



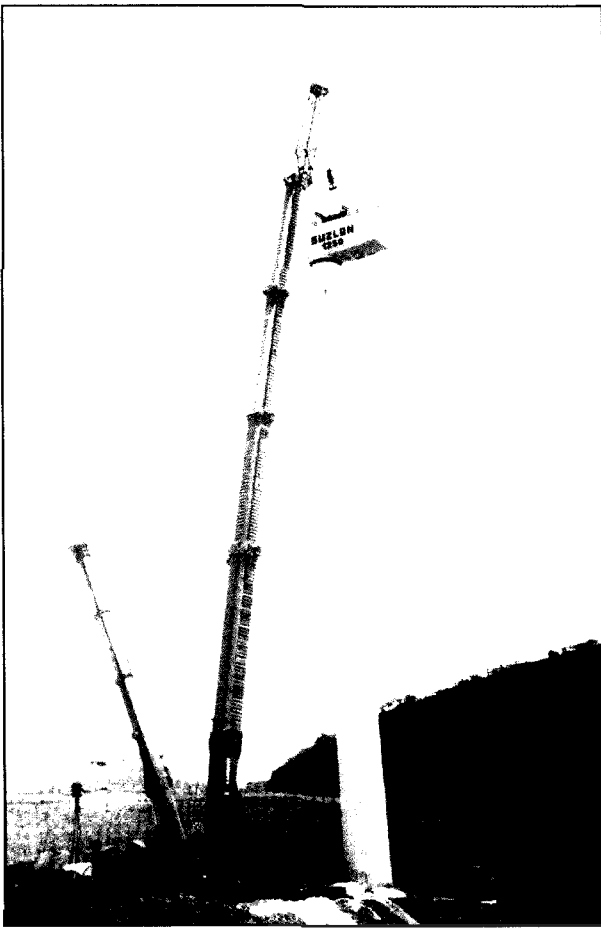
# SANGHVI MOVERS LIMITED



600 MT. Demag Crawler Crane in SSL Configuration with 90 Mtrs. Main Boom erecting 225 MT. Equipment Weight at Indian Oil Corporation Limited, Panipat Refinery, Haryana.

***SIXTEENTH ANNUAL REPORT 2004-2005***

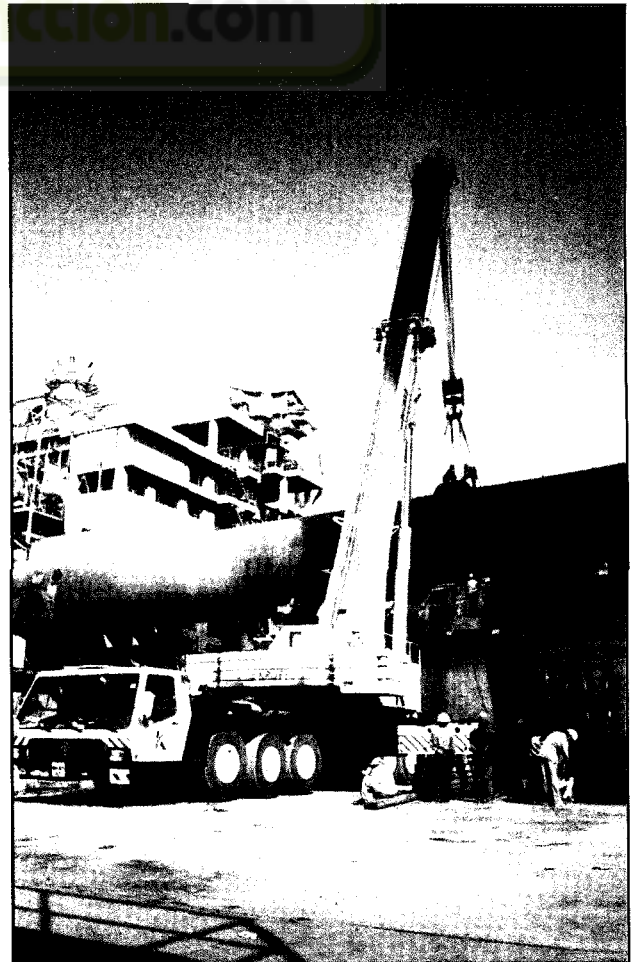
***HELPING THE CORE SECTOR SURGE AHEAD***



500 MT. Gottwald Truck Mounted Telescopic Boom Crane with 57 Mtrs. Main Boom & 10 Mtrs. Fix Jib erecting 1.25 MW Wind Energy Generator at Sogi, Karnataka.

