No. 7 for the approval of the members.

#### **Item No. 8**

Mr. Vijay Mainkar (holding DIN 00170719), Non Executive (Independent) Director of the Company, joined the Board of Directors on 16<sup>th</sup> March 1995. In terms of section 149 and other applicable provisions of the Companies Act, 2013, Mr. Vijay Mainkar, being eligible and seeking appointment as an Independent Director for a term upto five years.

The Company has received notice in writing under the provisions of section 160 of the Companies Act, 2013, from a member along with a deposit of ₹ 100,000/- proposing candidature of Mr. Vijay Mainkar, to be appointed as Independent Director of the Company.

The Company has received from Mr. Vijay Mainkar declaration in writing that he meets the criteria as independence as prescribed under section 149 (6) of the Companies Act, 2013 & Clause 49 of the Listing Agreement.

In the opinion of the Board, Mr. Vijay Mainkar fulfills the condition for appointment as Independent Director as specified in the Act and the Listing Agreement and he is independent of the management.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail the services of Mr. Vijay Mainkar as Independent Director.

Except Mr. Vijay Mainkar, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 8 This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange.

The Board recommends the resolution set forth in Item No. 8 for the approval of the members.

#### **Item No. 9**

Mr. Pradeep Rathi (holding DIN 00018577), Non Executive (Independent) Director of the Company, joined the Board of Directors on 12<sup>th</sup> April 2007. In terms of section 149 and other applicable provisions of the Companies Act, 2013, Mr. Pradeep Rathi, being eligible and seeking appointment as an Independent Director for a term upto five years.

The Company has received notice in writing under the provisions of section 160 of the Companies Act, 2013, from a member along with a deposit of ₹ 100,000/- proposing candidature of Mr. Pradeep Rathi, to be appointed as Independent Director of the Company.

The Company has received from Mr. Pradeep Rathi declaration in writing that he meets the criteria as independence as prescribed under section 149 (6) of the Companies Act, 2013 & Clause 49 of the Listing Agreement.

In the opinion of the Board, Mr. Pradeep Rathi fulfills the condition for appointment as Independent Director as specified in the Act and the Listing Agreement and he is independent of the management.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail the services of Mr. Pradeep Rathi as Independent Director.

Except Mr. Pradeep Rathi, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 9 This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange.

The Board recommends the resolution set forth in Item No. 9 for the approval of the members.

#### **Item No. 10**

Mr. Sanjay Asher (holding DIN 00008221), Non Executive (Independent) Director of the Company, joined the Board of Directors on 30<sup>th</sup> September 2011. In terms of section 149 and other applicable provisions of the Companies Act, 2013, Mr. Sanjay Asher, being eligible and seeking appointment as an Independent Director for a term upto five years.

The Company has received notice in writing under the provisions of section 160 of the Companies Act, 2013, from a member along with a deposit of ₹ 100,000/- proposing candidature of Mr. Sanjay Asher, to be appointed as Independent Director of the Company.

The Company has received from Mr. Sanjay Asher declaration in writing that he meets the criteria as independence as prescribed under section 149 (6) of the Companies Act, 2013 & clause 49 of the Listing Agreement.

In the opinion of the Board, Mr. Sanjay Asher fulfills the condition for appointment as Independent Director as specified in the Act and the Listing Agreement and he is independent of the management.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail the services of Mr. Sanjay Asher as Independent Director.

Except Mr. Sanjay Asher, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 10 This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange.

The Board recommends the resolution set forth in Item No. 10 for the approval of the members.

#### **Item No. 11**

In the Twenty-second Annual General Meeting of the Company held on 30<sup>th</sup> September 2011, the members had re-appointed Mr. C. P. Sanghvi (holding DIN 00116599) as Managing Director, for a term of five years from 01<sup>st</sup> October 2011 to 30<sup>th</sup> September 2016. The Company has had adequate profits for the past many years and has therefore been paying remuneration to its managerial personnel within the overall limits specified under the Companies Act, 1956. During the first six months of the financial year 2013-14, the Company paid remuneration to the Chairman & Managing Director in accordance with the resolution passed in the Annual General Meeting held on the 30<sup>th</sup> September 2011, wherein the agreement between the Company and the Chairman & Managing Director was approved. Considering the economic downturn in the second half of the financial year 2013-14, the management resolved to reduce the remuneration of Chairman & Managing Director by 50%. Nevertheless, when the results for the financial year were ready, it was noticed that the managerial remuneration paid to Mr. C. P. Sanghvi was in excess of the permissible limit under section 309(3) read with Schedule XIII of the Companies Act, 1956.

Due to recessionary market conditions, gloomy economic outlook during the financial year 2013-14, the company incurred financial loss in the financial year 2013-14. In this regard, the Company shall make an application to the Central Government for seeking waiver from excess managerial remuneration paid over and above the limit prescribed in schedule XIII to the Companies Act 1956.

The Nomination & Remuneration Committee & the Board of Directors in its meeting held on 30<sup>th</sup> May 2014 has proposed to waive the recovery of the excess remuneration paid to Mr. Chandrakant P. Sanghvi, Chairman and Managing Director during the financial year 2013-14.

The member's approval is therefore sought for waiver of excess remuneration paid to Mr. C. P. Sanghvi. The remuneration paid to Mr. C. P. Sanghvi is approved by the Nomination & Remuneration Committee. The approval of the Nomination and Remuneration Committee is subject to the approval of the shareholders and as per the requirements of section II Part II of Schedule XIII of the Companies Act, 1956.

As required under part II of Schedule XIII in respect of Mr. C. P. Sanghvi

(I) General information

1. Nature of Industry: The Company is engaged in the crane hiring business.
2. Date or expected date of commencement of production: The Company is an existing company and is in operation since 1989.
3. In case of new companies, expected date of commencement of activities as per project approved by Financial Institution appearing in the prospectus: Not applicable
4. Financial performance based on given indicators:

	2013-14	2012-13
Total Income	24,973.26	34,741.01
Profit/Loss before Tax	(2296.42)	5,848.03
Net Profit after taxation	(1,450.26)	4,092.74

5. Export performance and net foreign exchange earned: Nil
6. Foreign investments or collaborators, if any: 44,00,000 equity shares of ₹ 2/- each (10.16 %) are held by Goldpeak Limited, Mauritius.

(II) Information about Appointee

1. Background details: Mr. C. P. Sanghvi, aged 61 years is a Graduate in Engineering and has completed his Masters in Engineering from the Columbia University, New York, USA. He was appointed as Managing Director of the Company on 01<sup>st</sup> October 1994 and thereafter re-appointed from time to time. Mr. C. P. Sanghvi is a promoter of the company and is associated with the company since inception and has experience of more than 25 years in the industry.
2. Past remuneration: The details of remuneration paid during the last two financial years are as follows:

	2013-14	2012-13
Particulars		
Salary	117.45	156.60
Allowance, Ex-Gratia & Perquisites	10.38	12.03
Commission paid	Nil	Nil
Total	127.83	168.63

3. Recognition or awards: Mr. C. P. Sanghvi is a renowned personality in crane hiring business and has helped steered growth of the Company. Started with a small capital of Rupees Twelve Lakhs, Sanghvi Movers Limited has since developed into a highly successful business in a short span of time and is India's largest, Asia's third largest and eighth largest company in the world.
4. Job profile and his suitability: Subject to the supervision and control of the Board of Directors, Mr. C. P. Sanghvi is overall in-charge of the Company. He looks after efficient running of all the operations, planning, control, expansion activities and timely completion of the projects. Mr. C. P. Sanghvi is instrumental in the development of the Company and for maintaining efficient & smooth functioning of the company.
5. Remuneration proposed: Basic salary plus benefits, perquisites and allowances as may be determined by the Board from time to time.
6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person: Taking into consideration the size of the Company, the profile of Mr. C. P. Sanghvi, the responsibilities

shouldered by him and the industry benchmarks, the remuneration paid is commensurate with the remuneration packages paid to similar senior level managerial personnel in other companies.

7. Pecuniary relationship directly or indirectly with the company or relationship with the personnel, if any: Mr. C. P. Sanghvi is a Promoter Director holding 1,00,41,098 shares consisting of 23.20% of the paid-up capital of the Company and also given an unsecured loan of ₹ 1,352.00 Lakhs to the Company. Apart from receiving remuneration, interest on unsecured loan and dividend as a member of the Company, he does not receive any emoluments from the Company. Mrs. Mina C. Sanghvi (Non Executive Director) is wife of Mr. C. P. Sanghvi. No other key managerial personnel have any relationship with Mr. C. P. Sanghvi.

(III) Other information:

1. Reasons of loss or inadequate profits: The prolonged slowdown in the economic activity, weak consumer sentiments, subdued infrastructure activity, tight financing environment with high interest rate, fuel price increases continued to impact the performance of the Company. Resultantly the Company could not maintain high level of profits in comparison to the previous years.
2. Steps taken or proposed to be taken for improvement: The Company has already taken appropriate steps to restructure its businesses in order to attain profitability including repayment of bank borrowings, tight cost control measures.
3. Expected increase in productivity in profits in measurability terms: It is difficult to forecast the productivity and profitability in measurable terms. However company expects that operations and profitability may improve and would be comparable with the industry average.

The Board recommends the resolution for your approval. Except Mr. C. P. Sanghvi and Mrs. Mina C. Sanghvi, no other Director or Key Managerial Personnel and/or their relatives are concerned or interested in this resolution.

**Item No. 12**

The members in the Annual General Meeting held on 30<sup>th</sup> September 2011 by way of an ordinary resolution approved the appointment of Mr. C. P. Sanghvi (holding DIN 00116599), as Managing Director for a period of five years, w.e.f. 01<sup>st</sup> October 2011, on the terms and conditions, including remuneration payable to Managing Director. In case of no profits or inadequacy of profits in any Financial Year, Mr. C. P. Sanghvi, Managing Director, was to be paid remuneration within the limits as prescribed under Part II section II (B) of Schedule XIII to the Companies Act, 1956.

The prolonged slowdown in the economic activity, weak consumer sentiments, subdued infrastructure activity, tight financing environment with high interest rate, weak operating economics rising fuel prices, continued to impact the performance of the Company. The Company has been making necessary efforts to improve its performance and cost reduction initiatives. The results of these initiatives are likely to be felt in the coming years.

The infrastructure industry in general and crane hiring industry in particular has been facing challenges due to unfavorable market conditions and recession in world economy, the Company could not maintain high level of profit as compared to the previous years. The year 2013-2014 witnessed a longer than expected slowdown resulting in reduced margins, increase in cost of borrowings. This challenging environment resulted in a significant reduction in new business for the Company thereby impacting its profitability for the Financial Year 2013-2014.

Considering the contributions of Mr. C. P. Sanghvi as the Managing Director of the Company, size of operations, market conditions, remuneration level of Directors and Senior Managerial Personnel in comparable companies, the remuneration being paid is very modest. Accordingly the remuneration payable to Mr. C. P. Sanghvi in

the remaining term is as under:

Basic Salary: ₹ 6,52,500.00 per month.

House rent allowance: ₹ 37,500.00 per month.

Perquisites: Perquisites to the Managing Director shall be restricted to such ceiling, if any, as may be provided in Part II of the Schedule V to the Companies Act, 2013, for the time being in force or any statutory modification or re-enactment thereof. Perquisites shall be valued as per Income Tax Rules, 1962.

Medical Expenses: Reimbursement of Medical Expenses incurred including hospitalization, nursing home and surgical charges for himself and his Family.

Medical Insurance: As per the Rules of the Company.

Leave: On full pay and allowances in accordance with the rules of the Company but not exceeding one month's leave for every eleven months' service.

Leave Travel Concession: For himself and his Family once in a year in accordance with the rules of the Company.

Club Fees: The Company shall pay the fees of clubs, subject to a maximum of two clubs. This will not include admission and life membership fees.

Personal Accident Insurance: The Company shall effect a personal accident insurance policy for the Managing Director, the Premium not to exceed ₹ 4,000/- per annum.

Telephone: Telephone at residence (including payment of local calls and long distance official calls, mobile phone, and internet facility/any other communication facility) at Company's cost.

Car: Provision of one car with entitlement of a Chauffeur, which shall be fueled and maintained by the Company, to be valued as per Income Tax Rules, 1962.

Other Perquisites: Reimbursement of Expenditure incurred on Gas, Electricity, Water and Furnishings.

The Company intends to pay maximum upto double the amount prescribed under section II of Part II of Schedule V of the Companies Act, 2013 and hence it is proposed to pass the special resolution in this regard.

All the other terms and conditions as stated in the agreement entered between the company and Mr. C. P. Sanghvi on 01<sup>st</sup> October 2011 shall remain unchanged.

The Board recommends passing of the Special Resolution as set out at Item No. 12 of the Notice. Except Mrs. Mina C. Sanghvi, no other Director or Key Managerial Personnel are concerned or interested in the above resolution.

### **Item No. 13**

According to the resolution passed in the Annual General Meeting held on 17<sup>th</sup> September 2012, in the event of loss or inadequacy of profits, Mr. Sham D. Kajale (holding DIN 00786499), Executive Director & CFO was to be paid remuneration within the limits as prescribed under Part II section II (B) of Schedule XIII to the Companies Act, 1956. The Company has paid remuneration exceeding the aforesaid limits to Mr. Sham D. Kajale, Executive Director & CFO for the Financial Year 2013-2014.

The prolonged slowdown in the economic activity, weak consumer sentiments, subdued infrastructure activity, tight financing environment with high interest rate, weak operating economics rising fuel price increases, continued to impact the performance of the Company. The Company has been making necessary efforts to improve its performance and cost reduction initiatives. The results of these initiatives are likely to be felt in the coming years.

The infrastructure industry in general and crane hiring industry in particular has been facing challenges due to unfavorable market conditions and recession in world economy, the Company could not maintain high level of profit as compared to the previous years. The year 2013-2014 witnessed a longer than expected slowdown resulting in reduced margins, increase in cost of borrowings. This challenging environment resulted in a significant reduction in new business for the Company thereby impacting its profitability for the Financial Year 2013-2014.

The Nomination & Remuneration Committee & the Board of Directors in its meeting held on 30<sup>th</sup> May 2014 has proposed to waive the recovery of the excess remuneration paid to Mr. Sham D. Kajale, Executive Director & CFO during the financial year 2013-14.

In order to do partial modification of the resolution dated 17<sup>th</sup> September 2012, if, on account of loss or inadequacy of profits, the remuneration paid to Mr. Sham D. Kajale, Executive Director & CFO for the Financial Year 2013-2014 (in terms of resolution dated 17<sup>th</sup> September 2012) exceeds the limits prescribed in terms of section II (B) of Part II of Schedule XIII of the Companies Act, 1956, the consent of the Shareholders is sought to pay and not recover from Mr. Sham D. Kajale such excess remuneration.

As per the proviso inserted after the fourth proviso to schedule XIII of the Companies Act, 1956, in part II, section II, sub para C vide notification GSR 534 (E) dated 14<sup>th</sup> July 2011, no approval of Central Government was required, if the managerial person was not having any interest in the capital of the company or its holding company, directly or indirectly or through any other statutory structures and not having any direct or indirect interest or related to the Directors or Promoters of the company or its holding company at any time during last two years before or on the date of appointment and is having a graduate level qualification with expert and specialized knowledge in the field of his profession. Therefore approval of the Central Government is not required for the payment of managerial remuneration to Mr. Sham D. Kajale.

Considering the role & responsibilities and contributions of Mr. Sham D. Kajale, as Executive Director & CFO of the Company, size of operations, market conditions, remuneration level of Directors and Senior Managerial Personnel in comparable companies, the remuneration being paid to Mr. Sham D. Kajale, Executive Director & CFO is very modest.

The Board recommends passing of the Special Resolution as set out at Item No. 13 of the Notice. No other Director or Key Managerial Personnel are concerned or interested in the above resolution.

## II. DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AS REQUIRED UNDER CLAUSE 49 OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGE:

Appointment of other Directors (Item Nos. 5 to 10)

For the details of appointment of Independent Directors, please refer to the above Explanatory Statement in respect of the Special Business set out at Item Nos. 5 to 10 of the Notice of Annual General Meeting pursuant to section 102 of the Companies Act, 2013.

By Order of the Board of Directors  
**For Sanghvi Movers Limited**

**Rajesh P. Likhite**  
Company Secretary &  
Chief Compliance Officer

Pune, 8<sup>th</sup> August 2014

**Registered Office:**

Survey No. 92, Tathawade,  
Taluka Mulshi, Pune 411033

## Directors' Report to the Members

Your Directors have pleasure in presenting the Twenty-fifth Annual Report and Audited Accounts of your Company for the year ended 31<sup>st</sup> March 2014.

