

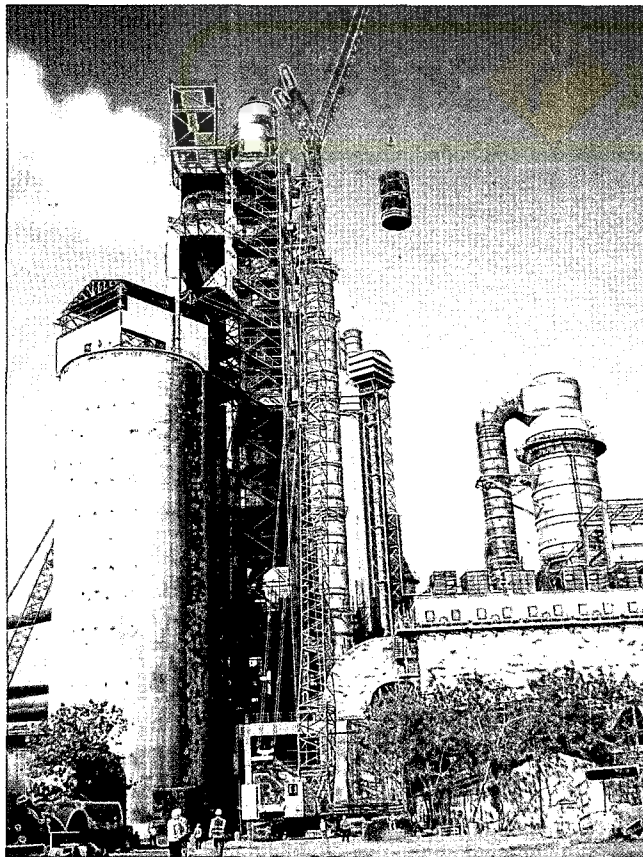


# SANGHVI MOVERS LIMITED



TWENTIETH ANNUAL REPORT 2008-2009

600/800MT TEREX-DEMAG CC2800-1 (Brand New) Crawler Crane assembled in 'SSL' configuration with Main Boom 36m carrying erection of Reactor of weight 400 MT along with 450MT DEMAG CC2400 Crawler Crane doing Tailing Operation for IOCL at IOCL Barauni Refinery Project, Barauni, Bihar.



450MT DEMAG CC2400 Crawler Crane assembled in 'LW' Luffing configuration with Main Boom - 78m + Luffing Jib - 72m (Total=150m), carrying out the erection of Cyclones & Structures of Pre-Heater Building at a Height 112m for LAFARGE CEMENT at Raipur, Sonadi, Chattisgarh.



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# CORPORATE INFORMATION

## BOARD OF DIRECTORS

C. P. SANGHVI

Chairman & Managing Director

V. B. MAINKAR

GAURAV MALIK

Additional Director w.e.f. 22/05/2009

GARY JIT MENG NG

Additional Director w.e.f. 29/07/2008

S. PADMANABHAN

P. C. BHALERAO

PRADEEP R. RATHI

ANIRUDHA U. SEOLEKAR

DARA N. DAMANIA

Additional Director w.e.f. 20/10/2008

MINA C. SANGHVI

Additional Director w.e.f. 20/10/2008

R. S. DESAI

Executive Director

SHAM D. KAJALE

Executive Director & CFO

## COMPANY SECRETARY

JITENDRA R. SHAH

## 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)

: [cs@sanghvicranes.com](mailto:cs@sanghvicranes.com)

Website : [www.sanghvicranes.com](http://www.sanghvicranes.com)

## 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

## REGISTRAR & SHARE TRANSFER AGENT

Link Intime India Private Limited

(Formerly Intime Spectrum Registry Ltd.)

C-13, Pannalal Silk Mills Compound,

L.B.S. Marg, Bhandup (W), Mumbai - 400 078

Tel : 91-22-2596 3838

Fax : 91-22-2594 6969

e-mail : [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

URL : [www.linkintime.co.in](http://www.linkintime.co.in)

**ENGINEERING**

**LIFT PLANNING**

**HEAVY LIFT**

**CRANE HIRING**

# COMPANY PROFILE

## Brief

- Company established in 1989 as a Private Limited Company and converted into a Public Limited Company in 1994. Company did a public issue 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, having PAN India presence.
- It is the 9<sup>th</sup> Largest Crane Hiring Company in the World as per IC50 Listing June, 2009.
- Company is having the fleet of 324 medium to large size Hydraulic Truck Mounted Telescopic & Lattice Boom Cranes and Crawler Cranes with lifting capacity 20 Tons to 800 Tons.

## Distribution Network

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

## Performance Highlights – Financial Year 2008-09

- Total Revenue increased by 41% and crossed Rs. 360 Crores.
- Profit after Tax increased by 39% and crossed Rs. 100 Crores.
- Gross Block of Cranes in excess of Rs. 970 Crores.
- Net worth is almost Rs. 400 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

- After the sub-division of shares, your Company's new ISIN is INE989A01024 for dematerialization of shares.