Report  Junction.com

350 MT. Krupp Truck Mounted Telescopic Boom Crane erecting 68 MT. Kiln Shell at UltraTech CemCo Limited, Awarpur, Maharashtra.



**SIXTEENTH ANNUAL REPORT 2004-2005**

# **SANGHVI MOVERS LIMITED**

## **BOARD OF DIRECTORS**

C. P. SANGHVI  
Chairman & Managing Director  
P. G. CHITALE  
A. D. REGE  
V. B. MAINKAR  
A. P. SANGHVI  
Joint Managing Director

## **BANKERS**

State Bank of India  
The Saraswat Co-operative Bank Ltd.  
Dena Bank  
ING Vysya Bank Limited  
ICICI Bank Limited

## **SECRETARY**

R. V. PARANJPE  
General Manager  
(Legal & Admn.) &  
Company Secretary

## **AUDITORS**

L. M. JOSHI & CO.  
Chartered Accountants



## **REGISTERED OFFICE**

Survey No. 92, Tathawade,  
Taluka Mulshi, Pune - 411 033  
Tel. : 91-020-22934620/30944963  
Fax : 91-020-22934057  
e-mail : [sanghvimovers@vsnl.com](mailto:sanghvimovers@vsnl.com)  
website : [www.sanghvicranes.com](http://www.sanghvicranes.com)

## **REGISTRAR & SHARE TRANSFER AGENTS**

MCS Limited  
Sri Venkatesh Bhavan, Plot No. 27, Road No. 11  
M.I.D.C. Andheri (East), Mumbai 400 093  
Tel. : 022-2821 5235  
Fax : 022-2835 0456  
e-mail : [mcsnum@vsnl.com](mailto:mcsnum@vsnl.com)

**PLANT ERECTION**

**HEAVY LIFT**

**CRANE HIRING**

***HELPING THE CORE SECTOR SURGE AHEAD***



# SANGHVI MOVERS LIMITED

## Financial Highlights

(Rs. in Lakhs)

PARTICULARS	2004-2005	2003-2004	2002-2003	2001-2002	2000-2001
<b>TOTAL INCOME</b>	<b>7586.97</b>	<b>4634.90</b>	<b>2670.10</b>	<b>2246.21</b>	<b>2407.16</b>
TOTAL EXPENDITURE	2985.82	2046.49	1189.17	841.34	871.82
GROSS PROFIT	4601.15	2588.41	1480.93	1404.87	1535.34
INTEREST	467.02	198.03	241.71	429.84	584.52
PBDT	4134.13	2390.38	1239.22	975.03	950.82
DEPRECIATION	2128.22	1426.52	1171.36	949.72	864.66
PROFIT BEFORE TAX	2005.91	963.86	67.86	25.31	86.16
PROVISION FOR TAXATION					
CURRENT TAX	419.95	149.86	79.47	3.64	76.00
DEFERRED TAX	216.11	195.96	(46.49)	14.73	NIL
<b>PROFIT AFTER TAX</b>	<b>1369.85</b>	<b>618.04</b>	<b>34.88</b>	<b>6.94</b>	<b>10.16</b>
<b>CASH PROFIT</b>	<b>3714.18</b>	<b>2240.52</b>	<b>1159.75</b>	<b>971.39</b>	<b>874.82</b>
GROSS BLOCK	23656.68	15569.78	11430.56	11542.81	11775.47
DEPRECIATION	8422.69	6475.93	5397.21	4432.56	3600.11
NET BLOCK	15233.99	9093.85	6033.35	7110.25	8175.36
DIVIDEND (%)	* 50%	25%	NIL	NIL	NIL
AMOUNT	* 358.88	179.44	NIL	NIL	NIL
PAID-UP CAPITAL	729.71	729.71	729.71	729.71	729.71
RESERVES	4946.29	3985.66	3570.05	** 3535.17	4912.82
SHAREHOLDERS' FUNDS	5676.00	4715.37	4299.76	4264.88	5642.53
NET WORTH	5676.00	4702.24	4273.51	4225.50	5590.02
DEBT : EQUITY	1.80	0.88	0.34	0.57	0.60
EARNING PER SHARE (Rs.)	19.09	8.61	0.49	0.10	0.14
CASH EPS (Rs.)	51.75	31.22	16.16	13.53	11.99
BOOK VALUE (Rs.)	79.08	65.51	59.54	58.87	76.61