(₹ in Lakhs)

<b>Financial Results</b>	<b>2013-2014</b>	2012-2013
Total Income	<b>24,973.26</b>	34,741.01
Total Expenditure	<b>10,790.31</b>	10,745.81
Profit before Interest and Depreciation	<b>14,182.95</b>	23,995.20
Interest	<b>4,620.68</b>	6,337.40
Depreciation	<b>11,858.69</b>	11,809.77
Profit Before Tax	<b>(2,296.42)</b>	5,848.03
Provision for Taxation	<b>(846.14)</b>	1,755.29
Profit after Tax	<b>(1,450.26)</b>	4,092.74
Surplus brought forward from last year	<b>24,893.38</b>	26,303.74
Profit available for Appropriation	<b>23,443.12</b>	30,396.48
<b>Appropriations:</b>		
Transfer to General Reserves	<b>0.00</b>	5,000.00
Proposed Dividend	<b>0.00</b>	432.88
Tax on Dividend	<b>0.00</b>	70.22
Surplus carried forward to Balance Sheet	<b>0.00</b>	24,893.38

### Business Review

During the year under report, your Company generated revenue of ₹ 249.73 Crores, decline of 28% as compared to the previous year and the net loss to the tune of ₹ 14.50 Crores, as compared to the previous year's net profit of ₹ 40.93 Crores. The prolonged slowdown in the economic activity, weak market sentiments, subdued infrastructure activity, tight financing environment with high interest rate, weak operating economics, rising fuel prices, continued to impact the performance of the Company.

### Power Generation

Your Company has been earning regular income from the business of power generation from windmills commissioned in Jaisalmer, Rajasthan and Chitradurga, Karnataka. Total Income earned out of Wind Power Generation was ₹ 1.49 Crores.

### Dividend

In view of the loss, the Board did not recommend any dividend on equity shares.

### Finance

During the year under review, the Company has availed financial assistance from State Bank of India and The Saraswat Co-operative Bank and the Company is enjoying working capital facilities from Dena Bank. Total Secured Loan outstanding as of 31<sup>st</sup> March 2014 was ₹ 466.64 Crores. The Company is regular in its repayment obligation with its banks. Your Company has received 'ICRA A' as credit rating for long term loans, which indicates adequate degree of safety in respect of bank loan profile of the Company and 'ICRA A2 +' as credit rating for short term loans.

### Directors

Mrs. Mina C. Sanghvi, Mr. Sham D. Kajale are liable to retire by rotation and being eligible offer themselves for re-appointment. Previously, the Company had pursuant to the provisions of the Clause 49 of the Listing Agreement, appointed Mr. Dinesh Munot, Mr. Dara Damania, Mr. S. Padmanabhan, Mr. Vijay Mainkar, Mr. Pradeep Rathi and Mr. Sanjay Asher as Independent Directors at various times, in compliance with the requirements of Clause 49. According to section 149 (4) of the Companies Act, 2013, which came into effect from 01<sup>st</sup> April 2014, every listed public company is required to have at least one-third of the total number of Directors as Independent Directors, who are not liable to retire by rotation.

Mr. Dinesh Munot, Mr. Dara Damania, Mr. S. Padmanabhan, Mr. Vijay Mainkar, Mr. Pradeep Rathi and Mr. Sanjay Asher, Independent Directors of the Company and being eligible offer themselves for appointment. The brief resume/details relating to Directors who are to be appointed are furnished in the report on corporate governance. The Nomination & Remuneration Committee has recommended the appointment of these directors as Independent Directors upto 31<sup>st</sup> March 2019.

### **Fixed Deposits**

The Company has not accepted any fixed deposits from the public during the year ended 31<sup>st</sup> March 2014.

### **Accounts**

The accounts read with the notes thereon are self-explanatory and hence do not call for any explanatory statement.

### **Insurance**

The assets of the Company including buildings, sheds, machinery, cranes, etc. are adequately insured.

### **Personnel**

Your Directors express their deep appreciation for the dedicated and sincere services rendered by the employees at all levels. Employee relations have been cordial.

### **Directors' Responsibility Statement**

Pursuant to the requirement under section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed:

1. that in the preparation of the Annual Accounts for the Financial Year ended 31<sup>st</sup> March 2014, the applicable accounting standards have been followed along with proper explanation relating to material departures;
2. that the Directors have selected such accounting policies and applied them consistently and made judgments 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 of the Company for the year under review;
3. that the Directors have 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;
4. that the Directors have prepared the Annual Accounts for the Financial Year ended 31<sup>st</sup> March 2014, on a going concern basis.

### **Auditors**

B S R & Co. LLP, Chartered Accountants, Pune, (Firm Registration Number 101248W allotted by the Institute of Chartered Accountants of India), who are the Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting. It is proposed to re-appoint them to examine and audit the accounts of the Company for five years to hold office from the conclusion of this Annual General Meeting till the conclusion of the thirtieth Annual General Meeting of the Company, to be held in the year 2019, subject to ratification of their appointment at every Annual General Meeting. B S R & Co. LLP have furnished a certificate of their eligibility and consent for re-appointment under section 139(1) of the Companies Act, 2013 and the Rules framed thereunder.

B S R & Co. converted itself into a Limited Liability Partnership (LLP) under the provisions of the Limited Liability Partnership Act, 2008 and is now known as M/s. B S R & Co. LLP with effect from 14<sup>th</sup> October 2013. In terms of the Ministry of Corporate Affairs, Government of India, General Circular No. 9/2013 dated 30<sup>th</sup> April 2013, if a firm

of CAs, being an auditor in a company under the Companies Act, 1956, is converted into an LLP, then such an LLP would be deemed to be the auditor of the said company. The Board of Directors of the Company has taken due note of this change. Accordingly, the audit of the Company for FY 2013-14 was conducted by B S R & Co. LLP.

### **Statutory Particulars**

Particulars of Employees as per section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended, are given in Annexure 'A', which forms part of this Report. However, in terms of section 219 (1) (b) (iv) of the Act, the report and accounts are being sent to the Shareholders excluding the aforesaid annexure. Any Shareholder interested in obtaining a copy of the said annexure may write to the Company Secretary at the registered office of the Company. During the year under review, the Company is having one employee employed throughout the year who was in receipt of remuneration of more than ₹ 60 Lakhs per annum.

Having regard to the nature of business of the Company, Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, relating to conservation of energy and technology absorption are not applicable to the Company. During the year under review, there were Nil foreign exchange earnings and the foreign exchange outgo amounted to ₹ 11.88 crores.

### **Corporate Governance**

In accordance with the Guidelines of the Securities and Exchange Board of India and Clause 49 of the Listing Agreement with The Stock Exchanges and the provisions of the Companies Act, 1956, Report on Corporate Governance with Auditor's certificate, Management Discussion & Analysis Report are annexed and form part of annual report.

### **Corporate Social Responsibility Initiatives**

As a responsible corporate; we always endeavor to adopt responsible social business practices. We believe that our business activities have significant impact on the society at large. We endeavor to manage these in a responsible manner, believing that sound and demonstrable performance in relation to corporate social responsibility policies and practices is a fundamental part of business success.

The Corporate Social Responsibility (CSR) program of the Company is evolved with the active participation of its employees.

During the year under review, the Company donated to Care India, NGO working in the empowerment of women and girls from poor and marginalised communities leading to improvement in their lives and livelihoods.

### **Acknowledgements**

Your Directors would like to place on record their gratitude and appreciation to the banks, esteemed clients and valued investors for their continued co-operation and support. Your Directors also take this opportunity to acknowledge the hard work, dedicated efforts made by the employees of the Company at all levels for their contribution to the success achieved by the Company.

By Order of the Board of Directors  
**For Sanghvi Movers Limited**

Pune, 8<sup>th</sup> August 2014

**Registered Office:**  
Survey No. 92, Tathawade,  
Taluka Mulshi, Pune 411033

**Chandrakant Sanghvi**  
**Chairman & Managing Director**  
(DIN: 00116599)

## Management Discussion & Analysis Report

### Review of Economy

Sanghvi Movers Limited is India's largest crane hiring Company in India. The performance of the Company is dependent on the Indian Economy, more particularly investments in infrastructure and core sector of the economy both by private as well as public sector undertakings. Infrastructural development in India has been going through a very difficult phase over the last 2-3 years. While the Central Government's planning depict massive development in the infrastructure sector to sustain economic growth, but unfortunately this has not been translated to on ground implementation. The slippages have been significant. The Infrastructure industry was grossly hit by financial, operational & regulatory challenges. Such circumstances has severely affected the performance of the Company.

The fiscal year 2013-14 was a sluggish year for the Indian economy with poor macroeconomic conditions, slowing income growth, weakening of the rupee, sky-rocketing inflation and high borrowing cost resulted in slow down in GDP growth of Indian economy. Such scenario has resulted into slowdown in business growth, lower project investments and poor business confidence.

### Company Performance

The Company operates primarily in operations of cranes. Financial performance of the Company was affected due to recession, overall economic slowdown and fearsome competition. The inordinate delays in clearance of outstanding dues, adverse regulatory environment, negative market sentiments has affected the performance of the Company.

We have been pioneered in catering to crane requirements of major industries like Power, Steel, Refinery, Cement and Wind Power.

### Industry

Your Company is the Largest Crane Hiring Company in India and 8<sup>th</sup> Largest in the World, as per rankings from Cranes International Magazine (source: June 2014 issue). It is engaged in the business of providing hydraulic and crawler cranes to various industries in the infrastructure and core sector areas with a fleet of 384 medium to large size hydraulic truck mounted telescopic & lattice boom cranes and crawler cranes with lifting capacity 20 Tons to 750 Tons. In the next couple of years, your Company will focus more on renting cranes to Power, Steel, Cement and Aluminium Plants, Refinery, Metro and Hydro Power sectors.

The Company is confident of meeting any demand spikes in the next fiscal year. Based on the demand and implementation of projects currently in hand. The Company will focus on repayment of debts from the available cash flows, no capital expenditure for next 2 - 3 years and to ensure optimum utilization of existing fleet.

### Opportunities and Threats

Your Company has been providing heavy lift, plant erection and maintenance services to various large scale projects. Your Company has maintained a good track record in terms of effective deployment of cranes at competitive rates with due regard to time schedule as well as safety and efficiency in operations.

The Company foresees opportunity in power projects under five-year plan. We are geared up to play major role in implementation of the power plants. Your company has versatile fleet of cranes which meets all requirements for construction of power plants.

The Company's operations may get affected on account of increase in competition in crane hiring business, delay in receivables and delay in the projects due to economic situation.

### Outlook

The Company has concentrated its fleet of cranes more on heavy duty cranes (cranes above 100 Tons). At present more than 90% of gross block of cranes is in 100 MT & above. Obviously, more than 90% of the Company's turnover is contributed by higher tonnage cranes.

In the next two three years, the Company expects order flow from Power, Wind mills, Steel plants, Refinery sectors and Metro Projects and solar plants.

#### **Risks and Concerns**

- Economic Risk** : The international economic crisis is manifestation of larger issues and the economic ills plaguing the world economies. The global economic conditions are affecting the Indian economy.
- Industry Risk** : The transportation of cranes from one state to another, debtors collection, lack of uniformity in respect of state laws more particularly relating to RTO taxes, entry taxes, sales tax, payment of service tax on invoicing are some of the critical factors affecting crane hiring industry. At the centre, new Government was formed in May 2014. It is widely expected that the new Government will bring clear direction and positive intent for this sector.
- Execution Risk** : To maintain optimal utilization and yield of fleet all times and ensuring minimal idle time between contracts.
- Financial Risk** : Your Company's business exposure to the normal financial and market risks continue to be monitored and managed by experienced managers at all levels duly strengthened from time to time by systems and processes commensurate with the volume of business activities and the perceived risk requirements. The volatility in forex market seen recently may expose the Company to some minor risk.

#### **Internal Control System and Their Adequacy**

Internal control system of the Company is responsible for the financial reporting of transactions and compliance with relevant laws and regulations commensurate with its size and nature of business. The Company also has process of management reporting and periodical review. The Company has adequate safeguards and controls over the use of its assets, generation of resources and meeting of various expenses and the systems are closely monitored by the management.

#### **Human Resource Development**

The Company believes that employees are one of its greatest assets. Considering the business challenges, management has initiated various training and development activities to upgrade skills and knowledge of the employees. Your Company has a team of professionally qualified personnel to look after technical and commercial aspects of business operations. Its technical team includes qualified engineers, skilled operators and expert maintenance staff. Employee relations have been cordial. Your Company had 1,230 employees including indirect labour as on 31<sup>st</sup> March 2014.

#### **Disclosure to the Board by the Management**

All disclosures relating to financial and commercial transactions where Directors may have a potential interest are provided to the Board and the interested Directors do not participate in the discussion nor do they vote on such matters.

#### **Cautionary Statement**

The information and opinion expressed in this section of the annual report consists of certain forward looking statements, which the management believes are true to the best of its knowledge at the time of its preparation. We shall not be liable for any loss, which may arise as a result of any action taken on the basis of the information contained herein.

The information contained herein may not be disclosed, reproduced or used in whole or in part for any purpose or furnished to any other persons without the express prior written permission of the Company.

## Report on Corporate Governance

In accordance with the clause 49 of the Listing Agreement with The Bombay Stock Exchange Limited (BSE) and The National Stock Exchange of India Limited (NSE) and practices followed on Corporate Governance, the report containing the details of Corporate Governance system and process at Sanghvi Movers Limited is as under:

### 1. Company's philosophy on code of governance

The Company firmly believes in good corporate governance. Good governance encompasses conduct of the Company's business in an ethical, transparent, fair and equitable manner with due regard to the interests of various stakeholders, exercising proper control over the Company's assets and transactions.

Sanghvi Movers Limited core values are based on integrity, respect for the law and compliance thereof, emphasis on product quality and a caring spirit. In Sanghvi Movers Limited, we believe that good governance is a systemic process which enables the Company to operate in a manner that meets with the ethical, legal and business expectations and at the same time fulfils its social responsibilities.

The Sanghvi Movers Limited Board endeavours, by leveraging the resources at its disposal and fostering an environment for growth and development of human resources. The management team is fully empowered to take the Company forward within the framework of effective accountability, which in turn enables the conversion of opportunities into achievements for the betterment of the Company and its stakeholders. The Directors present the Company's report on corporate governance. Sanghvi Movers Limited believes that good governance generates goodwill among business partners, customers and investors and earns respect from society at large. Your Company is committed to the principles of good governance.

### 2. Board of Directors

#### a. Composition and size of the board

The Board of Directors of the Company has a combination of Executive, Non-Executive and Independent Directors, to maintain the independence of the Board. As on 31<sup>st</sup> March 2014, the Company's Board consists of Ten Directors. It comprises of One Managing Director, One Executive Director, Two Non-Executive Non-Independent Directors and Six Non-Executive Independent Directors.

The composition of the Board and category of Directors is as follows:

Category	Name
Promoter - Chairman & Managing Director	Mr. Chandrakant Sanghvi
Independent Director	Mr. Vijay Mainkar
Independent Director	Mr. Dara Damania
Independent Director	Mr. S. Padmanabhan
Non-executive Director	Mr. Gary Jit Meng Ng
Independent Director	Mr. Pradeep Rathi
Independent Director	Mr. Dinesh Munot
Independent Director	Mr. Sanjay Asher
Non-executive Director	Mrs. Mina C. Sanghvi
Executive Director & CFO	Mr. Sham D. Kajale

#### Independent Directors

Independent Directors are Non-Executive Directors, who other than receiving Director's sitting fees do not have any other material pecuniary relationship or transactions with the Company, its promoters, its directors, its senior management or its associates, which may affect the independence of the director and who are not related to the promoters or senior management of the Company and who has not been an executive of the Company and who is not a partner or an executive of the statutory audit firm, internal audit firm, legal firm and consulting

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firm who is associated with the Company and who is not a material supplier, service provider or customer or a lessor or a lessee of the Company, which may affect the independence of the director.

- b. & c.** The following table gives details of Directors, attendance of Directors at the board meetings and at the last annual general meeting, number of memberships held by Directors in the Board/Committees of various companies as of 31<sup>st</sup> March 2014:

Name	Attendance Particulars		Number of Other Directorships and Committee Memberships / Chairmanships		
	Board Meetings	Last AGM	Other Directorships	Committee Memberships	Committee Chairmanships
Mr. Chandrakant Sanghvi	4	Yes	3	-	-
Mr. Vijay Mainkar	4	Yes	5	-	-
Mr. Dara Damania	3	No	11	7	-
Mr. S. Padmanabhan	3	Yes	6	3	-
Mr. Gary Jit Meng Ng	3	No	23	3	-
Mr. Pradeep Rathi	1	Yes	18	4	3
Mr. Dinesh Munot	2	Yes	9	1	-
Mr. Sanjay Asher	1	Yes	51	12	5
Mrs. Mina C. Sanghvi	2	Yes	4	-	-
Mr. Sham D. Kajale	4	Yes	-	-	-

**d. No. of board meetings held during the year along with the dates of the meetings**

The meetings of the Board are normally held at the Company's Registered Office in Pune. The notice along with agenda is circulated to the Directors well in advance. During the year 2013-2014, the Board met four times on the following dates, namely, 27<sup>th</sup> May 2013, 12<sup>th</sup> August 2013, 11<sup>th</sup> November 2013 and 14<sup>th</sup> February 2014.

