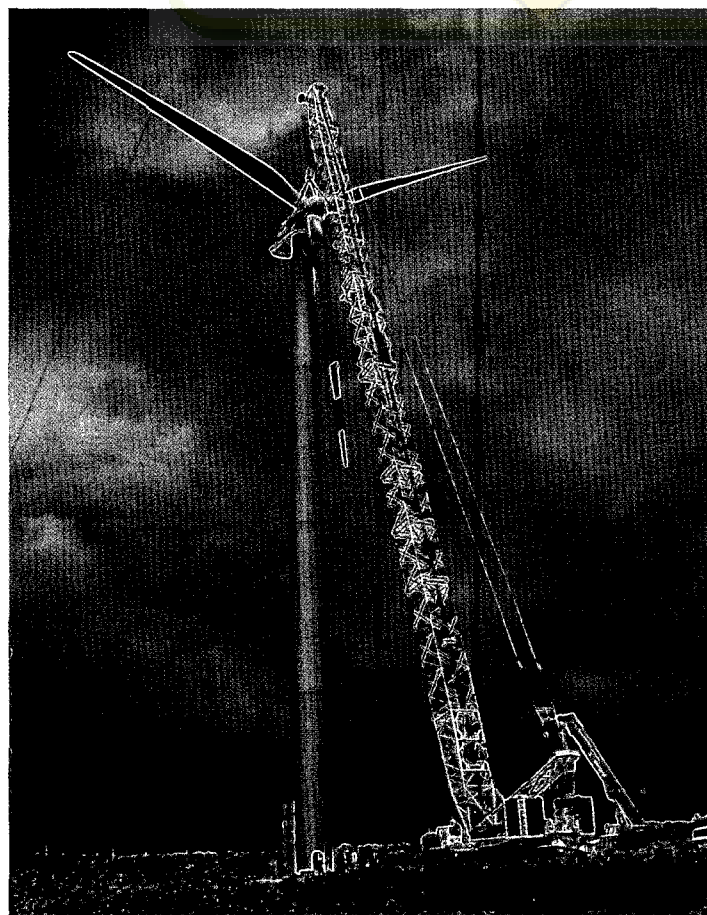
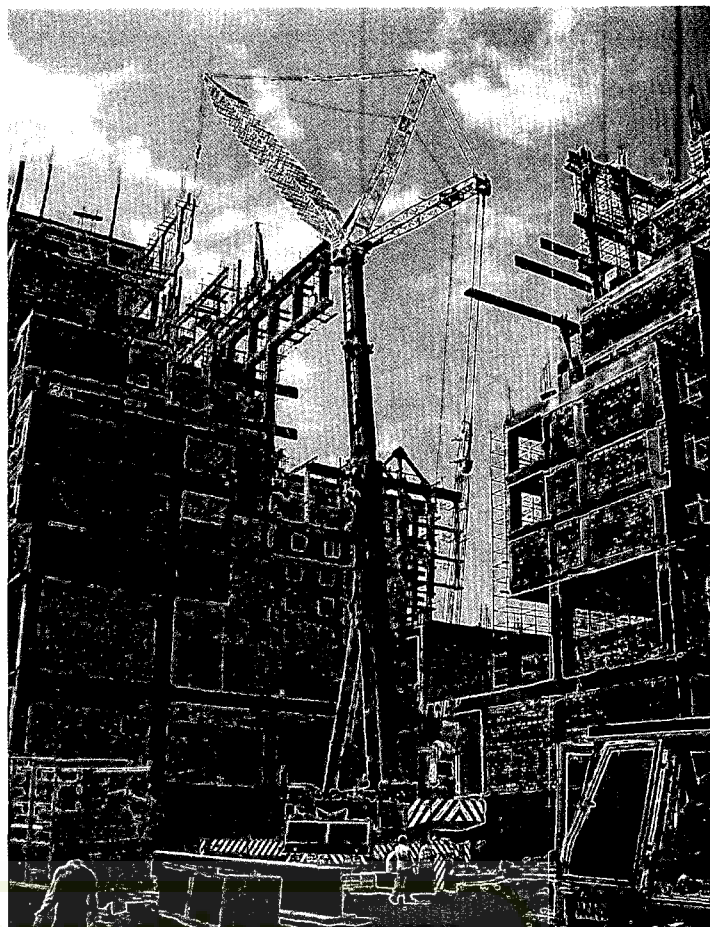