\* Subject to approval of the Members

\*\* After adjusting accumulated Deferred Tax Liability upto 31st March, 2001, amounting to Rs. 1384.68 Lakhs

**HELPING THE CORE SECTOR SURGE AHEAD**

**SIXTEENTH ANNUAL REPORT 2004-2005****NOTICE**

NOTICE is hereby given that the Sixteenth Annual General Meeting of the Members of Sanghvi Movers Limited will be held on Saturday, the 24th day of September, 2005, at 11.00 a.m., at the Office of the Company, at Survey No.92, Tathawade, Taluka Mulshi, Pune - 411 033, to transact the following business :-

**Ordinary Business :**

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2005, the Profit and Loss Account for the Year ended on that date and the Reports of the Directors and the Auditors thereon.
2. To declare Dividend on Equity Shares for the Year ended 31st March, 2005.
3. To appoint a Director in place of Mr. A. D. Rege, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Mr. A. P. Sanghvi, who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

**Special Business :**

6. To consider, and if thought fit, to pass with or without modifications, the following resolution as a Special Resolution :  
 "RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 ("the Act") (including any statutory modifications or re-enactment thereof, for the time being in force), and subject to the limits specified in Schedule XIII to the Act and subject to all such approvals as may be required, the Company hereby accords its approval and consent to the reappointment of Mr. C. P. Sanghvi as Managing Director of the Company for a period of Three Years with effect from 1st October, 2005, as per the terms and conditions including payment of remuneration and perquisites as set out in the Agreement to be entered into by the Company with Mr. C. P. Sanghvi, draft whereof is placed before the Meeting and that the said Agreement be and is hereby specifically sanctioned and approved with an authority and power to the Board of Directors of the Company ("the Board") to alter and vary the terms and conditions of the reappointment and/or the Agreement in such manner as the Board may think fit so as not to exceed the limits specified in Schedule XIII to the Act (including any statutory modifications or re-enactment thereof, for the time being in force or any amendments or modifications that may hereafter be made thereto by the Central Government), as may be agreed to by and between the Board and Mr. C.P. Sanghvi.

RESOLVED FURTHER THAT where in any Financial Year during the currency of tenure of Mr. C. P. Sanghvi as Managing Director, the Company has no profits or its profits are inadequate, the Company may pay to Mr. C. P. Sanghvi, as minimum remuneration, the salary, perquisites and any other allowances, as provided in the above referred Agreement, not exceeding the limits specified under Schedule XIII to the Act, as may be amended from time to time.

RESOLVED FURTHER THAT in the event of any statutory amendment or modification or relaxation by the Central Government to Schedule XIII to the Act, the Board be and is hereby authorised to vary or increase the remuneration, including salary, commission, perquisites and any other allowances within such prescribed limit or ceiling and the aforesaid Agreement between the Company and Mr. C.P. Sanghvi be suitably amended to give effect to such modification, relaxation or variation without any further reference to the Company in General Meeting.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do and perform all such acts, deeds, matters and things, as may be considered necessary, usual or expedient to give effect to this resolution."