**e. Directors' inter-se relationship**

Mrs. Mina C. Sanghvi is a wife of Mr. Chandrakant Sanghvi, Chairman & Managing Director of the Company. Except this there is no other inter-se relationship amongst the Directors.

No. of equity shares directly held by the Non-Executive Directors as on 31<sup>st</sup> March 2014:

Name of the Director	No. of Equity Shares
Mr. Vijay Mainkar	3,577
Mr. Dara Damania	-
Mr. S. Padmanabhan	-
Mr. Gary Jit Meng Ng	-
Mr. Pradeep Rathi	-
Mr. Dinesh Munot	-
Mr. Sanjay Asher	-
Mrs. Mina C. Sanghvi	43,32,426

**f. Appointment/Re-Appointment of Directors**

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mrs. Mina C. Sanghvi and Mr. Sham D. Kajale are liable to retire by rotation and being eligible, offer themselves for re-appointment as Director.

<b>Name of Director</b>	<b>Mrs. Mina C. Sanghvi</b>	<b>Mr. Sham D. Kajale</b>
<b>Age</b>	59 Years	44 Year
<b>Date of Appointment</b>	20 <sup>th</sup> October 2008	02 <sup>nd</sup> September 2006
<b>Qualifications</b>	B. Com., Diploma- System Analysis	M.Com., AICWA, CS (Intermediate)
<b>Expertise in specific area</b>	Business Management, Human Resource Development and System Design	Accounts, Corporate Finance, Taxation, Legal & Corporate Management
<b>Director in other Companies</b>	Jethi Builders & Traders Pvt. Ltd. Atisha Trading Pvt. Ltd. Sariputta Trading Pvt. Ltd.	Nil
<b>Chairman / Member of Committee of the Board of other Companies</b>	Nil	Nil

<b>Name of Director</b>	<b>Mr. Dinesh Munot</b>	<b>Mr. Vijay Mainkar</b>
<b>Age</b>	66 Years	77 Years
<b>Date of Appointment</b>	16 <sup>th</sup> December 2009	16 <sup>th</sup> March 1995
<b>Qualifications</b>	B.E. - Electrical / M.I.E.	B.Com, B.G.L., FCA
<b>Expertise in specific area</b>	Operations and Project Co-ordination	Corporate Finance, Accounts and Taxation
<b>Director in other Companies</b>	ZF Steering Gear (India) Ltd. ZF Lenksystems India Pvt. Ltd. Emtech Solutions Pvt. Ltd. Indo Bio Active Labs Pvt. Ltd. DM South India Hospitality Pvt. Ltd. NeoZoi Pharmaceuticals Pvt. Ltd. Accela Pharmaceuticals Pvt. Ltd. Dune Tech Pvt. Ltd. Horizon Precision Pvt. Ltd.	SAJ Test Plant Pvt. Ltd. Shriniwas Fabrico Pvt. Ltd. GKC Management Services Pvt. Ltd. Simplicity Investing Advisors India Pvt. Ltd. Always Green Abundance Company Pvt. Ltd.
<b>Chairman / Member of Committee of the Board of other Companies</b>	Executive Member of Maratha Chamber of Commerce Industries & Agriculture	Nil

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Name of Director	Mr. S. Padmanabhan	Mr. Dara Damania
<b>Age</b>	74 Years	77 Years
<b>Date of Appointment</b>	02 <sup>nd</sup> September 2006	20 <sup>th</sup> October 2008
<b>Qualifications</b>	Ex.-I.A.S., M. Sc. (Physics), Bachelor of General Law, Diploma USA Developmental Economics and Diploma in Management	B.E. - Mechanical
<b>Expertise in specific area</b>	Industrial Projects, Finance and Administration	Manufacturing, Operations, Enterprise Planning and Business Development
<b>Director in other Companies</b>	Sudarshan Chemical Industries Ltd. Desai Brothers Ltd. Premier Ltd. Rajkumar Forge Ltd. Force Motors Ltd. Aquapharm Chemicals Pvt.Ltd.	ThyssenKrupp Industries India Pvt. Ltd. ThyssenKrupp Industrial Solutions, India ThyssenKrupp Elevators (India) Pvt. Ltd. ThyssenKrupp Engine Components India Pvt. Ltd. ThyssenKrupp System Engineering India Pvt. Ltd. Uhde India Pvt. Ltd. Berco Undercarriages (India) Pvt. Ltd. KSB Pumps Ltd. Sudarshan Chemical Industries Ltd. Finolex Industries Ltd. ThyssenKrupp India Pvt. Ltd.
<b>Chairman / Member of Committee of the Board of other Companies</b>	<u>Force Motors Ltd.</u> • Member of Audit Committee <u>Premier Ltd.</u> • Member of Audit Committee • Member of Remuneration Committee	<u>Sudarshan Chemical Industries Ltd.</u> • Member of Remuneration Committee • Member of Audit Committee • Member of Selection Committee <u>KSB Pumps Ltd.</u> • Member of Share Transfer Committee • Member of Audit Committee <u>Finolex Industries Ltd.</u> • Member of Audit Committee • Member of Investors' Grievance Committee <u>Symbiosis Institute of International Business</u> • Chairman of Advisory Committee

Name of Director	Mr. Pradeep Rathi	Mr. Sanjay Asher
Age	61 Years	50 Years
Date of Appointment	12 <sup>th</sup> April 2007	30 <sup>th</sup> September 2011
Qualifications	M.S. (Chem. Engg.) MIT USA, MBA (Columbia)	B.Com., C.A. L.L.B. & Solicitor
Expertise in specific area	Finance and Commercial Activities	Corporate Advisory, regulatory and compliance, mergers and acquisitions, joint ventures and exchange control regulations.
Director in other Companies	Sudarshan Chemical Industries Ltd. Prescient Color Ltd. Rathi Brothers Poona Ltd. Rathi Brothers Calcutta Ltd. Rathi Brothers Madras Ltd. Rathi Brothers Delhi Ltd. RIECO Industries Ltd. GPSK Capital Pvt. Ltd. Rathi Brothers Pvt. Ltd. PRR Finance Pvt. Ltd. Rathi Mixers Pvt. Ltd. Rathi Enterprises Pvt. Ltd. Rathi Vessels & Systems Pvt. Ltd. Clean Science & Technology Pvt. Ltd. Finolex Cables Ltd. Bharat Business Channel Ltd. Sudarshan Europe B. V. Sudarshan North America Inc.	A. L. Movers Pvt. Ltd. A. L. Records Management Pvt. Ltd. Ashok Leyland Ltd. Allied Pickfords India Pvt. Ltd. Bajaj Allianz General Insurance Company Ltd. Bajaj Allianz Life Insurance Company Ltd. Balkrishna Industries Ltd. Diamant Boart Marketing Pvt. Ltd. Enam Infrastructure Trusteeship Services Pvt. Ltd. Finolex Cables Ltd. Finolex Plasson Industries Pvt. Ltd. Hoganas India Pvt. Ltd. ArjoHuntleigh Healthcare India Pvt. Ltd. Indian Cookery Pvt. Ltd. Innoventive Industries Ltd. Kryfs Power Components Ltd. Mandhana Industries Ltd. Master Voss International Project Pvt. Ltd. Morgan Stanley Investment Management Pvt. Ltd. NV Advisory Services Pvt. Ltd. Orbit Electricals Pvt. Ltd. Oerlikon Textile India Pvt. Ltd. Repro India Ltd. Sharp India Ltd. Shree Renuka Sugars Ltd. Siporex India Pvt. Ltd. Sudarshan Chemicals Industries Ltd. Tribhovandas Bhimji Zaveri Ltd. ValueQb Consulting Pvt. Ltd. Varun Maritime Pvt. Ltd. Varun Global Pvt. Ltd. Varun Resources Pvt. Ltd. Finolex Industries Ltd. J. B. Chemicals and Pharmaceuticals Ltd. Arch Protection Chemicals Pvt. Ltd. Kinenco Kaman Composites-India Pvt. Ltd.

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Name of Director	Mr. Pradeep Rathi	Mr. Sanjay Asher
		<p>Lonza India Pvt. Ltd.  Narendra Plastic Pvt. Ltd.  Team Relocations India Pvt. Ltd.  Pallazzio Hotels &amp; Leisure Ltd.  Vamona Developers Pvt. Ltd.  Classic Mall Development Company Pvt. Ltd.  Genetics Hotels Pvt. Ltd.  Offbeat Developers Pvt. Ltd.  Alliance Hospitality Services Pvt. Ltd.  Turning Point Estates Pvt. Ltd.  Surya Treasure Island Pvt. Ltd.  Jabalpur Treasure Island Pvt. Ltd.  Raipur Treasure Island Pvt. Ltd.  Indore Treasure Island Pvt. Ltd.  AKME Rhine River Projects Pvt. Ltd.</p>
<p><b>Chairman / Member of Committee of the Board of other Companies</b></p>	<p><u>Sudarshan Chemical Industries Ltd.</u>  • Member of Audit Committee  • Member of Investors' Grievance Committee</p> <p><u>Prescient Color Ltd.</u>  • Chairman of Audit Committee  • Chairman of Remuneration Committee</p> <p><u>Finolex Cables Ltd.</u>  • Chairman of Remuneration Committee  • Member of Audit Committee  • Member of Share Transfer cum Investors Grievance Committee</p>	<p><u>Finolex Cables Ltd.</u>  • Member of Audit Committee  • Member of Share Transfer and Investors Grievance Committee</p> <p>• Member of Remuneration Committee</p> <p><u>Repro India Ltd.</u>  • Chairman of Remuneration Committee  • Member of Audit Committee</p> <p><u>Ashok Leyland Ltd.</u>  • Chairman of Shareholders and Investors Grievance Committee  • Member of Audit Committee</p> <p><u>Shree Renuka Sugars Ltd.</u>  • Chairman of Audit Committee  • Chairman of Share Transfer and Investors Grievance Committee  • Member of Remuneration Committee</p> <p><u>Sharp India Ltd.</u>  • Chairman of Share Transfer and Investors Grievance Committee  • Member of Audit Committee  • Member of Remuneration Committee</p> <p><u>Mandhana Industries Ltd.</u>  • Member of Audit Committee  • Member of Remuneration Committee</p> <p><u>Tribhovandas Bhimji Zaveri Ltd.</u>  • Member of Remuneration Committee</p> <p><u>Finolex Industries Ltd.</u>  • Member of Remuneration Committee</p>

### 3. Audit committee

#### a. Brief description of terms of reference

The terms of reference of this committee cover the matters specified for the audit committee under clause 49 of the listing agreement as well as in section 292A of the Companies Act, 1956.

The audit committee was constituted to ensure prudent financial and accounting practices, fiscal discipline and transparency in financial reporting. The quarterly results are reviewed by the audit committee and recommended to the board for its adoption. The Chairman of the committee is an Independent Director.

#### Role and objectives

- Reviewing with the Management and Auditors, the adequacy of internal control systems;
- Discussion with the Auditors periodically about internal control system;
- Any significant findings and follow up thereon and reviewing with the management, the financial statements before submission to the Board.

#### b. Composition

As of 31<sup>st</sup> March 2014, the Audit Committee consists of four Independent Non-Executive Directors, namely, Mr. Vijay Mainkar, who is the Chairman of the committee, Mr. S. Padmanabhan, Mr. Pradeep Rathi and Mr. Dara Damania and one Non-Executive Director namely, Mr. Gary Jit Meng Ng. All members of the committee are financially literate. The Company Secretary acts as the Secretary to the committee. The Statutory Auditors and the Internal Auditors also make their presentations at the committee meeting.

#### c. Meetings and attendance during the year

During the year 2013-2014, the Audit Committee met four times on the following dates, namely, 27<sup>th</sup> May 2013, 12<sup>th</sup> August 2013, 11<sup>th</sup> November 2013 and 14<sup>th</sup> February 2014.

Name of Director	No. of Meeting Attended
Mr. Vijay Mainkar	4
Mr. Dara Damania	3
Mr. S. Padmanabhan	3
Mr. Gary Jit Meng Ng	3
Mr. Pradeep Rathi	1

### 4. Remuneration Committee

#### a. Brief description of terms of reference

To review access & recommend remuneration of the Managing Director & Executive Directors based on their performance. The Executive Directors are not entitled to sitting fees for attending meetings of the Board & Committees thereof.

#### b. Composition

As of 31<sup>st</sup> March 2014, the Remuneration Committee consists of four Independent Non-Executive Directors, namely, Mr. Vijay Mainkar, who is the Chairman of the committee, Mr. S. Padmanabhan, Mr. Pradeep Rathi and Mr. Dara Damania and one Non-executive Director, namely, Mr. Gary Jit Meng Ng. The committee complies with the provisions of the Companies Act, 1956 and the corporate governance code. The Remuneration Committee has been constituted to determine Company's policy on specific remuneration package of Managing Director and Executive Director.

#### c. Meetings and attendance during the year

During the year 2013-14, there is no revision in the remuneration of managerial personnel; hence the Remuneration Committee Meeting does not take place during the year.

**d. Remuneration policy**

The remuneration policy of the Company is directed towards rewarding performance, based on review of achievements on a periodic basis. The remuneration policy is consonance with the existing industry practice.

**e. Remuneration to Managing Director and other Executive Directors**

In respect of the year ended 31<sup>st</sup> March 2014, the following Remuneration was paid / payable to these Directors:  
(Amount in ₹)

Name of Director	Salary	Allowance Ex-Gratia & Perquisites	Commission Payable	Contribution towards Superannuation Scheme	Total
Mr. Chandrakant Sanghvi	1,17,45,000	10,38,222	Nil	Nil	1,27,83,222 <sup>\$</sup>
Mr. Sham D. Kajale	24,66,000	11,36,550	Nil	3,69,900	39,72,450 <sup>#</sup>

\$ Includes ₹ 79.83 Lakhs (Previous Year ₹ Nil) of managerial remuneration which is subject to the approval of shareholders and Central Government.

# Includes ₹ 15.72 Lakhs (Previous Year ₹ Nil) managerial remuneration subject to the approval of shareholders.

Considering the valuable time given and timely guidance provided by the Non-Executive Directors, the Board of Directors and shareholders in their respective meetings, resolved to pay sitting fees to its Non-Executive Directors.

The Company pays sitting fees to the Non-Executive Directors at the rate of ₹ 20,000/- per board meeting and ₹ 10,000/- per committee meeting and also reimburses expenses for attending the meeting by these Directors. The sitting fees paid/payable to Directors for the year ended 31<sup>st</sup> March 2014 was as follows:

Mr. Vijay Mainkar: ₹ 2,10,000/-, Mr. S. Padmanabhan : ₹ 90,000/-, Mr. Gary Jit Meng Ng : ₹ 90,000/-, Mr. Pradeep Rathi : ₹ 30,000/-, Mr. Dara Damania : ₹ 1,20,000/-, Mrs. Mina C. Sanghvi : ₹ 40,000/-, Mr. Sanjay Asher: ₹ 20,000/- and Mr. Dinesh Munot : ₹ 40,000/-.

**5. Shareholders' grievance committee**

As of 31<sup>st</sup> March 2014, the Shareholders' Grievance Committee consists of four members, Mr. Vijay Mainkar, Mr. Chandrakant Sanghvi, Mr. Dara Damania and Mr. Sham D. Kajale.

- Mr. Vijay Mainkar, Non-Executive Independent Director, who is the Chairman of the committee.
- Mr. Rajesh Likhite, Company Secretary, who is the Chief Compliance Officer of the Company acts as Secretary for the purpose of shareholders grievance related matters.
- A total of 15 complaints were received by the Company from the shareholders and investors.
- All complaints have been resolved to the satisfaction of the investors.
- During the year under review, no complaints are pending.

**f. Meetings and Attendance during the year**

During the year 2013-14, the Committee met four times on the following dates, namely, 27<sup>th</sup> May 2013, 12<sup>th</sup> August 2013, 11<sup>th</sup> November 2013 and 14<sup>th</sup> February 2014.

Name of the Director	No. of Meetings Attended
Mr. Chandrakant Sanghvi	4
Mr. Vijay Mainkar	4
Mr. Dara Damania	3
Mr. Sham D. Kajale	4

## 6. Corporate social responsibility committee

Pursuant to section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors of the Company has constituted the Corporate Social Responsibility (CSR) Committee of Board of Directors of the Company to covers the matters covered under the above section and Rules there under.

### a Composition

The Corporate Social Responsibility (CSR) Committee of Board of Directors consists of three members namely, Mr. S. Padmanabhan, Independent Director, Mr. Dara Damania, Independent Director & Mrs. Mina C. Sanghvi, Non Executive Director. Mrs. Mina C. Sanghvi is the Chairman of the committee. The committee complies with the provisions of the Companies Act, 2013 and Rules issued by the Ministry of Corporate Affairs there under.