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# FINANCIAL HIGHLIGHTS

(Rs. in Lakhs)

PARTICULARS	2008-2009	2007-2008	2006-2007	2005-2006	2004-2005
<b>TOTAL INCOME</b>	<b>36,152.24</b>	25,695.77	18,016.61	14,965.03	7,586.97
TOTAL EXPENDITURE	<b>8,354.08</b>	6,818.76	4,842.09	5,043.63	2,985.82
<b>GROSS PROFIT</b>	<b>27,798.16</b>	18,877.01	13,174.52	9,921.40	4,601.15
INTEREST	<b>5,301.18</b>	3,072.09	2,462.77	1,371.83	467.02
<b>PBDT</b>	<b>22,496.98</b>	15,804.92	10,711.75	8,549.57	4,134.13
DEPRECIATION	<b>6,796.94</b>	4,745.69	3,483.01	3,564.34	2,128.22
<b>PROFIT BEFORE TAX</b>	<b>15,700.04</b>	11,059.23	7,228.74	4,985.23	2,005.91
PROVISION FOR TAXATION -					
CURRENT TAX & PREVIOUS YEARS' TAX	<b>4,166.80</b>	3,005.00	1,852.10	1,854.91	419.95
DEFERRED TAX	<b>1,396.47</b>	751.30	632.71	(113.98)	216.11
FRINGE BENEFIT TAX	<b>31.50</b>	28.25	25.75	26.00	—
<b>PROFIT AFTER TAX BEFORE EXTRA-ORDINARY ITEMS</b>	<b>10,105.27</b>	7,274.68	4,718.18	3,218.30	1,369.85
EXTRA-ORDINARY ITEMS	—	—	1,712.19	—	—
<b>PROFIT AFTER TAX AFTER EXTRA-ORDINARY ITEMS</b>	<b>10,105.27</b>	7,274.68	6,430.37	3,218.30	1,369.85
<b>CASH PROFIT</b>	<b>18,298.69</b>	12,771.67	8,833.90	6,668.65	3,714.18
GROSS BLOCK	<b>1,04,826.74</b>	73,359.74	59,337.52	40,563.68	23,656.68
DEPRECIATION	<b>24,038.88</b>	17,382.34	12,864.32	11,986.44	8,422.69
<b>NET BLOCK</b>	<b>80,787.86</b>	55,977.40	46,473.20	28,577.24	15,233.99
DIVIDEND					
IN PERCENTAGE	<b>*100.00</b>	150.00	125.00	100.00	50.00
IN AMOUNT	<b>*865.76</b>	1,298.64	1,007.20	717.76	358.88
PAID-UP CAPITAL	<b>865.76</b>	865.76	817.71	729.71	729.71
RESERVES	<b>38,569.06</b>	29,484.48	19,589.16	7,346.17	4,946.29
SHAREHOLDERS' FUNDS	<b>39,434.82</b>	30,362.19	21,030.51	8,075.88	5,676.00
<b>NET WORTH</b>	<b>39,434.82</b>	30,362.19	21,030.51	8,075.88	5,676.00
DEBT : EQUITY	<b>1.27</b>	1.16	1.30	2.90	1.80
<b>EARNING PER SHARE (Rs.)</b>					
<b>BASIC</b>	<b>**23.34</b>	**17.75	64.25	44.84	19.09
<b>DILUTED</b>	<b>**23.34</b>	**17.75	59.98	44.84	19.09
CASH EPS (Rs.)	<b>**42.27</b>	**31.15	120.29	92.91	51.75
BOOK VALUE (Rs.)	<b>**91.10</b>	**70.14	261.00	79.08	79.08
<b>CAPEX</b>	<b>23,600</b>	22,000	18,900	17,000	8,300

\* 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

## CHAIRMAN'S MESSAGE



### Dear Shareholders,

Since 1989, when Sanghvi Movers was set up, our vision has been to build a globally respected professional leader by creating and sustaining highest standards of professional management, corporate governance and social responsibility. We faced several challenges, but we struggled, worked hard, persisted and built the organisation, never compromising on our value system. This has enabled us to remain true to our core identity, even while stimulating change and growth in every sphere of the business.

In FY 2008-09, your Company crossed a milestone of **Rs. 100 Crores** of Net

Profit and Gross Block of over **Rs. 1,000 Crores**. This has been possible because of the tireless efforts of our entire team spread across the nation and the support and confidence of our esteemed customers.

The global economic conditions deteriorated sharply during the year 2008 with several advanced economies experiencing their sharpest declines in their GDP growth. The adverse global developments became evident in the macroeconomic performance of the Indian economy, as it experienced some slowed down growth. Hence, in FY 2008-09, the economy grew at around 6.5% and is estimated to grow by approximately at 7% in FY 2009-10.