7. To consider, and if thought fit, to pass with or without modifications, the following resolution as a Special Resolution :  
 "RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 ("the Act") (including any statutory modifications or re-enactment thereof, for the time being in force), and subject to the limits specified in Schedule XIII to the Act and subject to all such approvals as may be required, the Company hereby accords its approval and consent to the reappointment of Mr. A. P. Sanghvi as Joint Managing Director of the Company (who is already the Managing Director of Sanghvi Projects Limited) for a period of Three Years with effect from 1st October, 2005, as per the terms and conditions including payment of remuneration and perquisites as set out in the Agreement to be entered into by the Company with Mr. A. P. Sanghvi, draft whereof is placed before the Meeting and that the said Agreement be and is hereby specifically sanctioned and approved with an authority and power to the Board of Directors of the Company ("the Board") to alter and vary the terms and conditions of the reappointment and/or the Agreement in such manner as the Board may think fit so as not to exceed the limits specified in Schedule XIII to the Act (including any statutory modifications or re-enactment thereof, for the time being in force or any amendments or modifications that may hereafter be made thereto by the Central Government), as may be agreed to by and between the Board and Mr. A. P. Sanghvi.

RESOLVED FURTHER THAT where in any Financial Year during the currency of tenure of Mr. A. P. Sanghvi as Joint Managing Director, the Company has no profits or its profits are inadequate, the Company may pay to Mr. A. P. Sanghvi, as minimum remuneration, the salary, perquisites and any other allowances, as provided in the above referred Agreement, not exceeding the limits specified under Schedule XIII to the Act, as may be amended from time to time.

RESOLVED FURTHER THAT in the event of any statutory amendment or modification or relaxation by the Central Government to Schedule XIII to the Act, the Board be and is hereby authorised to vary or increase the remuneration,





## SANGHVI MOVERS LIMITED

including salary, commission, perquisites and any other allowances within such prescribed limit or ceiling and the aforesaid Agreement between the Company and Mr. A. P. Sanghvi be suitably amended to give effect to such modification, relaxation or variation without any further reference to the Company in General Meeting.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do and perform all such acts, deeds, matters and things, as may be considered necessary, usual or expedient to give effect to this resolution."

8. To consider, and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution :

"RESOLVED THAT in supersession of the Resolution passed at the Extraordinary General Meeting of the Company held on 9th March, 1996 and pursuant to the provisions of Section 293 (1)(d) and other applicable provisions, if any, of the Companies Act, 1956, the Company hereby accords its sanction and authorises the Board of Directors of the Company ("the Board") to borrow any sum or sums of money from time to time from any one or more of the Company's bankers and/or from any one or more other persons, firms, bodies corporate or financial institutions, agencies, mutual funds, trusts, non-resident Indians, overseas corporate bodies, overseas banks, foreign institutional investors or such other persons/investors, whether by way of Advances or Deposits or Loans (in foreign currency and/or rupee currency) or Securities (comprising Fully/Partly Convertible Debentures and/or Non-convertible Debentures with or without detachable or non-detachable Warrants and/or Secured Premium Notes or other debts instruments) or otherwise and whether unsecured or secured by mortgage, charge, hypothecation or lien or pledge of all or any of the Company's assets and properties whether movable or immovable or stock-in-trade or work-in-progress and all or any of the undertakings of the Company, notwithstanding that the moneys to be borrowed together with moneys already borrowed by the Company (apart from temporary loans obtained/to be obtained from the Company's bankers in the ordinary course of business) will or may exceed at any time the aggregate of the paid-up capital of the Company and its free reserves (that is to say, reserves not set apart for any specific purpose), provided that the total amount so borrowed shall not at any time exceed the sum of Rs. 500,00,00,000/- (Rupees Five Hundred Crores Only) exclusive of interest and that the Board be and is hereby empowered and authorised to arrange or fix the terms and conditions of all such moneys borrowed/to be borrowed, from time to time, as to interest, repayment, security or otherwise howsoever as it may deem fit, as also to execute all such deeds and documents as may be necessary, usual or expedient for this purpose."