## 7. General body meetings

The details of Annual and Extra-ordinary General Meetings held during last three years are as below:

Year	General Meeting	Day	Date	Time	Location	Special Resolution Passed
2012-13	AGM	Monday	23.09.2013	11.00 a.m.	Survey No.92, Tathawade, Taluka Mulshi, Pune - 411033	Nil
2011-12	AGM	Monday	17.09.2012	11.00 a.m.	Survey No.92, Tathawade, Taluka Mulshi, Pune - 411033	Nil
2010-11	AGM	Friday	30.09.2011	11.00 a.m.	Survey No.92, Tathawade, Taluka Mulshi, Pune - 411033	Appointment of Mr. Rishi Sanghvi to hold and continue to hold office or place of profit as Manager Business Development.

## 8. Disclosures

### a. Related party transactions

During the year, no material transactions with the Directors or the management, their subsidiaries or relatives, etc. have taken place, which have potential conflict with the interest of the Company. The details of all significant transactions with related parties are periodically placed before the audit committee. Details of related party transactions entered into in the normal course of business are given in Note No. 33 forming part of 'notes to accounts'.

### b. Details of non-compliance by the Company, penalties, strictures imposed on the Company by the stock exchanges or any other statutory authority on any matter related to capital markets during last three years.

There has been no instance of non-compliance by the Company on any matter related to capital markets and hence no penalties or strictures have been imposed on the Company by the stock exchanges or any other statutory authority during last three years.

### c. Whistle blower policy

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism of reporting illegal or unethical behaviour. The Company has whistle blower policy wherein the employees are encouraged to report violation of laws, rules and regulations. The confidentiality of such reporting is maintained and is not subject to any discriminatory practice. We affirm that no employee has been denied access to the Audit Committee.

**9. Means of communication**

The Company has published quarterly and yearly financial results in The Financial Express and Loksatta after forwarding the same to The Bombay Stock Exchange Limited (BSE) and The National Stock Exchange of India Limited (NSE) as per clause 41 of the Listing Agreement. The results are also published on the Company's website, www.sanghvicranes.com under 'Investor Centre' section.

**10. General shareholder information**

**a. AGM - Day, Date & Time are given below:**

<b>AGM - Day, Date &amp; Time</b>	Friday, 26 <sup>th</sup> September 2014, at 11.00 a.m.
<b>Venue</b>	Registered Office of the Company

**b. Financial year: 1<sup>st</sup> April to 31<sup>st</sup> March.**

**c. Dates of Book Closure: 15<sup>th</sup> September 2014 to 26<sup>th</sup> September 2014  
(Both days inclusive)**

**d. Unclaimed dividend**

Pursuant to section 205A and 205C and other applicable provisions, if any, of the Companies Act, 1956, all unclaimed/unpaid dividend, remaining unclaimed/unpaid dividend for a period of seven years from the date of the disbursement is required to be transferred to Investor Education and Protection Fund (IEPF) established by the Central Government. No claim shall lie against the IEPF or the company for the amounts so transferred nor shall any payment be made in respect of such claims. Members, who have not yet encashed their dividend warrants for the financial year 2006-2007 onwards, are requested to make their claims without any delay to the Registrar and Transfer Agents, Link Intime India Private Limited.

The information relating to outstanding dividend account/(s) and the dates by which they can be claimed by the shareholders are given below:

Financial Year	Date of declaration of dividend	Type of dividend	Total dividend Amount in (₹)	Unclaimed Dividend as on 31 <sup>st</sup> March 2014 Amount in (₹)	Due date for transfer to Investor Education and Protection Fund (IEPF)
2006-2007	26 July 2007	Final	10,07,20,000	2,57,962	31 August 2014
2007-2008	28 August 2008	Final	12,98,64,000	3,06,120	03 September 2015
2008-2009	23 July 2009	Final	8,65,76,000	2,37,682	27 August 2016
2009-2010	28 September 2010	Final	12,98,64,000	3,59,910	30 October 2017
2010-2011	30 October 2011	Final	12,98,64,000	3,44,709	01 November 2018
2011-2012	17 September 2012	Final	129,864,000	3,20,607	19 October 2019
2012-2013	23 September 2013	Final	4,32,88,000	1,63,727	25 October 2020

**e. Listing**

NAME OF THE EXCHANGE	CODE / SYMBOL
The Bombay Stock Exchange Limited (BSE)	530073
The National Stock Exchange of India Limited (NSE)	SANGHVIMOV

Annual Listing Fee has been paid to The Bombay Stock Exchange Limited (BSE) and The National Stock Exchange of India Limited (NSE).



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**f. Financial calendar 2014-2015 (Tentative)**

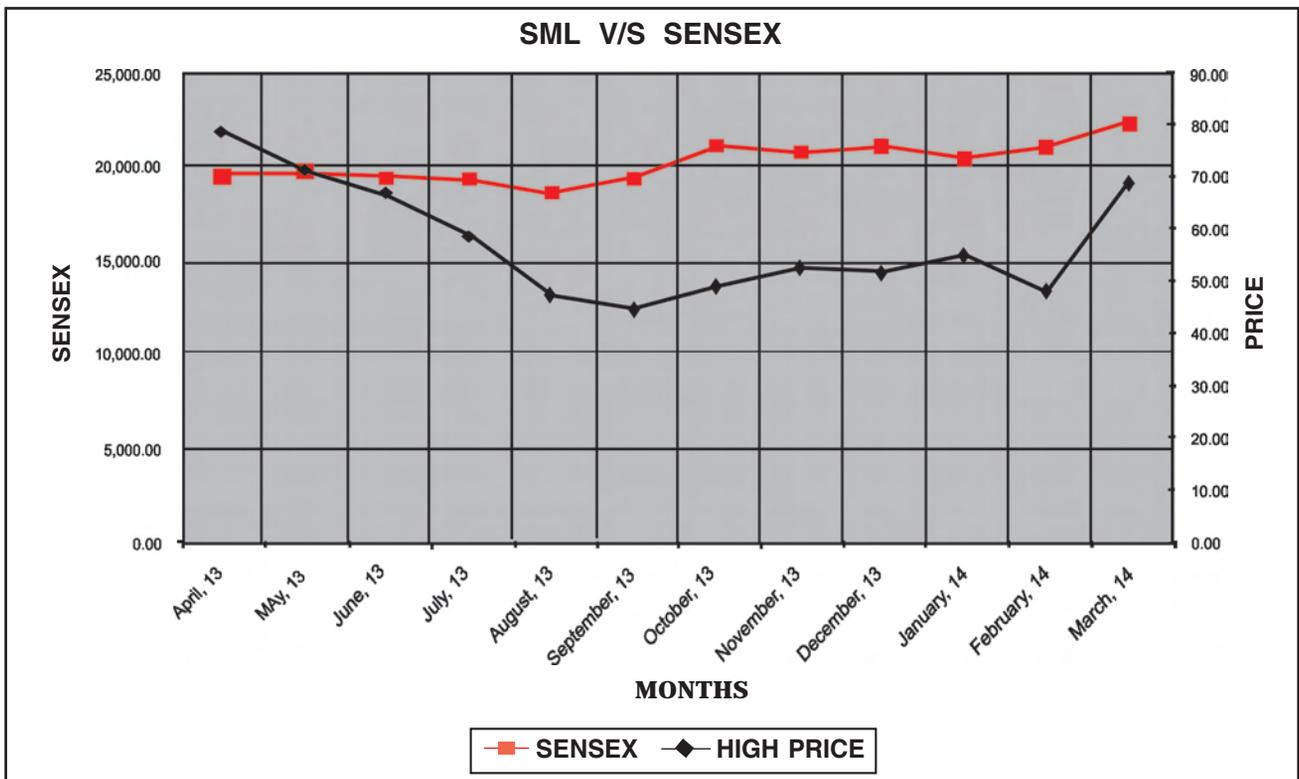
<b>Annual General Meeting</b>	September 2014
<b>Board Meetings</b>	
Results for the quarter ending June 2014	2 <sup>nd</sup> Week of August 2014
Results for the quarter ending September 2014	2 <sup>nd</sup> Week of November 2014
Results for the quarter ending December 2014	2 <sup>nd</sup> Week of February 2015
Results for the year ending March 2015	Last Week of May 2015

**g. Market price data**

Share Price - High & Low (₹) during each month in the year 2013 - 2014 at BSE:

Month	Price (In ₹)		Month	Price (In ₹)	
	High	Low		High	Low
April 2013	78.80	66.40	October 2013	49.00	40.00
May 2013	71.70	59.05	November 2013	52.75	42.20
June 2013	67.00	46.35	December 2013	51.75	39.30
July 2013	58.70	44.25	January 2014	55.00	44.00
August 2013	47.45	34.50	February 2014	47.95	40.05
September 2013	44.70	40.00	March 2014	69.10	43.40

**h. Performance in comparison to broad-based indices such as BSE Sensex is as below:**



Source: The Bombay Stock Exchange Limited (BSE) ([www.bseindia.com](http://www.bseindia.com))

**i. Registrar & share transfer agents**

M/s. Link Intime India Private Limited (formerly Intime Spectrum Registry Limited) is the Registrar and Transfer Agents of the company and carry out the share transfer work on behalf of the Company. The equity shares of the Company are traded on the stock exchanges and compulsorily in demat mode.

**j. Share transfer system**

To facilitate the speedy approvals and administrative convenience, the Board has formed a Share Transfer Committee, represented by the Board of Directors, to examine the share transfer and related applications. The Share Transfer Committee supervises and ensures efficient transfer of shares and proper and timely attendance of such applications. The committee has been delegated the power of approving transfer, transmission, Rematerialisation, dematerialization etc. of shares of the Company.

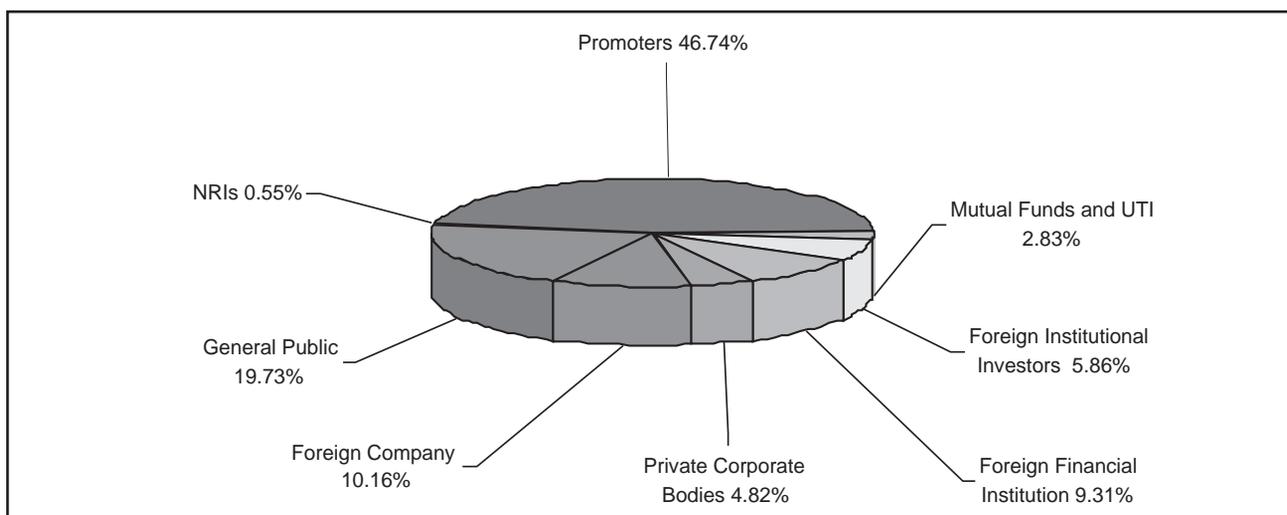
As of 31<sup>st</sup> March 2014, the Share Transfer Committee consists of three members and the Company Secretary is the Secretary of the Committee.

The Company has appointed M/s. Link Intime India Private Limited (Formerly known as Intime Spectrum Registry Limited) as its Registrar and Share Transfer Agent with effect from 1<sup>st</sup> August 2006. The share transfer requests are processed through M/s. Link Intime India Private Limited. The Company obtains a half yearly certificate from a Company Secretary in Practice of compliance of transfer formalities as required under clause 47 (C) of the Listing Agreement.

**k. Distribution of shareholding**

Shareholding Pattern as on 31<sup>st</sup> March 2014 is as below:

Category	No. of Shares held	% of shareholding
Promoters	20,233,764	46.74
Mutual Funds and UTI	1,226,617	2.83
Foreign Institutional Investors	2,536,869	5.86
Foreign Financial Institution	4,031,250	9.31
Private Corporate Bodies	2,085,529	4.82
Foreign Company	4,400,000	10.16
General Public	8,538,225	19.73
NRI's	235,746	0.55
<b>Total</b>	<b>43,288,000</b>	<b>100.00</b>



**Distribution schedule as on 31<sup>st</sup> March 2014:**

No. of Shares	No. of Folios	% to Total	No. of Shares held	% of Shareholding
Up to 5000	12,233	98.27	4,214,970	9.74
5001-10000	101	0.81	739,048	1.71
10001-20000	52	0.42	717,044	1.66
20001-30000	13	0.10	304,677	0.70
30001-40000	9	0.07	312,955	0.72
40001-50000	5	0.04	232,684	0.54
50001-100000	10	0.08	628,011	1.45
100001 and above	25	0.20	36,138,611	83.48
<b>Total</b>	<b>12,448</b>	<b>100.00</b>	<b>43,288,000</b>	<b>100.00</b>

**i. Dematerialization of Shares and Liquidity**

The Company's shares are compulsorily traded in dematerialized form and are available for trading on both the Depositories in India - National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

The ISIN is INE989A01024 for dematerialization of shares. As on 31<sup>st</sup> March 2014, 2,85,25,960 equity shares were held in dematerialized form.

**m. Code of conduct**

The Board of Directors has adopted the code of conduct for Directors and senior management. The said code has been communicated to the Directors and the members of the senior management. They have confirmed compliance with the said code. The code has been uploaded on the Company's website [www.sanghvicranes.com](http://www.sanghvicranes.com)

**n. CEO / CFO certification**

A certificate from the Managing Director & CEO and Executive Director & CFO on the Financial Terms of the Company in terms of Clause 49 of the Listing Agreement was placed before the Board, who took the same on record.

**o. Management discussion and analysis**

The detailed Management Discussion and Analysis is given as a separate section in this Annual Report.

**p. Reconciliation of share capital**

A qualified Practicing Company Secretary carried out a Secretarial Audit on quarterly basis to reconcile the total Share Capital with National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit confirms that the total issued/paid-up capital is in agreement with total number of shares in physical form and total number of dematerialized shares held with NSDL & CDSL.

The status on complaints is reported to the Board of Directors as an agenda item. A total of 15 complaints were received by the Company from the shareholders and investors. All complaints have been resolved to the satisfaction of the investors and as on 31<sup>st</sup> March 2014, there were no pending complaints.

**q. Voluntary corporate compliance certificate**

The Company obtains a corporate Compliance Audit Report on a quarterly basis from Practicing Company

Secretary to ensure compliance under the Companies Act, 1956, Listing Agreement, SEBI Rules and other corporate law as applicable.

**r. Investor contact details**

**Company**

Sanghvi Movers Limited  
Secretarial Department  
Survey No. 92, Tathawade,  
Taluka Mulshi, Pune - 411033  
Tel: +91-20-66744700  
Fax: +91-20-66744724  
Email: grievance.redressel@sanghvicranes.com

**Registrar & Share Transfer Agent**

M/s. Link Intime India Private Limited  
Block No 202, Akshay Complex,  
2<sup>nd</sup> Floor, Near Ganesh Temple,  
Off Dhole Patil Road, Pune - 411001  
Tel: +91 20 26160084/ 26161629  
Fax: +91 20 26163503  
Email: pune@linkintime.co.in  
Website: www.linkintime.co.in



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## DECLARATIONS

### Compliance with Code of Conduct

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, the Board Members and Senior Management Personnel have confirmed compliance with the Code of Conduct for the year ended 31<sup>st</sup> March 2014.

### For Sanghvi Movers Limited

#### Chandrakant Sanghvi

Chairman & Managing Director  
(DIN: 00116599)

## CEO / CFO CERTIFICATION

As required by sub-clause V of the Clause 49 of the Listing Agreement with the Stock Exchanges, we have certified to the Board that for the financial year ended 31<sup>st</sup> March 2014, the Company has complied with the requirements of the said sub-clause.