# SANGHVI MOVERS LIMITED



330 MT. LIEBHERR LT 1300 Telescopic Boom Crane assembled in 'SN' configuration (Telescopic Boom - 52m + Luffing Jib - 35m) doing erection of Structural Girders at a Height of 40m and working Radius of 20m to 30m for Unity Infrastructures Ltd., at FIVE-Star Hotel (COMMONWEALTH GAMES) Project near Balewadi Stadium Pune, Maharashtra.



600/800 MT TEREX-DEMAG CC2800-1 (Brand New) Crawler Crane With Lattice Boom assembled in SH/LH Configuration with Main Boom 102m, erecting 1.5MW Wind Turbine Generator for SUZLON, Karad, Maharashtra.

**NINETEENTH ANNUAL REPORT 2007-2008****C O N T E N T S**

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# CORPORATE INFORMATION

## BOARD OF DIRECTORS

C. P. SANGHVI  
Chairman & Managing Director

V. B. MAINKAR  
FREDERICK LONG  
JOSEPHINE PRICE  
S. PADMANABHAN  
P. C. BHALERAO  
PRADEEP R. RATHI  
ANIRUDHA U. SEOLEKAR  
GAURAV MALIK  
Alternate Director to Mr. Frederick Long

GARY NG  
Alternate Director to Ms. Josephine Price

R. S. DESAI  
Executive Director

SHAM D. KAJALE  
Executive Director & CFO

## BANKERS

Axis Bank Ltd.  
Bank of Baroda  
Corporation Bank  
Dena Bank  
HDFC Bank Ltd.  
ICICI Bank  
ING VYSYA Bank Ltd.  
State Bank of Hyderabad  
State Bank of India  
The Saraswat Co-operative Bank Ltd.

## AUDITORS

L. M. JOSHI & CO.,  
Chartered Accountants

## SECRETRAY

JITENDRA R. SHAH  
Company Secretary

## REGISTERED OFFICE

Survey No. 92, Tathawade,  
Taluka Mulshi, Pune - 411 033  
Tel : 91-020-66744700  
Fax : 91-020-66744724  
e-mail : [info@sanghvicranes.com](mailto:info@sanghvicranes.com)  
Website : [www.sanghvicranes.com](http://www.sanghvicranes.com)

## REGISTRAR & SHARE TRANSFER AGENTS

M/s. Intime Spectrum Registry Limited  
C-13, Pannalal Silk Mills Compound,  
L.B.S. Marg, Bhandup(W), Mumbai 400 078  
Tel : 91-022-2596 3838  
Fax : 91-022-2594 6969  
e-mail : [isrl@intimespectrum.com](mailto:isrl@intimespectrum.com)  
URL : [www.intimespectrum.com](http://www.intimespectrum.com)

**ENGINEERING**
**LIFT PLANNING**
**HEAVY LIFT**
**CRANE HIRING**

**NINETEENTH ANNUAL REPORT 2007-2008****COMPANY PROFILE****Brief**

- Company established in 1989 as a Private Limited Company and converted into a Public Limited Company in 1994. Company did its IPO in 1995 and presently listed on The Bombay Stock Exchange Limited (BSE) and The National Stock Exchange of India Limited (NSE).
- Sanghvi Movers Limited is the largest Crane Hiring Company in India, located in Pune, Maharashtra.
- It is the 10<sup>th</sup> Largest Crane Hiring Company in the World as per IC50 Listing (June - 2008)
- Company has a fleet of 278 medium to large size Hydraulic Truck Mounted Telescopic and Lattice Boom Cranes and Crawler Cranes with lifting capacity ranging from 20 Tons to 800 Tons.

