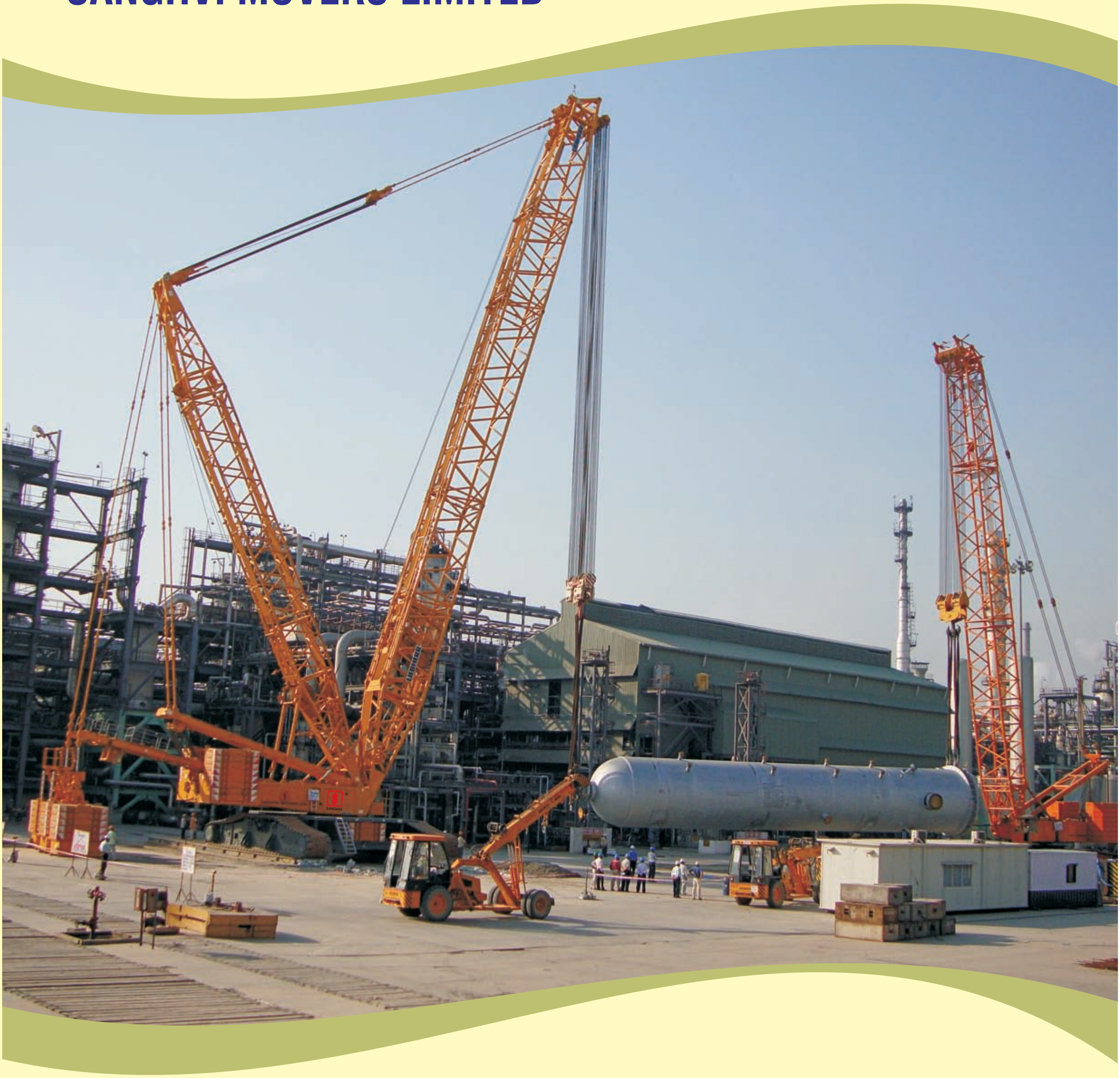
SANGHVI

SANGHVI MOVERS LIMITED



TWENTY FIRST ANNUAL REPORT 2009-2010

CONTENTS

CORPORATE INFORMATION

BOARD OF DIRECTORS

C. P. SANGHVI
Chairman & Managing Director

V. B. MAINKAR

GAURAV MALIK

GARY JIT MENG NG

S. PADMANABHAN

P. C. BHALERAO

PRADEEP R. RATHI

DARA N. DAMANIA

DINESH H. MUNOT
Additional Director w.e.f. 16/12/2009

MINA C. SANGHVI

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
Website : www.sanghvicranes.com

BANKERS

AXIS BANK LTD.