### For Sanghvi Movers Limited

#### Chandrakant Sanghvi

Chairman & Managing Director  
(DIN: 00116599)

### For Sanghvi Movers Limited

#### Sham Kajale

Executive Director & CFO  
(DIN: 00786499)

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## CERTIFICATE

To,

### The Members of Sanghvi Movers Limited

We have examined the compliance of conditions of Corporate Governance by Sanghvi Movers Limited ('the Company') for the year ended 31<sup>st</sup> March 2014 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our knowledge and according to the information and explanations given to us, we certify that the Company has complied in all material respects with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

As per our Report of the date attached

**For B S R & Co. LLP**

*Chartered Accountants*

Firm Registration No. 101248W

**Juzer Miyajiwala**

*Partner*

Membership No.047483

Place : Pune

Date : 8<sup>th</sup> August 2014

## **Independent Auditors' Report**

**To the Members of Sanghvi Movers Limited**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Sanghvi Movers Limited ("the Company") which comprise the Balance Sheet as at 31<sup>st</sup> March 2014 and the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13<sup>th</sup> September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- i. in the case of the Balance Sheet, of the state of affairs of the company as at 31<sup>st</sup> March 2014;
- ii. in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- iii. in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we 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;



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- b. in our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
- c. the Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. in our opinion, the Balance Sheet, the statement of Profit and Loss and the Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956 read with the General Circular 15/2013 dated 13<sup>th</sup> September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013; and
- e. on the basis of written representations received from the directors at on 31 March 2014 and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

**For B S R & Co. LLP**  
*Chartered Accountants*  
Firm Registration No. 101248W

**Juzer Miyajiwala**  
**Partner**  
Membership No. 047483

Place : Pune  
Date : 30<sup>th</sup> May 2014

**Annexure to the Independent Auditors' Report – 31<sup>st</sup> March 2014**

[Referred to in the Independent Auditors' Report to the Members of Sanghvi Movers Limited ('the Company') on the financial statements for the year ended 31<sup>st</sup> March 2014]

We report as follows:

- 1 (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The Company has a regular program of physical verification of its fixed assets, by which all fixed assets are verified in a phased manner over a period of two years. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) Fixed assets disposed off during the year were not substantial and therefore do not affect the going concern assumption.
- 2 (a) The inventory has been physically verified by management during the year. In our opinion, the frequency of such verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, the procedures for physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of accounts.
- 3 (a) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 301 of the Act. Accordingly, paragraphs 4(iii) (a) to 4(iii) (d) of the Order are not applicable.
- (b) The Company has availed unsecured loans from three parties covered in the register maintained under section 301 of the Act. The maximum amount outstanding during the year and the year-end balance of this loan was ₹ 196,200,000.
- (c) In our opinion the rate of interest and other terms and conditions on which the aforesaid loans have been taken are not, prima facie, prejudicial to the interests of the Company.
- (d) In the case of the aforesaid loans, there was no principal amount repayable during the current financial year. The Company has been regular in repayment of interest as per the terms of the agreement.
- 4 In our opinion and according to the information and explanations given to us, and having regard to the explanation that purchases of certain items of inventories are for the Company's specialised requirements and similarly certain services rendered are for the specialised requirements of the buyers and suitable alternative sources are not available to obtain comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to the purchase of inventories and fixed assets and with regard to rendering of services. The Company's activities do not involve sale of goods. In our opinion and according to the information and explanations given to us, there is no continuing failure to correct major weaknesses in internal control system.
- 5 (a) In our opinion and according to the information and explanations given to us, the particulars of contracts and arrangements referred to in section 301 of the Act, have been entered in the register required to be maintained under that section.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts and arrangements referred to in (a) above and exceeding the value of ₹ 5 Lakhs with any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time. However, on the basis of information and explanations provided, the same appear reasonable.

- 6 The Company has not accepted any deposits from the public.
- 7 In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
- 8 The Central Government has not prescribed the maintenance of cost records under section 209 (1) (d) of the Act, for services rendered by the Company.
- 9 (a) According to the information and explanations given to us and on the basis of our examination of the records, the Company has generally been regular in depositing undisputed statutory dues including Income tax, Wealth tax, Service tax, Customs duty, Sales tax, Provident Fund, Employees' State Insurance, Professional tax and other material statutory dues during the year with the appropriate authorities. As explained to us, the Company did not have any dues on account of Investor Education and Protection Fund and Excise duty.

According to the information and explanations given to us, no undisputed amounts payable in respect of Income tax, Wealth tax, Service tax, Customs duty, Sales tax, Provident Fund, Employees' State Insurance, Professional tax and other material statutory dues were in arrears as at 31<sup>st</sup> March 2014 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues of Income tax, Wealth tax, Service tax, Sales tax and Customs duty which have not been deposited by the company with the appropriate authorities on account of any disputes other than those stated below:

Name of the statute	Nature of the dues	Amount (₹ in Lakhs)	Amount paid under protest (₹ in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax – TDS demands	21.47	–	2007-2014	Commissioner of Income Tax - Appeals, Pune
Income Tax Act, 1961	Income tax - Disallowances	237.47	132.84	2008-2011	Commissioner of Income Tax, Pune
Gujarat Value Added Tax Act, 2003	Sales tax demand on crane hiring services	124.75	–	June 2008 to March 2009	Gujarat Value Added Tax Tribunal
Maharashtra Value Added Tax Act, 2002	Sales tax demand on crane hiring services	582.31	–	April 2009 to March 2010	Deputy Commissioner VAT, Pune*
The Finance Act, 1994	Service tax on services to SEZ units	261.20	–	2009-2012	Commissioner of Central Excise, Pune

\* Appeal yet to be filed

- 10 The Company does not have accumulated losses at the end of the financial year. The Company has not incurred cash loss in the current financial year and in the preceding financial year.
- 11 In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to its bankers. The Company did not have any dues to any financial institutions or any outstanding debentures during the year.
- 12 The Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13 In our opinion and according to the information and explanations given to us, the Company is not a chit fund / nidhi / mutual benefit fund / society.
- 14 According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments.

## **TWENTY-FIFTH ANNUAL REPORT 2013-2014**

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- 15 According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- 16 In our opinion and according to the information and explanations given to us, the term loans taken by the Company have been applied for the purpose for which they were raised.
- 17 According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we are of the opinion that the funds raised on short-term basis have not been used for long-term investments.
- 18 The Company has not made any preferential allotment of shares to companies/firms/other parties covered in the register maintained under section 301 of the Act.
- 19 The Company did not have any outstanding debentures during the year.
- 20 The Company has not raised any money by public issue during the year.
- 21 According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

**For B S R & Co. LLP**  
*Chartered Accountants*  
Firm Registration No. 101248W

**Juzer Miyajiwala**  
*Partner*  
Membership No. 047483

Place : Pune  
Date : 30<sup>th</sup> May 2014



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**BALANCE SHEET***(Currency - Indian Rupees in Lakhs, except share data)*

Particulars	Notes	As at 31 <sup>st</sup> March 2014	As at 31 <sup>st</sup> March 2013
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	3	865.76	865.76
Reserves and surplus	4	64,025.82	65,476.08
	(A)	64,891.58	66,341.84
<b>Non-current liabilities</b>			
Long-term borrowings	5	26,294.34	38,269.10
Deferred tax liabilities (net)	6	8,553.46	9,431.43
	(B)	34,847.80	47,700.53
<b>Current liabilities</b>			
Short-term borrowings	7	516.31	79.41
Trade payables	8	1,093.62	960.30
Other current liabilities	9	20,287.28	21,780.15
Short-term provisions	10	30.24	693.08
	(C)	21,927.45	23,512.94
<b>TOTAL</b>	<b>(A) + (B) + (C)</b>	<b>121,666.83</b>	<b>137,555.31</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets	11		
Tangible fixed assets		100,483.11	109,020.59
Capital work-in-progress		25.00	15.69
Non-current investments	12	0.25	0.25
Long term loans and advances	13	2,566.29	1,129.58
	(A)	103,074.65	110,166.11
<b>Current assets</b>			
Inventories	14	1,022.48	1,054.85
Trade receivables	15	14,882.96	22,409.12
Cash and bank balances	16	1,859.33	2,906.73
Short-term loans and advances	17	716.68	940.57
Other current assets	18	110.73	77.93
	(B)	18,592.18	27,389.20
<b>TOTAL</b>	<b>(A) + (B)</b>	<b>121,666.83</b>	<b>137,555.31</b>
Summary of significant accounting policies	2		
See accompanying notes to the financial statements	3 - 36		

The notes referred to above form an integral part of the Balance Sheet.

As per our report of even date attached.

**For B S R & Co. LLP**  
Chartered Accountants  
Firm Registration No.101248W

**Juzer Miyajiwala**  
Partner  
Membership No.047483

For and on behalf of the Board of Directors of Sanghvi Movers Ltd.

**Chandrakant Sanghvi** - Chairman & Managing Director (DIN:00116599)  
**Sham Kajale** - Executive Director &  
Chief Financial Officer (DIN: 00786499)  
**Vijay Mainkar** - Director (DIN: 00170719)  
**Rajesh Likhite** - Company Secretary & Chief Compliance Officer

Place : Pune  
Date : 30<sup>th</sup> May 2014

Place : Pune  
Date : 30<sup>th</sup> May 2014

## TWENTY-FIFTH ANNUAL REPORT 2013-2014

### STATEMENT OF PROFIT & LOSS ACCOUNT

(Currency - Indian Rupees in Lakhs, except share data)

Particulars	Notes	For the year ended	
		31 <sup>st</sup> March 2014	31 <sup>st</sup> March 2013
<b>Revenue from operations</b>	19		
Sale of services		24,168.34	33,214.07
Other operating revenues		268.30	704.44
<b>Total</b>		<b>24,436.64</b>	<b>33,918.51</b>
Other income	20	536.62	822.50
<b>Total revenue</b>		<b>24,973.26</b>	<b>34,741.01</b>
<b>Expenses</b>			
Operating and other expenses	21	9,430.65	9,149.60
Employee benefits expense	22	1,359.66	1,596.21
Finance costs	23	4,620.68	6,337.40
Depreciation and amortization expense	11	11,858.69	11,809.77
<b>Total expenses</b>		<b>27,269.68</b>	<b>28,892.98</b>
<b>(Loss)/ Profit before tax</b>		<b>(2,296.42)</b>	<b>5,848.03</b>
<b>Tax expense</b>			
Current tax		—	1,584.83
Tax charge / (credit) in respect of earlier years		31.81	(167.57)
Deferred tax (credit) /charge( <i>includes prior period credit of ₹ 126.25(2013: Nil)</i> )		(877.97)	338.03
<b>(Loss)/ Profit for the year</b>		<b>(1,450.26)</b>	<b>4,092.74</b>
<b>Basic and diluted(loss)/earnings per equity share of face value of ₹ 2 each (in Rs)</b>	24	<b>(3.35)</b>	<b>9.45</b>
Summary of significant accounting policies	2		
See accompanying notes to the financial statements	3 - 36		

The notes referred to above form an integral part of the Statement of Profit and Loss.

As per our report of even date attached.

**For B S R & Co. LLP**  
Chartered Accountants  
Firm Registration No.101248W

**Juzer Miyajiwala**  
Partner  
Membership No.047483

Place : Pune  
Date : 30<sup>th</sup> May 2014

For and on behalf of the Board of Directors of Sanghvi Movers Ltd.  
**Chandrakant Sanghvi** - Chairman & Managing Director (DIN:00116599)  
**Sham Kajale** - Executive Director &  
Chief Financial Officer (DIN: 00786499)  
**Vijay Mainkar** - Director (DIN: 00170719)  
**Rajesh Likhite** - Company Secretary & Chief Compliance Officer

Place : Pune  
Date : 30<sup>th</sup> May 2014



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2014**

*(Currency - Indian Rupees in Lakhs, except share data)*

Particulars	For the year ended	
	31 <sup>st</sup> March 2014	31 <sup>st</sup> March 2013
<b>A Cash flows from operating activities</b>		
<b>Net (loss) / profit before tax</b>	<b>(2,296.42)</b>	5,848.03
Non cash adjustment to reconcile (loss)/profit before tax to net cash flows		
Depreciation and amortization expense	<b>11,858.69</b>	11,809.77
Provisions for doubtful capital advances written back (net)	—	(127.58)
Loss / (Profit) on sale of fixed assets (net)	<b>1.39</b>	(366.92)
Interest expense	<b>4,620.68</b>	6,337.40
Dividend income	—	(0.05)
Interest income	<b>(222.49)</b>	(117.09)
<b>Operating Profit before working capital changes</b>	<b>13,961.85</b>	23,383.56
Movements in working capital :		
Decrease/(Increase) in inventories	<b>32.37</b>	(218.23)
Decrease/ (Increase) in trade receivables	<b>7,526.16</b>	(1,945.40)
Decrease in short term loans and advances	<b>223.89</b>	982.69
Decrease in long term loans and advances	<b>4.94</b>	98.01
Increase/(Decrease) in trade payables	<b>133.32</b>	(280.10)
Decrease in other current liabilities	<b>(111.98)</b>	(232.90)
(Decrease)/Increase in short-term provision	<b>(22.29)</b>	15.37
<b>Working capital changes</b>	<b>7,786.41</b>	(1,580.56)
<b>Cash generated from operations</b>	<b>21,748.26</b>	21,803.00
Direct taxes paid (including tax deducted at source), net of refunds	<b>(984.83)</b>	(1,576.08)
<b>Net cash from operating activities</b>	<b>20,763.43</b>	20,226.92
<b>B Cash flows from investing activities</b>		
Purchase of fixed assets	<b>(950.92)</b>	(937.76)
Proceeds from sale of fixed assets	<b>92.10</b>	877.67
Investments in bank deposits (having original maturity of more than three months)	<b>(4,080.81)</b>	(4,208.95)
Maturity of bank deposits (having original maturity of more than three months)	<b>3,700.85</b>	4,088.00
Dividends received	—	0.05
Interest received	<b>157.11</b>	139.33
Application money for investment in equity shares	<b>(700.00)</b>	—
<b>Net cash used in investing activities</b>	<b>(1,781.67)</b>	(41.66)

## TWENTY-FIFTH ANNUAL REPORT 2013-2014

### CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2014

(Currency - Indian Rupees in Lakhs, except share data)

Particulars	For the year ended	
	31 <sup>st</sup> March 2014	31 <sup>st</sup> March 2013
<b>C Cash flows from financing activities</b>		
Proceeds from borrowings	13,097.09	85,441.19
Repayment of borrowings	(28,113.38)	(96,596.22)
Dividends paid	(432.88)	(1,298.63)
Tax on dividends paid	(70.22)	(210.67)
Interest paid	(4,886.58)	(6,271.05)
<b>Net cash used in financing activities</b>	<b>(20,405.97)</b>	<b>(18,935.38)</b>
Net (decrease) /increase in cash and cash equivalents (A+B+C)	<b>(1,424.21)</b>	1,249.88
Cash and cash equivalents at beginning of the year	<b>1,874.33</b>	624.45
<b>Cash and cash equivalents at end of the year</b>	<b>450.12</b>	1,874.33
<b>Components of cash and cash equivalents</b>		
Cash on hand	3.09	2.85
Balances with banks:		
On current accounts	447.03	1,871.48
<b>Total cash and cash equivalents (also refer note 16)</b>	<b>450.12</b>	1,874.33
Summary of significant accounting policies	2	
See accompanying notes to the financial statements	3 - 36	

The notes referred to above form an integral part of the Cash Flow Statement.

As per our report of even date attached.

**For B S R & Co. LLP**  
Chartered Accountants  
Firm Registration No.101248W

**Juzer Miyajiwala**  
Partner  
Membership No.047483

Place : Pune  
Date : 30<sup>th</sup> May 2014

For and on behalf of the Board of Directors of Sanghvi Movers Ltd.

**Chandrakant Sanghvi** - Chairman & Managing Director (DIN:00116599)

**Sham Kajale** - Executive Director &  
Chief Financial Officer (DIN: 00786499)

**Vijay Mainkar** - Director (DIN: 00170719)

**Rajesh Likhite** - Company Secretary & Chief Compliance Officer

Place : Pune  
Date : 30<sup>th</sup> May 2014

**Notes forming part of the financial statements**For the year ended 31<sup>st</sup> March 2014*(Currency - Indian Rupees in Lakhs, except share data)***1. Background**

Sanghvi Movers Limited ("SML" or "the Company") was incorporated in 1989. SML is engaged in the business of providing hydraulic and crawler cranes to various industries in the infrastructure sector and has a fleet of 384 medium-to large-size hydraulic trucks mounted telescopic and lattice boom cranes and crawler cranes with lifting capacity ranging from 20 tons to 750 tons. The Company has its corporate office at Pune. The equity shares of the Company are listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

**2. Significant accounting policies**

The accounting policies set out below have been applied consistently to the periods presented in these financial statements.

**2.1 Basis of preparation of financial statements**

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting and comply with the Accounting Standards notified under the Companies Act, 1956 ('the Act') read with the General Circular dated 13<sup>th</sup> September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India, to the extent applicable. The financial statements are presented in Indian Rupees rounded off to nearest Lakh.

**2.2 Use of estimates**

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make judgments, estimates and assumptions that affect the application of accounting principles and reported amount of assets, liabilities and the disclosure of contingent liabilities on the date of the financial statements. Actual results may differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in the current and future periods.