Going ahead, opportunities are increasing and we see abundant business in the areas of our presence. The demand for power is growing exponentially and the scope of growth of this sector is immense. The total power generation capacity in the country is around 1,47,000 MW and capacity addition of around 78,500 MW was conceived in the Eleventh Five-Year Plan, which may increase up to 92,000 MW also and therefore your Company is mainly focusing on Power Sector. Crane wise your Company has the capability of putting up **1,00,000 MW** Power Stations at various Power Projects such as Ultra Mega Power Projects of 4,000 MW each and also Supercritical Thermal Power Projects of 600-800 MW per unit. At present your Company is working with all major Power Projects like BHEL, Reliance Infrastructure (Reliance Energy), NTPC, Lanco, BGR Energy, SEEPCO, JSW Energy and many others. Besides we are also betting big on Cement and Refinery Sector. During this fiscal year, largest contributor to our business is Power Sector followed by Windmill Sector. The pie of Cement and Refinery sector is increasing in contribution to total revenue of the Company.

Our employees are the soul of our Company, and our performance has been driven by their commitment and their perseverance. Your Company has been fortunate to have had focused leaders and committed and competent employees. I look forward to your continued support in the Company's journey into the future. On your behalf and on behalf of the Board of Directors, I take this opportunity to take on record their valuable contribution to Organisation's growth and also place on record our appreciation for our clients, vendor-partners and investors for their continued support.

**Thank you once again for your support.**

**Chandrakant P. Sanghvi**  
Chairman & Managing Director





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180MT LIEBHERR LTM-1160 Telescopic Boom Crane assembled in 'SN' configuration with Telescopic Boom 42m + Luffing Jib 49m doing Load Test @ 30m radius, weight to handle is 3.0 MT at our HO, Tathwade, Pune.



## TWENTIETH ANNUAL REPORT 2008-2009

### NOTICE

NOTICE is hereby given that the Twentieth Annual General Meeting of the Members of Sanghvi Movers Limited will be held on Friday, the 24<sup>th</sup> day of July, 2009, 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, 2009, 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. Sham D. Kajale, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. V. B. Mainkar, 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 an **Ordinary Resolution** :

**“RESOLVED THAT** Mr. Gary Jit Meng Ng who was appointed as an Additional Director of the Company with effect from 29<sup>th</sup> July, 2008 under Article 128(a) of the Articles of Association of the Company and who holds office until this Annual General Meeting of the Company be and is hereby appointed as a Director of the Company whose period of office shall not be 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** Mr. Dara N. Damania who was appointed as an Additional Director of the Company with effect from 20<sup>th</sup> October, 2008 under Article 128(a) of the Articles of Association of the Company and who holds office until this Annual General Meeting of the Company be and is hereby appointed as a Director of the Company whose period of office shall be 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** Mrs. Mina C. Sanghvi who was appointed as an Additional Director of the Company with effect from 20<sup>th</sup> October, 2008 under Article 128(a) of the Articles of Association of the Company and who holds office until this Annual General Meeting of the Company be and is hereby appointed as a Director of the Company whose period of office shall be 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** Mr. Gaurav Malik who was appointed as an Additional Director of the Company with effect from 22<sup>nd</sup> May, 2009 under Article 128(a) of the Articles of Association of the Company and who holds office until this Annual General Meeting of the Company be and is hereby appointed as a Director of the Company whose period of office shall not be liable to retire by rotation.”



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10. 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 Section 198, 269 and 309 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, Mr. R. S. Desai be and is hereby appointed as an Executive Director of the Company, whose period of the office will be liable to retire by rotation, for a period of three years commencing on and from 2<sup>nd</sup> September, 2009 upon following terms of remuneration in terms of Schedule XIII to the Companies Act, 1956 relating to managerial remuneration.

#### **Salary**

A Salary (Basic plus Dearness Allowance) of Rs. 1,26,600 (Rupees One Lakh Twenty Six Thousand Six Hundred only) per month in the grade of Rs. 1,26,600 - Rs. 5,00,000.

#### **Performance Based Incentive**

Performance based incentive as determined by the Remuneration Committee and the Board from time to time.

#### **Ex-gratia**

Maximum 1 Months' Basic Salary plus Dearness Allowance.

#### **PERQUISITES**

In addition to the aforesaid salary, the Executive Director shall be entitled to the following perquisites:

#### **CATEGORY 'A'**

This will comprise House Rent Allowance, Education Allowance and reimbursement of medical, newspaper and periodical expenses as follows.

House Rent Allowance - 40% of the Salary

Allowance for the education of the children as per the provisions of the Income Tax Rules, 1962 for the time being in force.

Reimbursement of all medical expenses including hospitalization, nursing home and surgical charges incurred for self and family and newspaper and periodical expenses.

#### **CATEGORY 'B'**

Gratuity at the rate not exceeding half a month's salary for each completed year of service.

Leave at the rate of twenty one days for every year of service. Leave not availed of may be encashed, as per the Rules of the Company.

Retirement and other benefits including Superannuation, as per the Rules of the Company.

#### **CATEGORY 'C'**

Provision of one car, which shall be fueled and maintained by the Company, to be valued as per provisions of the Income Tax Rules, 1962, for the time being in force.

Medical Insurance

As per the Rules of the Company.

Leave Travel Concession / Assistance

As per the Rules of the Company.