9. To consider, and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution :

"RESOLVED THAT in supersession of the Resolution passed at the Extraordinary General Meeting of the Company held on 9th March, 1996 and pursuant to the provisions of Section 293 (1)(a) and other applicable provisions, if any, of the Companies Act, 1956, the Company hereby accords its sanction and authorises the Board of Directors of the Company ("the Board") to mortgage and/or charge, in addition to the mortgages/charges created/to be created by the Company, in such form and manner and with such ranking and at such time and on such terms as the Board may determine, on all or any of the movable and/or immovable properties of the Company, both present and future and/or the whole or any part of the undertaking(s) of the Company together with the power to take over the management of the business and concern of the Company in certain events of default, in favour of the Lenders, Agents and Trustees for securing the borrowings of the Company availed/to be availed by way of Loans (in foreign currency and/or rupee currency) and Securities (comprising Fully/Partly convertible Debentures and/or Non-convertible Debentures with or without detachable or non-detachable Warrants and/or Secured Premium Notes or other debt instruments), issued or to be issued by the Company, from time to time, subject to the limit upto Rs.500,00,00,000/- (Rupees Five Hundred Crores Only) together with interest, additional interest, compound interest in case of default, accumulated interest, liquidated damages, commitment charges, premia on prepayment, remuneration of the Agents/Trustees, premium (if any) on redemption, all other costs, charges and expenses and all other moneys payable by the Company in terms of the Loan Agreements/Heads of Agreements, Debenture Trust Deeds or any other Documents entered into/to be entered into between the Company and the Lenders/Agents/Trustees in respect of the said loans/ borrowings/debentures and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board and the Lenders/Agents/Trustees.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to finalise, settle and execute such documents/deeds/writings/papers/agreements as may be required and to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to creating mortgages/charges as aforesaid."

10. To consider, and if thought fit, to pass with or without modifications, the following resolution as a Special Resolution :

"RESOLVED THAT pursuant to the provisions of Section 310 and other applicable provisions, if any, of the Companies Act, 1956 and the Listing Agreement entered into with The Stock Exchange, Mumbai, the Company hereby accords its approval and authorises the Board of Directors of the Company to pay with effect from 1st October, 2005, as Sitting Fees to the Non Executive Directors including Independent Directors a sum of Rs. 5,000/- (Rupees Five Thousand Only) for each Board Meeting and Rs.3,000/- (Rupees Three Thousand Only) for each Committee Meeting attended by them.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to determine/vary the amount of Sitting Fees payable to the Non Executive Directors including Independent Directors for attending the Meetings of the Board of Directors and Committees thereof, within such maximum permissible limit as may be prescribed from time to time under the Companies Act, 1956 or any statutory modification or enactment thereof and/or under any rules or regulations framed thereunder by the Central Government or any other statutory/regulatory authority."

**SIXTEENTH ANNUAL REPORT 2004-2005****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.
2. The Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in respect of Special Business under Items No. 6 to 10 is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 6th September, 2005 to Saturday, 24th September, 2005, both days inclusive, for the purpose of Annual General Meeting and Payment of Dividend on Equity Shares for the Year ended 31st March, 2005.
4. Dividend, if declared at the Meeting, will be paid to those Members whose names appear on the Register of Members on 24th September, 2005. In respect of Equity Shares in dematerialised form, Dividend will be payable on the basis of beneficial ownership as per the details furnished by National Securities Depository Limited and Central Depository Services (India) Limited for this purpose.
5. Members are requested to :
  - a) consider dematerialising the Equity Shares held by them,
  - b) intimate to the Company's Registrar & Share Transfer Agents/their Depository Participants (DP) changes, if any, in their registered addresses at an early date,
  - c) quote Ledger Folio Numbers and/or DP Identity and Client Identity Numbers in all their correspondence,
  - d) inform the Registrar & Share Transfer Agents of the Company the particulars of Bank Account Number with the Name of the Bank and its Branch so that these details could be shown on the Dividend Warrants,
  - e) direct all their correspondence to the Registrar & Share Transfer Agents of the Company and
  - f) bring their copies of the Annual Report and the Attendance Slips with them at the Annual General Meeting.
6. 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.
7. 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 Unpaid/Unclaimed Dividend for the Years ended 31st March, 1996 and 31st March, 1997, has been transferred to the Investor Education & Protection Fund. The Shareholders, who have not claimed the Dividend for the Years ended 31st March, 1998, 31st March, 1999 and 31st March, 2000, are requested to claim the same from the Company at the earliest.
8. At the Meeting held on 17th June, 2005, the Board of Directors of Company has approved Shifting of Registered Office of the Company from 128/A, Mumbai-Pune Road, Chinchwad, Pune 411019 to Survey No.92, Tathawade, Taluka Mulshi, Pune - 411 033, with effect from 1st July, 2005.