BANK OF BARODA

BANK OF INDIA

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 : 91-22-25963838, 25946970
Fax : 91-22-25946969
e-mail : rnt.helpdesk@linkintime.co.in
URL : www.linkintime.co.in

ENGINEERING

LIFT PLANNING

HEAVY LIFT

CRANE HIRING

FINANCIAL HIGHLIGHTS

(Rs. in Lakhs)

PARTICULARS	2009-2010	2008-2009	2007-2008	2006-2007	2005-2006
TOTAL INCOME	34,273.12	36,152.24	25,695.77	18,016.61	14,965.03
TOTAL EXPENDITURE	7,887.34	8,354.08	6,818.76	4,842.09	5,043.63
GROSS PROFIT	26,385.78	27,798.16	18,877.01	13,174.52	9,921.40
INTEREST	4,747.28	5,301.18	3,072.09	2,462.77	1,371.83
PBDT	21,638.50	22,496.98	15,804.92	10,711.75	8,549.57
DEPRECIATION	7,872.98	6,796.94	4,745.69	3,483.01	3,564.34
PROFIT BEFORE TAX	13,765.52	15,700.04	11,059.23	7,228.74	4,985.23
PROVISION FOR TAXATION-					
CURRENT TAX & PREVIOUS YEARS' TAX	3,451.73	4,166.80	3,005.00	1,852.10	1,854.91
DEFFERED TAX	1,271.71	1,396.47	751.30	632.71	(113.98)
FRINGE BENEFIT TAX	-	31.50	28.25	25.75	26.00
PROFIT AFTER TAX BEFORE					
EXTRA-ORDINARY ITEMS	9,042.08	10,105.27	7,274.68	4,718.18	3,218.30
EXTRA-ORDINARY ITEMS	-	-	-	1,712.19	-
PROFIT AFTER TAX AFTER					
EXTRA-ORDINARY ITEMS	9,042.08	10,105.27	7,274.68	6,430.37	3,218.30
CASH PROFIT	18,186.77	18,298.69	12,771.67	8,833.90	6,668.65
GROSS BLOCK	1,18,608.89	1,04,826.74	73,359.74	59,337.52	40,563.68
DEPRECIATION	30,640.29	24,038.88	17,382.34	12,864.32	11,986.44
NET BLOCK	87,968.60	80,787.86	55,977.40	46,473.20	28,577.24
DIVIDEND					
IN PERCENTAGE	*150.00	100.00	150.00	125.00	100.00
IN AMOUNT	*1,298.64	865.76	1,298.64	1,007.20	717.76
PAID-UP CAPITAL	865.76	865.76	865.76	817.71	729.71
RESERVES	46,096.81	38,569.06	29,484.48	19,589.16	7,346.17
SHAREHOLDERS' FUNDS	46,962.57	39,434.82	30,362.19	21,030.51	8,075.88
NET WORTH	46,962.57	39,434.82	30,362.19	21,030.51	8,075.88
DEBT : EQUITY	1.01:1	1.27	1.16	1.30	2.90
EARNING PER SHARE (Rs.)					
BASIC	**20.89	**23.34	**17.75	64.25	44.84
DILUTED	**20.89	**23.34	**17.75	59.98	44.84
CASH EPS (Rs.)	**42.01	**42.27	**31.15	120.29	92.91
BOOK VALUE (Rs.)	**108.49	**91.10	**70.14	261.00	79.08
CAPEX	16,000	23,600	22,000	18,900	17,000

* 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

SANGHVI

NOTICE

NOTICE is hereby given that the Twenty First Annual General Meeting of the Members of Sanghvi Movers Limited will be held on Monday, the 27th day of September, 2010, at 11.30 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, 2010, 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. S. Padmanabhan, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Pradeep R. Rathi, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Mr. Prakash C. Bhalerao, who retires by rotation and being eligible, offers himself for re-appointment.
6. 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 :

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

   "RESOLVED THAT Mr. Dinesh H. Munot, who was appointed as an Additional Director of the Company with effect from 16th December, 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 be liable to retire by rotation."

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 Item No. 7 is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, the 18th September, 2010 to Monday, the 27th September, 2010 (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 17th September, 2010. 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 form. This facility is available to the shareholders residing in the following cities :

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

   Shareholders who wish to avail the ECS facility are requested to inform their bank account details, in the prescribed form, to the Registrar & Share Transfer Agent on or before 10th September, 2010.

6. A brief profile of the Directors retiring by rotation and eligible for re-appointment is furnished in the Report on 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 Agent/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 Agent 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 Agent 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 Shareholders, who have not claimed the Dividend for the Years ended 31st March, 2003, 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 or rnt.helpdesk@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.

By Order of the Board of Directors
FOR SANGHVI MOVERS LIMITED

Jitendra R. Shah
Company Secretary

Pune
26th May, 2010
Registered Office :
Survey No. 92, Tathawade,
Taluka Mulshi, Pune 411 033

SANGHVI

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956

For Item No. 7

Mr. Dinesh H. Munot was appointed as an Additional Director of the Company under Section 260 of the Companies Act, 1956 and the Article 128(a) of the Articles of Association of the Company with effect from 16th December, 2009 and holds office until the date of this Annual General Meeting. Mr. Dinesh H. Munot being eligible offers himself for appointment at the meeting. Notice alongwith a deposit of Rupees Five Hundred, as required by Section 257 of the Companies Act, 1956 has been received from a Shareholder proposing the appointment of Mr. Dinesh H. Munot as a Director of the Company.