**2.3 Current-non-current classification**

All assets and liabilities are classified into current and non-current.

**Assets**

An asset is classified as current when it satisfies any of the following criteria:

- a) it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle
- b) it is held primarily for the purpose of being traded;
- c) it is expected to be realised within 12 months after the reporting date; or
- d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include current portion of non-current financial assets. All other assets are classified as non-current.

**Notes forming part of the financial statements**

**For the year ended 31<sup>st</sup> March 2014**

*(Currency - Indian Rupees in Lakhs, except share data)*

**Liabilities**

A liability is classified as current when it satisfies any of the following criteria:

- a) it is expected to be settled in the Company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is expected to be settled within 12 months after the reporting date; or
- d) the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

**Operating cycle**

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The operating cycle of the Company is less than 12 months.

**2.4 Revenue recognition**

- a) Revenue from hiring of equipments (cranes and trailers along with relevant manpower) is recognised when the service is performed, usually on a time proportionate basis as per the terms of contract and the performance of service is regarded as achieved when no significant uncertainty exists regarding the amount of consideration that will be derived from rendering the service.
- b) Revenue from power is recognised on the accrual basis in accordance with the provisions of Power Purchase Agreement entered with the regulatory commission of the respective state. Claims for delayed payment charges and any other claims, which the Company is entitled to under the Power Purchase Agreement, are accounted for in the year of acceptance.
- c) Interest income is recognised using the time proportion method based on the underlying interest rates.
- d) Other items of income are accounted as and when the right to receive arises.

**2.5 Fixed assets and depreciation**

**Tangible fixed assets**

Tangible fixed assets are carried at acquisition cost less accumulated depreciation and/or impairment loss if any. The cost of an item of tangible fixed asset comprises its purchase price including inward freight, duties, taxes, relevant foreign exchange fluctuation differences and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to tangible fixed assets are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard or performance.

Borrowing costs directly attributable to acquisition or construction of those fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalised. Other borrowing costs are recognised as expense in the period in which they are incurred.

Exchange differences (favorable as well as unfavorable) arising in respect of translation/settlement of long

**Notes forming part of the financial statements (continued)****For the year ended 31<sup>st</sup> March 2014***(Currency - Indian Rupees in Lakhs, except share data)*

term foreign currency borrowings attributable to the acquisition of depreciable fixed assets are also included in the cost of the assets.

Tangible fixed assets under construction are disclosed as capital work-in-progress.

Depreciation on fixed assets is provided on straight line method, at the rates and in the manner prescribed under Schedule XIV to the Act except for cranes and windmills which are depreciated over useful life of 13 years. Depreciation is provided on a pro-rata basis i.e. from the date on which asset is ready for use.

Freehold land is not depreciated. Acquired assets consisting of leasehold land are recorded at acquisition cost and amortised on straight-line basis based over the lease term.

Additions to fixed assets individually costing ₹ 5,000 or less are depreciated fully in the year of acquisition.

A fixed asset is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal. Losses arising from retirement or gains or losses arising from disposal of fixed assets which are carried at cost are recognised in the Statement of Profit and Loss.

**2.6 Investments**

Investments that are readily realizable and intended to be held for not more than a year from the date of the acquisition are classified as current investments. All other investments are classified as long-term investments. However, that portion of long term investments which is expected to be realised within 12 months after the reporting date is also presented under 'current assets' as current portion of long term investments in consonance with the current/non-current classification scheme of revised Schedule VI.

Long-term investments are valued at cost less any other-than-temporary diminution in value, determined separately for each individual investment.

Current investments are valued at lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investments. Any reductions in the carrying amount and any reversals of such reductions are charged or credited to the Statement of Profit and Loss.

**2.7 Inventories**

Inventories comprise of stores and spare parts and are valued at cost on first in first out (FIFO) basis, net of Cenvat credit.

**2.8 Employee benefits****a) Short term employee benefits**

Employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee services is recognised as an expense as the related service is rendered by employees.

**b) Post employment benefits (defined benefit plans)**

The employees' gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plan is determined at each Balance Sheet date based on an actuarial valuation carried out by an independent actuary using the projected unit credit method. Gratuity Liability is funded through

**Notes forming part of the financial statements (continued)**

**For the year ended 31<sup>st</sup> March 2014**

*(Currency - Indian Rupees in Lakhs, except share data)*

a Group Gratuity Scheme with Life Insurance Corporation of India wherein contributions are made and charged to revenue on annual basis. Actuarial gains and losses and past service costs are recognised immediately in the Statement of Profit and Loss.

**c) Post employment benefits (defined contribution plans)**

Contributions to the provident fund and superannuation fund which are defined contribution schemes are recognised as an expense in the Statement of Profit and Loss in the period in which the contribution is due.

**d) Long term employee benefits**

Long term employee benefits comprise of compensated absences. These are measured based on an actuarial valuation carried out by an independent actuary at each Balance Sheet date. Actuarial gains and losses and past service costs are recognised immediately in the Statement of Profit and Loss. Compensated absences are funded through a Scheme with Life Insurance Corporation of India wherein contributions are made and charged to revenue on annual basis. Actuarial gains and losses and past service costs are recognised immediately in the Statement of Profit and Loss.

**2.9 Taxation**

Income-tax expense comprises current tax (i.e. amount of tax for the year determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effect of timing differences between accounting income and taxable income for the year).

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the asset can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of these assets. Deferred tax assets are reviewed as at each Balance Sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.

**2.10 Foreign exchange transactions**

**a) Initial recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

**b) Conversion**

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

**c) Exchange differences**

From accounting period commencing on or after 7 December 2006, the Company accounts for exchange differences arising on translation/settlement of foreign currency monetary items as below:

- i. Exchange differences arising on long-term foreign currency monetary items related to acquisition of fixed assets are capitalised in accordance with an amendment issued by the Ministry of Corporate Affairs ('MCA') on 29 December 2011 to Accounting Standard 11- The Effects of changes in Foreign Exchange Rates and clarification provided vide circular 25/2012 dated 09 August 2012 and depreciated over the remaining useful life of the asset. For this purpose, the Company treats a foreign currency monetary item as "long-term foreign currency monetary item", if it has a term of 12 months or more at the date of its origination.
- ii. All other exchange differences are recognised as income or expenses in the period in which they arise.

**d) Forward exchange contracts entered into to hedge foreign currency risk of an existing asset/liability**

The Company is exposed to foreign currency fluctuations on foreign currency assets and liabilities and forecasted cash flows denominated in foreign currency. The Company enters into forward exchange contracts, where the counterparty is a bank. The forward contracts are not used for trading or speculation purposes.

The premium or discount arising at the inception of the forward exchange contract is amortised and recognised as an expense/income over the life of the contract. Exchange differences on such contracts, except the contracts which are long-term foreign currency monetary items, are recognised in the Statement of Profit and Loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognised as income or as expense for the period. Any gain/loss arising on forward exchange contracts which are long-term foreign currency monetary items is recognised in accordance with paragraph 'c' above.

**2.11 Government grants and subsidies**

Grants and subsidies from the government are recognised when there is reasonable assurance that the grant/subsidy will be received and all attaching conditions will be complied with.

When the grant or subsidy relates to an expense item, it is recognised as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate. Where the grant or subsidy relates to an asset, its value is deducted in arriving at the carrying amount of the related asset. In case the asset cannot be distinguished, the grant/subsidy is accounted for as Capital Reserve.

Government grants of the nature of promoters' contribution are credited to Capital Reserve and treated as a part of the shareholders' funds.

**2.12 Provisions**

A provision is recognised if, as a result of a past event, the Company has an present obligation that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the

**Notes forming part of the financial statements (continued)**

**For the year ended 31<sup>st</sup> March 2014**

*(Currency - Indian Rupees in Lakhs, except share data)*

obligation. Provisions are recognised at the best estimate of the expenditure required to settle the obligation at the Balance Sheet date. The provisions are measured on an undiscounted basis.

**Onerous contracts**

A contract is considered as onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable costs of meeting its obligations under the contract. The provision for onerous contracts is measured at lower of the expected cost of terminating the contract and the expected net cost of fulfilling the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

**Contingencies**

Provision in respect of loss contingencies relating to claims, litigations assessment, fines, penalties etc are recognised when it is probable that a liability has been incurred and the amount can be estimated reliably.

**2.13 Contingent liabilities and contingent assets**

A contingent liability exists when there is a possible but no obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it virtually certain that an inflow of economic benefit will arise, the asset and related income are recognised in the period in which the change occurs.

**2.14 Impairment of assets**

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss.

If at the Balance Sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

**2.15 Operating leases**

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership over the lease term are classified as operating lease. Operating lease rentals are recognised over the period of the lease in the Statement of Profit and Loss on a straight line basis.

**2.16 Earnings per share**

The basic earnings per share is computed by dividing the net profit attributable to the equity shareholders for the period by the weighted average number of equity shares outstanding during the year.

The diluted earnings per share is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity and equivalent potential dilutive equity shares outstanding during the year, except where the result would be anti dilutive.



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**Notes forming part of the financial statements (continued)**For the year ended 31<sup>st</sup> March 2014*(Currency - Indian Rupees in Lakhs, except share data)***2.17 Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

Particulars	For the year ended	
	31 <sup>st</sup> March 2014	31 <sup>st</sup> March 2013
<b>3. Share Capital</b>		
<b>Authorized</b>		
50,000,000 (2013 : 50,000,000)		
equity shares of face value of ₹ 2 each	<b>1,000.00</b>	1,000.00
	<b>1,000.00</b>	1,000.00
<b>Issued, Subscribed and Paid-up</b>		
43,288,000 (2013 : 43,288,000)		
equity shares of face value of ₹ 2 each fully paid up	<b>865.76</b>	865.76
	<b>865.76</b>	865.76

**3.1 Rights, preferences and restrictions attached to equity shares**

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to received dividend as declared from time to time. The voting rights of an equity share holder on a poll (not on show of hands) are in proportion to its share of the paid up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

Failure to pay any amount called up on shares may lead to forfeiture of the shares.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

**3.2 Particulars of Shareholders Holding more than 5% Shares is Set Out Below :**

Name of the Shareholder	31-Mar-2014		31-Mar-2013	
	No. of shares	% held	No. of shares	% held
Mr. Chandrakant Phoolchand Sanghvi	<b>1,00,41,098</b>	<b>23.20%</b>	99,69,284	23.03%
Mr. Rishi Chandrakant Sanghvi	<b>53,34,740</b>	<b>12.32%</b>	53,34,740	12.32%
Goldpeak Limited	<b>44,00,000</b>	<b>10.16%</b>	44,00,000	10.16%
Mrs. Mina Chandrakant Sanghvi	<b>43,32,426</b>	<b>10.01%</b>	37,77,633	8.73%
Olympus India Holdings Limited	<b>26,87,500</b>	<b>6.21%</b>	26,87,500	6.21%

**TWENTY-FIFTH ANNUAL REPORT 2013-2014**

Notes forming part of the financial statements (continued)  
For the year ended 31<sup>st</sup> March 2014

(Currency - Indian Rupees in Lakhs, except share data)

Particulars	For the year ended	
	31 <sup>st</sup> March 2014	31 <sup>st</sup> March 2013
<b>4. Reserves and Surplus</b>		
<b>Capital Reserve</b>		
At the commencement and at the end of the year	<b>11.96</b>	11.96
<b>Securities Premium Account</b>		
At the commencement and at the end of the year	<b>13,136.96</b>	13,136.96
<b>General Reserve</b>		
At the commencement of the year	<b>30,443.09</b>	28,943.09
Add: Transferred from surplus in the Statement of Profit and Loss	—	1,500.00
	<b>30,443.09</b>	30,443.09
<b>Surplus in the Statement of Profit and Loss</b>		
At the commencement of the year	<b>21,884.07</b>	19,794.43
Add: Net (loss)/profit after tax transferred from Statement of Profit and Loss	<b>(1,450.26)</b>	4,092.74
<b>Amount Available for Appropriations</b>	<b>20,433.81</b>	23,887.17
<u>Appropriations:</u>		
Proposed final dividend (amount per share ₹ Nil {2013: ₹ 1})	—	432.88
Dividend distribution tax on proposed dividend	—	70.22
Amount transferred to general reserve	—	1,500.00
Net surplus in the Statement of Profit and Loss	<b>20,433.81</b>	21,884.07
	<b>64,025.82</b>	65,476.08



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**Notes forming part of the financial statements (continued)***(Currency - Indian Rupees in Lakhs, except share data)*

Particulars	For the year ended	
	31 <sup>st</sup> March 2014	31 <sup>st</sup> March 2013
<b>5. Long-term borrowings</b>		
<b>Secured :</b>		
<b>Term Loans :</b>		
From banks		
in Indian Rupees	<b>24,332.34</b>	24,986.50
in Foreign Currencies	—	11,561.60
<b>Unsecured :</b>		
Loans from related parties (also refer note 'iii' below)	<b>1,962.00</b>	1,721.00
	<b>26,294.34</b>	38,269.10

- i) Term loans from banks in Indian Rupees carry interest rate ranging from 11% to 13.5% p.a. The number of monthly installments payable for these loans are 54 to 96.
- ii) Foreign currency term loans from banks carry usance interest or interest rate ranging from 6 months to 1 year LIBOR or EURIBOR plus additional basis points ranging from 90 to 250. These loans are repayable in 360 to 720 days from the date when these loans were availed.
- iii) Loans from related parties are repayable after 36 months and carry an interest rate of 8.5% - 12.5% p.a.

**Security**

- a) Term loans amounting to ₹ 21,892.04 (2013 : ₹ 45,332.81) are secured against cranes/trailers.
- b) Term loans amounting to ₹ 11,536.48 (2013 : ₹ 11,393.45) are secured against cranes/trailers and equitable mortgage on land and buildings at Tathawade.
- c) Term loans amounting to ₹ Nil (2013 : ₹ 126.13) are secured against mortgage on land and buildings at Tathawade and Bharuch.
- d) Term loans amounting to ₹ Nil (2013 : ₹ 454.47) are secured against cranes/trailers and personal guarantees given by Chairman and Managing Director Mr. Chandrakant Sanghvi.
- e) Term loans amounting to ₹ 5,000.00 (2013 : ₹ Nil) are secured against cranes and equitable Mortgage of residential land at Sate & personal guarantees given by Chairman and Managing Director Mr. Chandrakant Sanghvi till the conversion of land into Non-agricultural land.
- f) Term loans amounting to ₹ 5,582.08 (2013 : ₹ Nil) are secured against cranes and equitable Mortgage of residential land at Sate.
- g) Term loans amounting to ₹ Nil (2013 : ₹ 44.55) are secured against vehicles purchased out of the term loan.
- h) Also refer note 16.

**Notes forming part of the financial statements (continued)**

*(Currency - Indian Rupees in Lakhs, except share data)*

**Maturity of Term Loans From Banks**

**Maturity Profile**

	Less than 1 year *	1 - 2 Years	2 - 3 Years	3 - 4 Years	Beyond 4 years
Term Loan	19,678.27	8,798.44	5,953.18	4,692.76	4,887.95
(Previous year)	20,803.31	23,898.50	6,698.23	3,350.28	2,601.08

\* Disclosed under other current liabilities (also refer note 9)

Particulars	For the year ended	
	31 <sup>st</sup> March 2014	31 <sup>st</sup> March 2013
<b>6. Deferred tax liabilities (net)</b>		
<i>Deferred tax liability</i>		
Fixed assets: Impact of difference between tax depreciation and depreciation/amortisation charged in the financial statements	9,692.26	10,029.59
<i>Deferred tax asset</i>		
Arising out of timing differences in		
Compensated absences	4.16	5.25
Gratuity	5.65	11.80
Disallowances under the Income Tax Act, 1961	13.60	28.75
Carried forward losses	369.71	—
Provision for doubtful debts and advances	745.68	552.36
	<b>1,138.80</b>	598.15
<b>Deferred tax liability (net)</b>	<b>8,553.46</b>	9,431.43
Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing taxation laws.		
<b>7. Short-term borrowings</b>		
<b>Secured :</b>		
Working capital loans repayable on demand from banks	501.64	—
<b>Unsecured :</b>		
Terms loans from bank (also refer note 'b' below)	14.67	79.41
	<b>516.31</b>	79.41

- a) Working capital loans from banks representing cash credit facilities are secured against receivables, personal guarantee of Mr. Chandrakant Saghvi, Chairman and the Managing Director up to ₹ 3,500 lakh (2013 : ₹ 3,500 lakh) and pledge of 6 lakh (2013 : 6 lakh) equity shares of the Company held by Mr. Chandrakant Saghvi, Chairman and the Managing Director. The cash credit facilities are repayable on demand and carry an interest ranging between 12-14% p.a.
- b) Foreign currency term loans from banks carry usance interest and are repayable within 360 days from the date when these loans were availed.