**Distribution Network**

- Our strength lies in an extensive service network all over India through our various Depots located at Pune, Vadgaon, Chakan, Nagpur, Jamnagar, Bharuch, Delhi, Cuttack, Bangalore, Chennai, etc.
- Further, in addition to above depots, the Company is also planning to establish its depots at Dhule, Satara, Gadag, Coimbatore, etc.

**Performance Highlights – Financial Year 2007-08**

- Total Revenue increased by 43% and crossed Rs. 250 Crores.
- Operating level margin (EBIDTA) at 73%.
- Profit after Tax increased by 54% and crossed Rs. 72 Crores.
- Gross Block of Cranes in excess of Rs. 750 Crores.
- Net worth crossed Rs. 300 Crores.

**SML's contribution to Nation Building**

- Diversified fleet of heavy duty Cranes of SML are being used for speedy execution of Infrastructure and Core Sector Projects.

**Listing**

- Your company is listed on The Bombay Stock Exchange Limited (BSE) and The National Stock Exchange of India Limited (NSE).

**ISIN No.**

- After the sub-division of shares, your Company's new ISIN No. is INE989A01024 for dematerialization of shares





# FINANCIAL HIGHLIGHTS

(Rs. in Lakhs)

PARTICULARS	2007-2008	2006-2007	2005-2006	2004-2005	2003-2004
<b>TOTAL INCOME</b>	<b>25,695.77</b>	18,016.61	14,965.03	7,586.97	4,634.90
<b>TOTAL EXPENDITURE</b>	<b>6,818.76</b>	4,842.09	5,043.63	2,985.82	2,046.49
<b>GROSS PROFIT</b>	<b>18,877.01</b>	13,174.52	9,921.40	4,601.15	2,588.41
<b>INTEREST</b>	<b>3,072.09</b>	2,462.77	1,371.83	467.02	198.03
<b>PBDT</b>	<b>15,804.92</b>	10,711.75	8,549.57	4,134.13	2,390.38
<b>DEPRECIATION</b>	<b>4,745.69</b>	3,483.01	3,564.34	2,128.22	1,426.52
<b>PROFIT BEFORE TAX</b>	<b>11,059.23</b>	7,228.74	4,985.23	2,005.91	963.86
<b>PROVISION FOR TAXATION -</b>					
CURRENT TAX & PREVIOUS YEARS TAX	3,005.00	1,852.10	1,854.91	419.95	149.86
DEFERRED TAX	751.30	632.71	(113.98)	216.11	195.96
FRINGE BENEFIT TAX	28.25	25.75	26.00	-	-
<b>PROFIT AFTER TAX BEFORE</b>					
<b>EXTRA-ORDINARY ITEMS</b>	<b>7,274.68</b>	4,718.18	3,218.30	1,369.85	618.04
EXTRA-ORDINARY ITEMS	-	1,712.19	-	-	-
<b>PROFIT AFTER TAX AFTER</b>					
<b>EXTRA-ORDINARY ITEMS</b>	<b>7,274.68</b>	6,430.37	3,218.30	1,369.85	618.04
<b>CASH PROFIT</b>	<b>12,771.67</b>	8,833.90	6,668.65	3,714.18	2,240.52
<b>GROSS BLOCK</b>	<b>73,359.74</b>	59,337.52	40,563.68	23,656.68	15,569.78
<b>DEPRECIATION</b>	<b>17,382.34</b>	12,864.32	11,986.44	8,422.69	6,475.93
<b>NET BLOCK</b>	<b>55,977.40</b>	46,473.20	28,577.24	15,233.99	9,093.85
<b>DIVIDEND</b>					
IN PERCENTAGE	*150.00	125.00	100.00	50.00	25.00
IN AMOUNT	*1,298.64	1,007.20	717.76	358.88	179.44
<b>PAID-UP CAPITAL</b>	<b>865.76</b>	817.71	729.71	729.71	729.71
<b>RESERVES</b>	<b>29,484.48</b>	19,589.16	7,346.17	4,946.29	3,985.66
<b>SHAREHOLDERS' FUNDS</b>	<b>30,362.19</b>	21,030.51	8,075.88	5,676.00	4,715.37
<b>NET WORTH</b>	<b>30,362.19</b>	21,030.51	8,075.88	5,676.00	4,702.24
<b>DEBT : EQUITY</b>	<b>1.16</b>	1.30	2.90	1.80	0.88
<b>EARNING PER SHARE (Rs.)</b>					
<b>BASIC</b>	<b>**17.75</b>	64.25	44.84	19.09	8.61
<b>DILUTED</b>	<b>**17.75</b>	59.98	44.84	19.09	8.61
<b>CASH EPS (Rs.)</b>	<b>**31.15</b>	120.29	92.91	51.75	31.22
<b>BOOK VALUE (Rs.)</b>	<b>**70.14</b>	261.00	79.08	79.08	65.51
<b>CAPEX</b>	<b>22,000</b>	18,900	17,000	8,300	4,600