Mr. Dinesh H. Munot is the Managing Director of ZF Steering Gear (India) Ltd. He is a renowned personality in the Indian Automotive Industry having over 35 years of experience in the automotive industry. Due to his experience and achievement in the areas of Technology Development, Human Resource Development and Socio-economic Development, he was awarded by Indian Jaycees as "OUTSTANDING YOUNG PERSON OF THE YEAR" in the International Youth Year in 1985. In April 2003, Mr. Dinesh H. Munot was nominated as a Chairman of ACMA Centre for Technology. He is also a member of Executive Committee of "Mahratta Chamber of Commerce, Industries and Agriculture (MCCIA), Pune". Further, in 2008, he was bestowed with "LIFETIME ACHIEVEMENT AWARD" from NRI Chamber of Commerce at the hands of Mr. Ram Jethmalani.

Mr. Dinesh H. Munot is not holding directly a single share of the Company as on date.

Except for Mr. Dinesh H. Munot who is interested in the resolution, as it deals with his appointment, no other Director of the Company is concerned or interested.

The Board recommends the resolution set forth in the item No. 7 of Notice for approval of Members.

By Order of the Board of Directors
FOR SANGHVI MOVERS LIMITED

Pune
26th May, 2010

Jitendra R. Shah
Company Secretary

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

DIRECTORS' REPORT TO THE MEMBERS

Your Directors have pleasure in presenting the Twenty First Annual Report and Audited Accounts of your Company for the year ended 31st March, 2010.

FINANCIAL RESULTS	2009-2010 (Rs. in Lakhs)	2008-2009 (Rs. in Lakhs)
Total Income	34,273.12	36,152.25
Total Expenditure	7,887.34	8,354.08
Profit before Interest and Depreciation	26,385.77	27,798.17
Interest	4,747.28	5,301.18
Depreciation	7,872.98	6,796.95
Profit before Tax	13,765.52	15,700.04
Provision for Taxation	4,723.44	5,594.77
Profit after Tax	9,042.08	10,105.27
Surplus brought forward	11,477.05	3,395.20
Amount available for Appropriation	20,519.13	13,500.47
Appropriations		
Transfer to General Reserves	5,000.00	1,010.53
Proposed Dividend	1,298.64	865.76
Tax on Dividend	215.69	147.13
Surplus carried forward to Balance Sheet	14,004.80	11,477.05

DIVIDEND

Your Directors are pleased to recommend for your consideration Dividend Rs. 3/- per Equity Share i.e. @ 150% on Equity Shares for the Year ended 31st March, 2010, as against Rs. 2/- per Equity Share i.e. @ 100% for previous year. In order to conserve the resources of the Company, the Dividend Payout Ratio is kept at 17%.

BUSINESS REVIEW

The Performance of your Company during the Year under review has been satisfactory. You will be pleased to note that during the year under review, your Company has earned Total Income of Rs. 34,273.12 Lakhs and Net Profit of Rs. 9,042.08 Lakhs as against Total Income of Rs. 36,152.25 Lakhs and Net Profit of Rs. 10,105.27 Lakhs earned in the previous year.

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 Rs. 276.85 Lakhs and Total Power generation through Windmills was 78.32 Lakhs Kwh.

FINANCE

During the year under review, the Company has availed Financial Assistance from Axis Bank, Bank of Baroda, Bank of India, Corporation Bank, HDFC Bank, ICICI Bank, ING Vysya Bank, State Bank of Hyderabad, State Bank of India and The Saraswat Co-operative Bank for funding its expansion programme and the Company is enjoying Working Capital facilities from Dena Bank.

Total Secured Loan outstanding as of 31st March, 2010 was Rs. 47,446.56 Lakhs.

Your Company has received "LA+" as Credit Rating for Long Term Loans, which indicates adequate credit quality in respect of Bank Loan profile of the Company and "A1" as Credit Rating for Short Term Loans, which indicates highest safety as regards Short Term Loans assigned by ICRA Limited.

DIRECTORS

Mr. Anirudha Seolekar resigned with effect from 8th July, 2009. Your Board of Directors expresses its sincere appreciation for the services rendered by Mr. Anirudha Seolekar and further expresses its gratitude for the same.

With effect from 16th December 2009, Mr. Dinesh H. Munot appointed as an Additional Director of the Company.

Mr. S. Padmanabhan, Mr. Pradeep R. Rathi and Mr. Prakash C. Bhalerao are liable to retire by rotation and being eligible offer themselves for re-appointment.

The brief resume/details relating to Directors who are to be appointed/re-appointed are furnished in the Report on Corporate Governance.

FIXED DEPOSITS

The Company has not accepted any fixed deposits from the public during the year ended 31st March, 2010.

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 :

(i) that in the preparation of the Annual Accounts for the Financial Year ended 31st March, 2010, the applicable accounting standards have been followed along with proper explanation relating to material departures;

(ii) 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;

(iii) 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;