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Notes forming part of the financial statements (continued)

(Currency - Indian Rupees in Lakhs, except share data)

Particulars	For the year ended	
	31 <sup>st</sup> March 2014	31 <sup>st</sup> March 2013
<b>8. Trade payables</b>		
Trade payables (also refer note 32 for details of dues to micro and small enterprises)	1,093.62	960.30
	<b>1,093.62</b>	960.30
<b>9. Other current liabilities</b>		
Current maturities of long-term debt (also refer note 5)		
Term loans from banks:		
in Indian Rupees	4,079.12	10,954.26
in Foreign currencies	15,599.15	9,849.05
Interest accrued but not due on borrowings ( also refer note 'a' below)	406.59	672.49
Unpaid dividend ( also refer note 'b' below)	21.36	24.51
Service tax payable	16.94	6.84
TDS payable	26.22	28.92
Other taxes payable	0.52	45.02
Forward contract payable	13.20	—
Accrued employee liabilities	88.90	95.23
Other current liabilities	15.33	94.19
Advance from customers	19.95	9.64
	<b>20,287.28</b>	21,780.15
a) Includes ₹ 109.71 (2013: ₹ 129.13) due to related parties (also refer note 30).		
b) There are no amounts due for payment to the Investor Education and Protection Fund under section 205C of the Act as at the year end.		
<b>10. Short-term provisions</b>		
Provision for employee benefits		
Compensated absences	12.83	16.17
Gratuity (also refer note 31)	17.41	36.36
Others		
Income tax (net of advance taxes paid)	—	137.45
Proposed dividend	—	432.88
Tax on proposed dividend	—	70.22
	<b>30.24</b>	693.08

**Notes forming part of the financial statements (continued)**

(Currency - Indian Rupees in Lakhs, except share data)

**11 : Tangible fixed assets**

(Amount in ₹)

	Freehold land	Leasehold land	Buildings	Office equipments	Plant and equipments	Windmills	Motor vehicles	Furniture & fittings	Total
<b>Gross block</b>									
Balance as at 1 April 2012	2,094.41	31.03	1,882.21	186.76	1,59,359.75	2,199.23	460.23	228.36	1,66,441.98
Additions	29.50	-	131.80	6.69	2,565.78	-	4.38	1.51	2,739.66
Disposals	-	-	-	2.39	1,098.55	-	29.26	-	1,130.20
<b>Balance as at 31 March 2013</b>	<b>2,123.91</b>	<b>31.03</b>	<b>2,014.01</b>	<b>191.06</b>	<b>1,60,826.98</b>	<b>2,199.23</b>	<b>435.35</b>	<b>229.87</b>	<b>1,68,051.44</b>
Balance as at 1 April 2013	2,123.91	31.03	2,014.01	191.06	1,60,826.98	2,199.23	435.35	229.87	1,68,051.44
Additions	18.46	-	108.51	3.48	3,262.46	-	20.23	1.56	3,414.70
Disposals	-	-	-	0.11	183.53	-	-	-	183.64
<b>Balance as at 31 March 2014</b>	<b>2,142.37</b>	<b>31.03</b>	<b>2,122.52</b>	<b>194.43</b>	<b>1,63,905.91</b>	<b>2,199.23</b>	<b>455.58</b>	<b>231.43</b>	<b>1,71,282.50</b>
<b>Accumulated depreciation/amortisation</b>									
Balance as at 1 April 2012	-	3.30	241.32	99.14	45,903.18	1,358.82	181.28	56.06	47,843.10
Depreciation/amortisation for the year	-	0.37	61.08	19.16	11,513.03	163.19	38.43	14.51	11,809.77
Accumulated depreciation on disposals	-	-	-	1.76	608.22	-	12.04	-	622.02
<b>Balance as at 31 March 2013</b>	<b>-</b>	<b>3.67</b>	<b>302.40</b>	<b>116.54</b>	<b>56,807.99</b>	<b>1,522.01</b>	<b>207.67</b>	<b>70.57</b>	<b>59,030.85</b>
Balance as at 1 April 2013	-	3.67	302.40	116.54	56,807.99	1,522.01	207.67	70.57	59,030.85
Depreciation/amortisation for the year	-	0.37	66.11	13.93	11,562.39	163.18	38.32	14.39	11,858.69
Accumulated depreciation on disposals	-	-	-	0.02	90.13	-	-	-	90.15
<b>Balance as at 31 March 2014</b>	<b>-</b>	<b>4.04</b>	<b>368.51</b>	<b>130.45</b>	<b>68,280.25</b>	<b>1,685.19</b>	<b>245.99</b>	<b>84.96</b>	<b>70,799.39</b>
<b>Net block</b>									
As at 31 March 2013	2,123.91	27.36	1,711.61	74.52	1,04,018.99	677.22	227.68	159.30	1,09,020.59
As at 31 March 2014	2,142.37	26.99	1,754.01	63.98	95,625.66	514.04	209.59	146.47	1,00,483.11
<b>Capital work-in-progress</b>									
Balance as at 1 April 2012	-	-	-	-	1,386.20	-	-	-	1,386.20
Additions	30.21	-	146.78	6.69	495.25	-	4.38	1.51	684.83
Assets capitalised during the year	29.50	-	131.80	6.69	1,881.45	-	4.38	1.51	2,055.34
<b>Balance as at 31 March 2013</b>	<b>0.71</b>	<b>-</b>	<b>14.98</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15.69</b>
Balance as at 1 April 2013	0.71	-	14.98	-	-	-	-	-	15.69
Additions	-	-	118.53	3.48	33.44	-	20.23	1.56	177.24
Assets capitalised during the year	0.71	-	108.51	3.48	33.44	-	20.23	1.56	167.93
<b>Balance as at 31 March 2014</b>	<b>-</b>	<b>-</b>	<b>25.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>25.00</b>

**Notes:**

a) Additions during the year includes exchange differences of ₹ 3,229.02 (2013: ₹ 684.32) on reinstatement/retirement of long term foreign currency borrowings.



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Notes forming part of the financial statements (continued)

(Currency - Indian Rupees in Lakhs, except share data)

Particulars	For the year ended	
	31 <sup>st</sup> March 2014	31 <sup>st</sup> March 2013
<b>12. Non-current investments</b>		
(Valued at cost unless stated otherwise)		
<b>unquoted, non-trade investments</b>		
Investments in equity instruments		
The Saraswat Co-operative Bank Limited		
2500 (2013 : 2500) equity shares of ₹ 10 each	<b>0.25</b>	0.25
	<b>0.25</b>	0.25
Aggregate amount of unquoted investments	<b>0.25</b>	0.25
<b>13. Long term loans and advances</b>		
(Unsecured, considered good unless otherwise stated)		
To parties other than related parties		
Capital advances		
Considered good	1.76	75.68
Considered doubtful	155.65	155.65
Less: Provision for doubtful advances	(155.65)	(155.65)
Security deposits	268.34	268.98
Loans to employees	11.30	15.60
Advance taxes paid (net of provision)	1,584.89	769.32
Share application money paid	700.00	—
	<b>2,566.29</b>	1,129.58
<b>14. Inventories (valued at cost)</b>		
Stores and spare parts	1,022.48	1,054.85
	<b>1,022.48</b>	1,054.85
<b>15. Trade receivables</b>		
(Unsecured, considered good unless otherwise stated)		
Receivables outstanding for a period exceeding six months from the date they are due for payment		
Considered good	7,586.56	10,926.89
Considered doubtful	2,298.29	1,171.79
	<b>9,884.85</b>	12,098.68
Less : Provision for doubtful receivables	(2,298.29)	(1,171.79)
	<b>7,586.56</b>	10,926.89
Other receivables		
Considered good	7,296.40	11,482.23
Considered doubtful	—	530.65
	<b>7,296.40</b>	12,012.88
Less : Provision for doubtful receivables	—	(530.65)
	<b>7,296.40</b>	11,482.23
(A) + (B)	<b>14,882.96</b>	22,409.12

**TWENTY-FIFTH ANNUAL REPORT 2013-2014**

**Notes forming part of the financial statements (continued)**

*(Currency - Indian Rupees in Lakhs, except share data)*

Particulars	For the year ended	
	31 <sup>st</sup> March 2014	31 <sup>st</sup> March 2013
<b>16. Cash and bank balances</b>		
<i>Cash and cash equivalents</i>		
Cash on hand	3.09	2.85
Balance with banks on current accounts	447.03	1,871.48
	<b>450.12</b>	1,874.33
<i>Other bank balances</i>		
On unpaid dividend accounts	21.36	24.51
On deposit account with original maturity more than three months and remaining maturity less than twelve months *	1,387.85	1,007.89
	<b>1,409.21</b>	1,032.40
	<b>1,859.33</b>	2,906.73
 * Includes margin money deposits with carrying value of ₹ 1,381.74 (2013: ₹ 1,007.89) are under lien for foreign currency loans from banks.		
<b>Details of bank balances/deposits</b>		
Bank balances available on demand/deposits with original maturity of 3 months or less included under 'Cash and cash equivalents'.	447.03	1,871.48
Bank deposits due to mature within 12 months of the reporting date included under 'Other bank balances'.	1,387.85	1,007.89
	<b>1,834.88</b>	2,879.37
<b>17. Short-term loans and advances</b>		
<i>(Unsecured, considered good unless otherwise stated)</i>		
<b>To parties other than related parties</b>		
Prepaid expenses	427.82	661.55
CENVAT credit receivable	57.56	216.04
Loans and advances to employees	55.22	38.85
Advances for supply of goods and services	116.63	21.70
Road taxes refund receivable	55.10	—
Other loans and advances	4.35	2.43
	<b>716.68</b>	940.57
<b>18. Other current assets</b>		
<i>(Unsecured, considered good unless otherwise stated)</i>		
Interest accrued on fixed deposits	70.45	45.35
Interest receivable on refund of road taxes	40.28	—
Forward contracts receivable	—	32.58
	<b>110.73</b>	77.93



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**Notes forming part of the financial statements (continued)***(Currency - Indian Rupees in Lakhs, except share data)*

Particulars	For the year ended	
	31 <sup>st</sup> March 2014	31 <sup>st</sup> March 2013
<b>19. Revenue from operations</b>		
<b>Sale of services</b>		
Revenue from hiring of equipments	<b>24,168.34</b>	33,214.07
<b>Other operating revenue</b>		
Revenue from power generation	<b>148.53</b>	233.75
Bad debts recovered	<b>119.77</b>	470.69
	<b>24,436.64</b>	33,918.51
<b>20. Other income</b>		
Interest income on		
- deposits with banks	<b>112.65</b>	117.09
- refund of road taxes	<b>109.84</b>	—
Dividend income from long term investments	—	0.05
Profit on sale of fixed assets (net)	—	366.92
Insurance claims received	—	1.48
Foreign exchange fluctuation gain (net)	—	2.24
Liabilities / accruals / provisions written back to the extent no longer required	<b>100.06</b>	—
Provisions for doubtful capital advances written back (net)	—	127.58
Refund of road taxes paid in earlier years	<b>134.23</b>	—
Other non-operating income (Includes prior period impact of ₹ Nil (2013: ₹ 142.51))	<b>79.84</b>	207.14
	<b>536.62</b>	822.50
<b>21. Operating and other expenses</b>		
<b>Operating expenses</b>		
Cranes and trailer hire charges	<b>49.63</b>	63.09
Crane and trailer operating expenses	<b>446.48</b>	463.58
Freight & carriage	<b>1,669.01</b>	1,837.18
Repairs and maintenance expenses		
Plant and equipments	<b>61.85</b>	113.50
Wind mills	<b>67.80</b>	27.93
Consumption of stores and spares	<b>1,030.17</b>	688.50
Power and fuel	<b>1,191.68</b>	1,008.36
Contract labour charges	<b>1,678.32</b>	1,728.42
Wind mill operating expenses	<b>19.59</b>	19.38
	<b>6,214.53</b>	5,949.94

## TWENTY-FIFTH ANNUAL REPORT 2013-2014

### Notes forming part of the financial statements (continued)

(Currency - Indian Rupees in Lakhs, except share data)

Particulars	For the year ended	
	31 <sup>st</sup> March 2014	31 <sup>st</sup> March 2013
<b>Other expenses</b>		
Rates and taxes	314.69	317.33
Bad debts written off	416.20	119.65
Director's sitting fees	8.10	7.74
Donations	0.76	2.81
Provision for doubtful debts	595.85	1,054.47
Insurance	489.25	533.38
Repairs and maintenance expenses		
Building	14.88	13.88
Others	24.37	35.21
Auditor's remuneration (also refer note 26)	14.20	13.05
Rent	190.39	207.02
Net loss on account of foreign exchange fluctuations	347.87	—
Loss on sale of fixed assets (net)	1.39	—
Travelling & conveyance	283.57	308.09
Advances written off	—	28.16
Miscellaneous expenses	514.60	558.87
	<b>3,216.12</b>	<b>3,199.66</b>
	<b>9,430.65</b>	<b>9,149.60</b>
<b>22. Employee benefits expense</b>		
Salaries and allowances	1,287.91	1,458.78
Contribution to provident and other funds (also refer note 31)	39.04	90.35
Staff welfare expenses	32.71	47.08
	<b>1,359.66</b>	<b>1,596.21</b>
<b>23. Finance costs</b>		
Interest expense		
On borrowings from banks	4,392.04	6,211.09
On borrowings from others	165.06	69.59
Other borrowing costs	63.58	56.72
	<b>4,620.68</b>	<b>6,337.40</b>
<b>24. Earnings per share</b>		
Net (loss)/ profit for the year attributable to equity shareholders (A)	(1,450.26)	4,092.74
Weighted average number of equity shares of face value of ₹ 2/- each outstanding during the year (B)	4,32,88,000	4,32,88,000
Basic and diluted earnings per equity share of face value ₹ 2/- each (in Rupees) (A/B)	(3.35)	9.45



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**Notes forming part of the financial statements (continued)***(Currency - Indian Rupees in Lakhs, except share data)*

Particulars	For the year ended	
	31 <sup>st</sup> March 2014	31 <sup>st</sup> March 2013
<b>25. Contingent liabilities and commitments</b>		
<b>Contingent liabilities</b>		
(a) Claims against the Company not acknowledged as debts	82.17	104.30
(b) Bills receivable discounted	—	279.22
(c) Sales tax matters (refer note 'i' below)	707.06	125.00
(d) Income tax matters*	258.94	535.90
(e) Service tax matters*	261.20	—
*excluding consequent penalties, if any		
<b>Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	29.40	86.11
	<b>1,338.77</b>	<b>1,130.53</b>
<p>i) Includes demand notice of ₹ 363.94 lakh (2013: ₹ Nil) towards VAT and ₹ 218.37 lakh (2013: ₹ Nil) for interest aggregating to ₹ 582.31 lakh (2013: ₹ Nil) received from Deputy Commissioner of Sales Tax under Maharashtra Value Added Tax Act, 2002 for the year 2009-10 and ₹ 124.75 (2013: ₹ 124.75) from Joint Commissioner of Sales Tax under Gujarat Value Added Tax Act, 2003 for the year 2008-09 regarding transfer of right to use the goods. The Company is in process of contesting the demand in appeal under Maharashtra Value Added Tax Act, 2002 and has contested the demand in appeal under the Gujarat Value Added Tax Act, 2003.</p>		
Particulars	For the year ended	
	31 <sup>st</sup> March 2014	31 <sup>st</sup> March 2013
<b>26. Auditor's remuneration</b>		
<b>As auditor</b>		
Statutory audit	8.00	7.50
Limited review of quarterly results	3.50	3.20
Tax audit	1.50	1.20
<b>In other capacity</b>		
Other services including certifications	0.63	1.00
Reimbursement of expenses	0.58	0.15
	<b>14.20</b>	<b>13.05</b>
<b>27. Expenditure in foreign currency (accrual basis)</b>		
Travelling expenses	1.79	6.11
Interest and finance cost	773.50	715.65
Miscellaneous expenses	—	1.09
	<b>775.30</b>	<b>722.85</b>

**Notes forming part of the financial statements (continued)**

*(Currency - Indian Rupees in Lakhs, except share data)*

Particulars	For the year ended	
	31 <sup>st</sup> March 2014	31 <sup>st</sup> March 2013
<b>28. Value of imports on CIF basis</b>		
Capital goods	—	60.86
Spares, accessories, components etc.	<b>228.94</b>	225.83
	<b>228.94</b>	286.69

**29. Imported and indigenous stores and spares consumed**

	31-Mar-2014	% of total	31-Mar-2013	% of total
Imported	<b>183.69</b>	<b>17.83%</b>	145.13	21.08%
Indigenous	<b>846.48</b>	<b>82.17%</b>	543.37	78.92%
	<b>1,030.17</b>	<b>100.00%</b>	688.50	100.00%

**30. Related party disclosures**

**a) Individuals exercising significant influence over the company**

- 1 Mr. Chandrakant Sanghvi

**b) Key management personnel**

- 1 Mr. Chandrakant Sanghvi
- 2 Mr. Ramchandra Desai (upto 1 November 2012)
- 3 Mr. Sham D. Kajale