\* Subject to approval of the Members

\*\*Earning per share, Cash EPS and Book value after the sub-division of shares from Rs. 10/- each to Rs. 2/- each

**MOVING INFRASTRUCTURE AHEAD**

**NINETEENTH ANNUAL REPORT 2007-2008****NOTICE**

NOTICE is hereby given that the Nineteenth Annual General Meeting of the Members of Sanghvi Movers Limited will be held on Tuesday, the 29<sup>th</sup> day of July, 2008, at 11.00 a.m. at the Registered 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, 2008, 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.
3. To appoint a Director in place of Mr. P. C. Bhalerao, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. R. S. Desai, who retires by rotation and being eligible, offers himself for re-appointment.
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 modification(s), the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to provisions of Section 31 and other applicable provisions, if any, of the Companies Act, 1956, the sanction of the Company be and is hereby accorded for the amendment of the Articles of Association by the insertion of new Article 48A after the Article 48 as follows :

**48A :- Cancellation of Forfeited Shares**

The Company may, by a resolution of the Board, decide not to reissue any forfeited shares in the Company. In such a case, the Board may cancel the forfeited shares, with or without canceling them from the authorised share capital, and transfer the amount received on such shares to capital reserve account. In case the Company decides to diminish the amount of Company's share capital by the nominal value of forfeited shares cancelled, it shall be done in accordance with the provisions of the Act as applicable."

7. 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 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 re-appointment of Mr. C. P. Sanghvi as Managing Director of the Company for a period of Three Years with effect from 1st October, 2008, 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 re-appointment 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.



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**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, perquisite 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** Mr. V. B. Mainkar, Director, Mr. R. S. Desai, Executive Director, Mr. S. D. Kajale, Executive Director and Mr. Jitendra R. Shah, Company Secretary of the Company be and are hereby severally 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 modification(s), the following resolution as an **Ordinary Resolution** :

**"RESOLVED THAT** subject to 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 and in partial modification of the resolution passed at item No. 9 of the Annual General Meeting of the Company held on 2<sup>nd</sup> September, 2006, the Company hereby accords its approval and consent to the salary, and benefits / facilities payable to Mr. R. S. Desai, Executive Director of the Company with effect from 1<sup>st</sup> April, 2008 and performance based incentive for the financial year 2007-08 and onwards.

#### **Salary**

A Salary (Basic plus Dearness Allowance) of Rs. 1,20,500 (Rupees One Lakh Twenty Thousand and Five Hundred only) per month in the grade of Rs. 1,20,500 - Rs. 5,00,000.