By Order of the Board of Directors  
For SANGHVI MOVERS LIMITED

Place : Pune  
Date : 17th June, 2005

R. V. PARANJPE  
General Manager (Legal & Admn. ) &  
Company Secretary

**Registered Office :**  
128/A, Mumbai-Pune Road  
Chinchwad, Pune 411 019.



## SANGHVI MOVERS LIMITED

### Explanatory Statement pursuant to Section 173 of the Companies Act, 1956

#### Item No. 6

Mr. C. P. Sanghvi was appointed as Managing Director of the Company for a period of three years with effect from 1st October, 2002, on the terms and conditions including payment of remuneration and perquisites, as approved by the Members by passing a Special Resolution at the Thirteenth Annual General Meeting held on 28th September, 2002 and as set out in the Agreement dated 30th September, 2002.

Mr. C. P. Sanghvi has been instrumental for the rapid growth of the Company since inception. In view of the overall growth in the size and business activities of the Company and the future plans, it was considered desirable in the best interest of the Company to continue availing the benefits of his able leadership. The Remuneration Committee of the Board of Directors of the Company at the Meeting held on 17th June, 2005, approved the terms and conditions of reappointment of Mr. C. P. Sanghvi as Managing Director including payment of remuneration and perquisites for a period of Three Years effective from 1st October, 2005, subject to approval of the Board of Directors and Members of the Company. Accordingly, the Board of Directors of the Company at the Meeting held on 17th June, 2005, resolved to reappoint Mr. C. P. Sanghvi as Managing Director of the Company for a period of Three Years with effect from 1st October, 2005, subject to approval of the Members of the Company. Accordingly, the terms and conditions of reappointment of Mr. C. P. Sanghvi as Managing Director including payment of remuneration and perquisites for a period of Three Years effective from 1st October, 2005, as approved by the Remuneration Committee and the Board of Directors and as set out in the Agreement to be entered into by the Company with him are as under :-

#### Salary :

Rs.3,50,000/- (Rupees Three Lakhs Fifty Thousand Only) per month, from 1st October, 2005.

#### Commission :

Calculated at a rate not exceeding 1% of the Net Profit of the Company.

#### Perquisites :

Perquisites to the Managing Director shall be restricted to such ceiling, if any, as may be provided in Part II of the Schedule XIII to the Companies Act, 1956, for the time being in force or any statutory modifications or re-enactment thereof. Perquisites shall be valued as per Income Tax Rules, 1962.

#### House Rent Allowance :

Rs. 50,000/- (Rupees Fifty Thousand Only) per month.

#### Medical Expenses :

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

#### 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 Rs.4,000/- per annum.

#### Gratuity :

Half month's salary for each completed year of service in accordance with the rules of the Company.

#### Provident Fund & Superannuation Fund :

Company's contribution to Provident Fund and Superannuation Fund to the extent these either singly or put together are not taxable under the Income Tax Act.

#### Telephone :

Telephone at residence at Company's cost.



**SIXTEENTH ANNUAL REPORT 2004-2005**

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.

Explanation : "Family" means the spouse and dependent children of Managing Director.

Other material terms with regard to the reappointment of the Managing Director interalia include the following :

- a) The Managing Director shall perform, execute and discharge all such duties and responsibilities as may from time to time be assigned or entrusted to him by the Board.
- b) The Managing Director shall be entitled to reimbursement of all amounts actually, wholly and properly incurred by him in the course of the Company's business including on entertainment and travelling and for and on behalf of the Company commensurate with his position.
- c) The Managing Director, so long as he functions as such, shall not be paid any sitting fees for attending the Meeting of the Board of Directors or Committee thereof.
- d) Agreement may be terminated by either party giving the other party three months' prior Notice in writing.

Draft of Agreement to be entered into between the Company and Mr. C. P. Sanghvi, Managing Director, is available for inspection at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on all working days upto the date of the Meeting.

Directors of the Company recommend the Special Resolution for consideration and approval of the Members.