**c) Relatives of Individuals exercising significant influence over the company**

- 1 Mrs. Mina C. Sanghvi - Spouse of Mr. Chandrakant Sanghvi
- 2 Mr. Rishi Sanghvi - Son of Mr. Chandrakant Sanghvi
- 3 Ms. Niyoshi Sanghvi - Daughter of Mr. Chandrakant Sanghvi
- 4 Ms. Ruchi Sanghvi - Daughter of Mr. Chandrakant Sanghvi
- 5 Mr. Anilkumar Sanghvi - Brother of Mr. Chandrakant Sanghvi

**d) Relatives of key management personnel**

- 1 Mrs. Tanuja Desai - Spouse of Ramchandra Desai (upto 1 November 2012)

**e) Enterprises over which key management personnel exercise significant influence**

- 1 Jethi Builders and Traders Private Limited
- 2 Sanghvi Erectors Private Limited
- 3 Maharashtra Erectors Private Limited



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**Notes forming part of the financial statements (continued)***(Currency - Indian Rupees in Lakhs, except share data)***f) Disclosure of related party transactions:**

Sr. No.	Nature of transaction / relationship / major parties	31-Mar-2014	31-Mar-2013
		Amount	Amount
<b>1.</b>	<b>Expenses</b>		
	<b>Salaries and allowances</b>		
	Mr. Rishi Sanghvi	<b>12.19</b>	12.77
	<b>Director's sitting fees</b>		
	Mrs. Mina C. Sanghvi	<b>0.40</b>	0.80
	<b>Interest expense</b>		
	Maharashtra Erectors Private Limited	<b>26.32</b>	29.43
	Mr. Chandrakant Sanghvi	<b>108.97</b>	29.21
	Mrs. Mina C. Sanghvi	<b>29.77</b>	10.96
	<b>Managerial remuneration *</b>		
	Mr. Chandrakant Sanghvi	<b>127.83<sup>s</sup></b>	168.63
	Mr. Ramchandra Desai (upto 1 November 2012)	—	72.69
	Mr. Sham D. Kajale	<b>39.72<sup>#</sup></b>	40.47
	<b>Guarantee commission**</b>		
	Mr. Chandrakant Sanghvi	—	—
<b>2</b>	<b>Dividend paid</b>		
	Mr. Chandrakant Sanghvi	<b>99.69</b>	299.08
	Mrs. Tanuja Desai (upto 1 November 2012)	—	0.01
	Mrs. Mina C. Sanghvi	<b>43.10</b>	113.33
	Mr. Rishi Sanghvi	<b>53.35</b>	159.02
	Ms. Niyoshi Sanghvi	<b>5.01</b>	15.02
	Ms. Ruchi Sanghvi	—	15.98
	Maharashtra Erectors Private Limited	<b>0.31</b>	0.94
	Mr. Anilkumar Sanghvi	<b>0.05</b>	0.11
	Jethi Builders and Traders Private Limited	<b>0.18</b>	0.53
	Sanghvi Erectors Private Limited	<b>5.58</b>	21.74
<b>3</b>	<b>Loans received</b>		
	Mr. Chandrakant Sanghvi	<b>165.00</b>	1,247.00
	Mrs. Mina C. Sanghvi	<b>136.00</b>	260.00
<b>4</b>	<b>Loans repaid</b>		
	Mr. Chandrakant Sanghvi	<b>60.00</b>	—

\* As gratuity and compensated absences are computed for all the employees in aggregate, the amounts relating to the Key Managerial Personnel cannot be individually identified. However, contribution toward superannuation fund is included as part of managerial remuneration.

## TWENTY-FIFTH ANNUAL REPORT 2013-2014

### Notes forming part of the financial statements (continued)

(Currency - Indian Rupees in Lakhs, except share data)

\*\* Mr. Chandrakant P. Sanghvi has given personal guarantee up to Rs. 3,500 Lakhs (2013 : Rs. 3,500 Lakhs) and has pledged his 6 lakh (2013 : 6 Lakhs) equity shares towards the loan for which no guarantee commission is paid by the Company.

\$ Includes ₹ 79.83 Lakhs (Previous Year Rs. Nil) of managerial remuneration which is subject to the approval of shareholders and Central Government.

# Includes ₹ 15.72 Lakhs (Previous Year Rs. Nil) managerial remuneration subject to the approval of shareholders.

#### g) Amount due to/from related parties

Sr. No.	Nature of transaction / relationship / major parties	31-Mar-2014	31-Mar-2013
		Amount	Amount
<b>1</b>	<b>Loan availed from related party</b>		
	Maharashtra Erectors Private Limited	214.00	214.00
	Mr. Chandrakant Sanghvi	1,352.00	1,247.00
	Mrs. Mina C. Sanghvi	396.00	260.00
<b>2</b>	<b>Payable towards services received</b>		
	Maharashtra Erectors Private Limited	111.13	111.13
<b>3</b>	<b>Payable towards interest</b>		
	Maharashtra Erectors Private Limited	100.70	102.05
	Mr. Chandrakant Sanghvi	6.01	18.08
	Mrs. Mina C. Sanghvi	3.00	9.00

#### 31. Disclosure as per Accounting Standard 15 ( Revised ) : Employee Benefits

The following table sets out the status of the Gratuity plan as required under Accounting Standard 15 (Revised)

Particulars	For the year ended	
	31 <sup>st</sup> March 2014	31 <sup>st</sup> March 2013
<b>a) Statement showing changes in present value of obligation as on 31<sup>st</sup> March</b>		
Present value of obligations at the beginning of the year	154.74	151.83
Interest cost	12.33	12.02
Current service cost	19.15	22.95
Benefits paid	(8.69)	(20.92)
Actuarial (gain)/ loss on obligations	(20.49)	(11.13)
Present value of obligations as at the end of the year	157.06	154.74



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Notes forming part of the financial statements (continued)

(Currency - Indian Rupees in Lakhs, except share data)

Particulars	For the year ended	
	31 <sup>st</sup> March 2014	31 <sup>st</sup> March 2013
<b>b) Table showing changes in the fair value of plan assets as on 31<sup>st</sup> March</b>		
Fair value of plan assets at the beginning of year	118.40	124.44
Expected return on plan assets	10.54	9.87
Contributions	19.84	4.24
Benefits paid	(8.69)	(20.92)
Actuarial gain / (loss) on plan assets	(0.44)	0.77
Fair value of plan assets at the end of the year	139.65	118.40
<b>c) (Unfunded Liability)/ funded status</b>	17.41	36.34
<b>d) Actuarial gain / loss recognized</b>		
Actuarial gain/ (loss) for the year - obligation	20.49	11.13
Actuarial (gain)/loss for the year - plan assets	0.44	(0.77)
Actuarial gain/(loss) recognized in the year	(20.05)	11.90
<b>e) Amounts to be recognized in the Balance Sheet</b>		
Present value of obligations as at the end of the year	157.06	154.74
Fair value of plan assets as at the end of the year	139.65	118.40
Net asset / (liability) recognized in the Balance Sheet	17.41	36.36
<b>f) Expenses recognized in the Statement of Profit &amp; Loss</b>		
Current service cost	19.15	22.95
Past service cost	—	—
Interest cost	12.33	12.02
Expected return on plan assets	(10.54)	(9.87)
Net actuarial (gain) / loss recognized in the Statement of Profit & Loss	(20.05)	(11.90)
Expenses recognized in Statement of Profit & Loss	0.91	13.20
<b>g) Actual return on plan assets</b>		
Expected return on plan assets	10.54	9.87
Actuarial gain / (loss) on plan assets	0.44	0.77
<b>Actual return on plan assets</b>	10.98	10.64
<b>h) Actuarial assumptions</b>		
Discount rate	9.20%	8.20%
Salary escalation	10.00%	10.00%
Expected return on plan assets	8.50%	8.50%
Mortality rate	LIC (1994-96) table	

Note: The estimates of future salary increases take into account inflation, seniority, promotion and other relevant factors on long term basis.

**TWENTY-FIFTH ANNUAL REPORT 2013-2014**

**Notes forming part of the financial statements (continued)**

*(Currency - Indian Rupees in Lakhs, except share data)*

Particulars	For the year ended	
	31 <sup>st</sup> March 2014	31 <sup>st</sup> March 2013
<b>i) Composition of plan assets</b>		
Investments with insurer	<b>100.00%</b>	100.00%

	31-Mar-2014	31-Mar-2013	31-Mar-2012	31-Mar-2011
<b>j) Experience adjustment</b>				
Experience adjustments on obligations	<b>0.96</b>	17.16	(12.31)	(15.71)
Experience adjustments on plan assets	<b>(0.44)</b>	0.77	(0.12)	0.14

Particulars	For the year ended	
	31 <sup>st</sup> March 2014	31 <sup>st</sup> March 2013
<b>k) Defined contribution plans</b>		
Amounts recognised in the Statement of Profit and Loss:		
i) Provident fund	<b>27.32</b>	31.26
ii) Superannuation fund	<b>11.72</b>	17.11

Particulars	For the year ended	
	31 <sup>st</sup> March 2014	31 <sup>st</sup> March 2013
<b>32. Compliance with Micro, Small and Medium Enterprises Development Act, 2006</b>		
The Company has amounts due to suppliers under The Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act') as at 31 March		
<b>The disclosure pursuant to the said Act is as under :</b>		
Principal amount due to suppliers under MSMED Act , 2006	<b>0.83</b>	0.33
Interest accrued and due to suppliers under MSMED Act on the above amount, unpaid	—	—
Payment made to suppliers (other than interest) beyond the appointed day during the year	—	11.05
Interest paid to suppliers under MSMED Act (other than section 16)	—	—
Interest paid to suppliers under MSMED Act (section 16)	—	—
Interest due and payable towards suppliers under MSMED Act for payments already made	—	0.04
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act	<b>2.99</b>	2.99
<b>33. Dividends remitted in foreign currency</b>		
Dividend paid during the year	<b>44.00</b>	132.00
Number of non - resident shareholders	1	1
Number of equity shares held by such non resident - shareholders	<b>44</b>	44
Year to which the dividend relates	<b>2012-13</b>	2011-12

**34. Deferral/capitalisation of exchange differences**

On 29 December 2011, the Ministry of Corporate Affairs ('MCA') has issued an amendment to Accounting Standard 11- The Effects of changes in Foreign Exchange Rates and clarification provided vide circular 25/2012 dated 09 August 2012. The amendment permits Companies to defer/capitalise the exchange differences arising on Long Term Foreign Currency Monetary Items.

In accordance with the amendment, the Company has capitalised exchange differences arising on long term foreign currency loans, amounting to ₹ 3,229.02 (2013: ₹ 684.32) to the cost of plant and equipments. There is no exchange loss deferred in 'Foreign Currency Monetary Translation Difference Account', as there are no other long term foreign currency monetary items.

**35. Foreign currency exposures outstanding at the year end**

- (a) The Company has hedged its foreign currency risk exposure and the forward cover outstanding as at the Balance Sheet date:

Particulars	Currency	Amount in foreign currency (Lakhs)		Equivalent amount in ₹	
		31-Mar-14	31-Mar-13	31-Mar-14	31-Mar-13
Borrowings	USD	10.00	25.35	604.90	1,389.42

- (b) The following foreign currency receivables/payables balances are not covered by derivative instruments at the Balance Sheet date:

Particulars	Currency	Amount in foreign currency (Lakhs)		Equivalent amount in ₹	
		31-Mar-14	31-Mar-13	31-Mar-14	31-Mar-12
Borrowings	EURO	171.97	218.74	14,355.69	15,372.99
	USD	10.80	111.63	653.23	6,117.07
Advances (liability)	EURO	—	0.86	—	60.44

**36. Segment reporting**

The Company is primarily engaged in the business of providing cranes on rental basis. Further all the commercial operations of the Company are based in India. Accordingly, there is no separate reportable segment in accordance with AS 17- Segment Reporting prescribed under the Companies (Accounting Standards) Rules, 2006.

As per our report of even date attached.

**For B S R & Co.LLP**  
Chartered Accountants  
Firm Registration No.101248W

**Juzer Miyajiwala**  
Partner  
Membership No.047483

Place : Pune  
Date : 30<sup>th</sup> May 2014

For and on behalf of the Board of Directors of Sanghvi Movers Ltd.

**Chandrakant Sanghvi** - Chairman & Managing Director (DIN:00116599)  
**Sham Kajale** - Executive Director &  
Chief Financial Officer (DIN: 00786499)  
**Vijay Mainkar** - Director (DIN: 00170719)  
**Rajesh Likhite** - Company Secretary & Chief Compliance Officer

Place : Pune  
Date : 30<sup>th</sup> May 2014



# SANGHVI MOVERS LIMITED

Registered Office : Survey No. 92, Tathawade, Taluka Mulshi, Pune - 411033  
CIN: L29150PN1989PLC054143

## ATTENDANCE SLIP TWENTY-FIFTH ANNUAL GENERAL MEETING – 26<sup>TH</sup> SEPTEMBER 2014

L. F. No.		*Client Id.	
*DP Id.		No. of Shares held	

Mr./Mrs./Miss .....

I certify that I am a registered Shareholder / Proxy for the registered Shareholder of the Company.

I hereby record my presence at the TWENTY-FIFTH ANNUAL GENERAL MEETING of the Company held on Friday, 26<sup>th</sup> September 2014, at 11.00 A.M., at the Registered Office at Survey No.92, Tathawade, Taluka Mulshi, Pune - 411033.

.....  
Member's/Proxy's Signature

\* Applicable for Shares held in dematerialised form.

Notes : Shareholders/Proxy holders are requested to bring the attendance slips with them when they come to the Meeting and hand them over at the entrance after affixing their signature on them. Joint Shareholders may obtain additional Attendance Slips at the entrance.



# SANGHVI MOVERS LIMITED

Registered Office : Survey No. 92, Tathawade, Taluka Mulshi, Pune - 411033  
CIN: L29150PN1989PLC054143

## PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s)	:	
Registered Address	:	
E-mail Id	:	
Folio No. / DP ID & Client ID	:	

I/We, being the member(s) of ..... shares of the above named Company, hereby appoint:

- (1) Name ..... Address .....  
E-mail ID ..... Signature ..... or failing him / her
- (2) Name ..... Address .....  
E-mail ID ..... Signature ..... or failing him / her
- (3) Name ..... Address .....  
E-mail ID ..... Signature .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twenty-fifth Annual General Meeting of the Company, to be held on Friday, the 26<sup>th</sup> day of September, 2014 at 11.00 a.m. at the Registered Office of the Company, at Survey No. 92, Tathawade, Taluka Mulshi, Pune 411033 and at any adjournment thereof in respect of such resolutions as are indicated below:

Item No.	Resolution (For details, refer Notice of Twenty-fifth Annual General Meeting dated 8 <sup>th</sup> August, 2014)	Vote		
		For	Against	Abstain
1.	Adoption of the Financial Statements of the Company for the year ended 31 <sup>st</sup> March, 2014 and the reports of the Board of Directors and Auditors thereon.			
2.	Re-appointment of Mrs. Mina C. Sanghvi as a Director, who retires by rotation.			
3.	Re-appointment of Mr. Sham D. Kajale as a Director, who retires by rotation.			
4.	Appointment of M/s. B S R & Co. LLP, as Statutory Auditors of the Company.			
5.	Appointment of Mr. Dinesh Munot as an Independent Director.			
6.	Appointment of Mr. Dara Damania as an Independent Director.			
7.	Appointment of Mr. S. Padmanabhan as an Independent Director.			
8.	Appointment of Mr. Vijay Mainkar as an Independent Director.			
9.	Appointment of Mr. Pradeep Rathi as an Independent Director.			
10.	Appointment of Mr. Sanjay Asher as an Independent Director.			
11.	Waiver of recovery of excess amount of remuneration paid to Mr. C. P. Sanghvi, Managing Director of the Company during the financial year 2013-14.			
12.	To approve variation in the terms of appointment of Mr. C. P. Sanghvi, Managing Director of the Company for the remaining period of his term.			
13.	Waiver of recovery of excess amount of remuneration paid to Mr. Sham D. Kajale, Executive Director & CFO of the Company during the financial year 2013-14.			

Signed this ..... day of ..... 2014

Signature of member :

Signature of Proxy holder(s) :

Please  
affix  
Revenue  
Stamp

### Notes:

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- A Proxy need not be a member of the Company.
- A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- A member can opt for only one mode of voting, i.e. either through e-voting or by the Ballot. If the member casts votes by both modes, then voting done through e-voting shall prevail.







SANGHVI

## SANGHVI MOVERS LIMITED

Registered Office : Survey No. 92, Tathawade,  
Taluka Mulshi, Pune - 411 033

Tel. : 91-20-66744700 Fax : 91-20-66744724

e-mail : [info@sanghvicranes.com](mailto:info@sanghvicranes.com) website : [www.sanghvicranes.com](http://www.sanghvicranes.com)

CIN: L 29150PN1989PLC054143