#### **Performance Based Incentive**

Performance based incentive as determined by the Remuneration Committee and the Board from time to time including performance incentive for the financial year 2007-08.

#### **Ex-gratia**

1 Months' Basic Salary plus Dearness Allowance.

#### **Medical Insurance**

As per the Rules of the Company.

#### **Leave Travel Concession / Assistance**

As per the Rules of the Company.

**FURTHER RESOLVED THAT** save as aforesaid, the resolution passed by the shareholders at item No. 9 of the Annual General Meeting held on 2<sup>nd</sup> September, 2006 shall continue to be in full force and effect."



**NINETEENTH ANNUAL REPORT 2007-2008**

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

**“RESOLVED THAT** subject to 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 and in partial modification of the resolution passed at item No. 10 of the Annual General Meeting of the Company held on 2<sup>nd</sup> September, 2006, the Company hereby accords its approval and consent to the salary, and benefits / facilities payable to Mr. Sham D. Kajale, Executive Director of the Company with effect from 1<sup>st</sup> April, 2008 and performance based incentive for the financial year 2007-08 and onwards.

**Salary**

A Salary (Basic plus Dearness Allowance) of Rs. 1,08,500 (Rupees One Lakh Eight Thousand and Five Hundred only) per month in the grade of Rs. 1,08,500 - Rs. 5,00,000.

**Performance Based Incentive**

Performance based incentive as determined by the Remuneration Committee and the Board from time to time including performance based incentive for the financial year 2007-08.

**Ex-gratia**

1 Months' Basic Salary plus Dearness Allowance.

**Medical Insurance**

As per the Rules of the Company.

**Leave Travel Concession / Assistance**

As per the Rules of the Company.

**FURTHER RESOLVED THAT** save as aforesaid, the resolution passed by the shareholders at item No. 10 of the Annual General Meeting held on 2<sup>nd</sup> September, 2006 shall continue to be in full force and effect.”

**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 9 is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday the 19<sup>th</sup> July, 2008 to Tuesday the 29<sup>th</sup> July, 2008 (both days inclusive), for the purpose of Annual General Meeting and Payment of Dividend.
4. Dividend, if declared at the Meeting, will be paid to those Members whose names appear on the Register of Members on 18<sup>th</sup> July, 2008. In respect of Equity Shares in electronic 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. To avoid loss of dividend warrants in transit and delay in receipt of dividend warrants, the Company provides the facility of Electronic Clearing Service (ECS) to all shareholders holding shares in electronic and physical forms. The facility is available to the shareholders residing in the following cities.



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Ahmedabad, Bangalore, Baroda, Bhubaneswar, Kolkata, Chandigarh, Chennai, Guwahati, Hyderabad, Jaipur, Kanpur, Mumbai, Nagpur, New Delhi, Patna, Pune, Surat, Thiruvananthapuram

Shareholders who wish to avail the ECS facility are requested to inform their bank account details, in the prescribed form, to the Registrar and Transfer Agent on or before 10th July, 2008.

6. A brief profile of the Directors retiring by rotation and eligible for re-appointment is furnished in the Report on the Corporate Governance.
7. 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.
8. 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.
9. 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 Year ended 31st March, 2000, have been transferred to the Investor Education & Protection Fund. The Shareholders, who have not claimed the Dividend for the Years ended 31st March, 2001, onwards, are requested to claim the same from the Company at the earliest.
10. 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 [isrl@intimespectrum.com](mailto:isrl@intimespectrum.com) or send their queries, complaints to the Registered Office of the Company or Intime Spectrum Registry Limited, Registrar & Share Transfer Agents of the Company.

By Order of the Board of Directors  
For SANGHVI MOVERS LIMITED

Pune  
30<sup>th</sup> May, 2008

Jitendra R. Shah  
Company Secretary

**Registered Office :**

Survey No. 92, Tathawade,  
Taluka Mulshi, Pune 411 033