Mr. C. P. Sanghvi is concerned or interested in this resolution. Mr. A. P. Sanghvi, being relative of Mr. C. P. Sanghvi, may be deemed to be concerned or interested in this resolution. None of the other Directors of the Company is concerned or interested in this resolution.

The above may be treated as an abstract of the terms of Reappointment and Agreement to be entered into by the Company with Mr. C. P. Sanghvi, Managing Director and memorandum of concern or interest, pursuant to Section 302 of the Companies Act, 1956.

**Item No. 7**

Mr. A. P. Sanghvi was appointed as Joint Managing Director of the Company for a period of three years with effect from 1st October, 2002, on the terms and conditions including payment of remuneration and perquisites, as approved by the Members by passing a Special Resolution at the Thirteenth Annual General Meeting held on 28th September, 2002 and as set out in the Agreement dated 30th September, 2002.

In view of the growth envisaged in the heavy lift cranes business of the Company, it was considered desirable in the best interest of the Company to continue taking advantage of wide experience and knowledge of Mr. A. P. Sanghvi in Service Industry. The Remuneration Committee of the Board of Directors of the Company at the Meeting held on 17th June, 2005, approved the terms and conditions of reappointment of Mr. A. P. Sanghvi as Joint Managing Director including payment of remuneration and perquisites for a period of Three Years effective from 1st October, 2005, subject to approval of the Board of Directors and Members of the Company. Accordingly, the Board of Directors of the Company at the Meeting held on 17th June, 2005, resolved to reappoint Mr. A. P. Sanghvi as Joint Managing Director of the Company for a period of Three Years with effect from 1st October, 2005, subject to approval of the Members of the Company. Accordingly, the terms and conditions of reappointment of Mr. A. P. Sanghvi as Joint Managing Director including payment of remuneration and perquisites for a period of Three Years effective from 1st October, 2005, as approved by the Remuneration Committee and the Board of Directors and as set out in the Agreement to be entered into by the Company with him are as under :-

Salary :

Rs.3,50,000/- (Rupees Three Lakhs Fifty Thousand Only) per month, from 1st October, 2005.

Commission :

Calculated at a rate not exceeding 1% of the Net Profit of the Company.



## SANGHVI MOVERS LIMITED

### Perquisites :

Perquisites to the Joint Managing Director shall be restricted to such ceiling, if any, as may be provided in Part II of the Schedule XIII to the Companies Act, 1956, for the time being in force or any statutory modifications or re-enactment thereof. Perquisites shall be valued as per Income Tax Rules, 1962.

### House Rent Allowance :

Rs. 50,000/- (Rupees Fifty Thousand Only) per month.

### Medical Expenses :

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

### 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 Joint Managing Director, the Premium not to exceed Rs.4,000/- per annum.

### Gratuity :

Half month's salary for each completed year of service in accordance with the rules of the Company.

### Provident Fund & Superannuation Fund :

Company's contribution to Provident Fund and Superannuation Fund to the extent these either singly or put together are not taxable under the Income Tax Act.

### Telephone :

Telephone at residence 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.

Explanation : "Family" means the spouse and dependent children of Joint Managing Director.

Other material terms with regard to the reappointment of the Joint Managing Director inter alia include the following :

- The Joint Managing Director shall perform, execute and discharge all such duties and responsibilities as may from time to time be assigned or entrusted to him by the Board.
- The Joint Managing Director shall be entitled to reimbursement of all amounts actually, wholly and properly incurred by him in the course of the Company's business including on entertainment and travelling and for and on behalf of the Company commensurate with his position.
- The Joint Managing Director, so long as he functions as such, shall not be paid any sitting fees for attending the Meeting of the Board of Directors or Committee thereof.
- Agreement may be terminated by either party giving the other party three months' prior Notice in writing.

At present, Mr. A. P. Sanghvi is the Managing Director of Sanghvi Projects Limited. However, Mr. A. P. Sanghvi has opted to draw remuneration from Sanghvi Movers Limited.

Draft of Agreement to be entered into between the Company and Mr. A. P. Sanghvi, Joint Managing Director, is available for inspection at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on all working days upto the date of the Meeting.