



SANGHVI MOVERS LIMITED





Board of Directors Chandrakant Sanghvi - Chairman & Managing Director Vijay Mainkar - Director Dara Damania - Director S. Padmanabhan - Director Gary Jit Meng Ng - Director Pradeep Rathi - Director Dinesh Munot - Director Sanjay Asher - Director Mina Sanghvi - Director Sham Kajale - Executive Director & CFO Ramchandra Desai* - Executive Director <i>(*Resigned w.e.f. 1st November 2012)</i>	Bankers 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																						
Company Secretary & Chief Compliance Officer Rajesh Likhite Auditors B S R & Co. Chartered Accountants	Information for the shareholders Annual General Meeting : Monday, 23rd September 2013 Time : 11.00 a.m. Venue : Registered Office of the company Date of Book Closure : 09 th September 2013 to 23 rd September 2013 (Both days inclusive)																						
Registered Office 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	<table><tr><th>Contents</th><th>Page No.</th></tr><tr><td>Financial Highlights</td><td>02</td></tr><tr><td>Notice</td><td>03</td></tr><tr><td>Directors' Report</td><td>06</td></tr><tr><td>Management Discussion and Analysis</td><td>09</td></tr><tr><td>Report on Corporate Governance</td><td>11</td></tr><tr><td>Independent Auditors' Report</td><td>23</td></tr><tr><td>Balance Sheet</td><td>26</td></tr><tr><td>Statement of Profit and Loss Account</td><td>27</td></tr><tr><td>Cash Flow Statement</td><td>28</td></tr><tr><td>Notes forming part of the financial statements</td><td>30</td></tr></table>	Contents	Page No.	Financial Highlights	02	Notice	03	Directors' Report	06	Management Discussion and Analysis	09	Report on Corporate Governance	11	Independent Auditors' Report	23	Balance Sheet	26	Statement of Profit and Loss Account	27	Cash Flow Statement	28	Notes forming part of the financial statements	30
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Registrar & Share Transfer Agent Link Intime India Private Limited C-13 Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai - 400078 Tel : 91-22-25963838 Fax : 91-22-25946969 Email : rnt.helpdesk@linkintime.co.in Website : www.linkintime.co.in																							
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FINANCIAL HIGHLIGHTS

(₹ in Lacs)

PARTICULARS	2012-13	2011-12	2010-11	2009-2010	2008-2009
Total Income	34,741.01	47,146.33	37,352.25	34,273.12	36,152.24
Total Expenditure	10,745.81	13,504.95	10,544.74	7,887.35	8,354.08
Gross Profit	23,995.20	33,641.38	26,807.51	26,385.77	27,798.16
Interest	6,337.40	7,708.63	4,919.60	4,747.28	5,301.18
PBDT	17,657.80	25,932.75	21,887.91	21,638.49	22,496.98
Depreciation	11,809.77	11,060.30	9,288.48	7,872.97	6,796.94
Profit Before Tax	5,848.03	14,872.45	12,599.42	13,765.52	15,700.04
Provision For Taxation-					
Current Tax & Previous Years' Tax	1,417.20	3,535.10	2,747.67	3,451.73	4,166.80
Deferred Tax	338.03	1,300.72	1,220.72	1,271.71	1,396.47
Fringe Benefit Tax	-	-	-	-	31.50
Profit After Tax Before Extra-Ordinary Items	4,092.74	10,036.63	8,631.03	9,042.08	10,105.27
Extra-Ordinary Items	-	140.59	-	-	-
Profit After Tax After Extra-Ordinary Items	4,092.74	10,177.22	8,631.03	9,042.08	10,105.27
Cash Profit	16,240.52	22,538.24	19,140.24	18,186.77	18,298.69
Gross Block	1,68,051.44	1,66,441.98	1,45,283.67	1,18,608.89	1,04,826.74
Depreciation	59,030.85	47,843.10	38,263.71	30,640.29	24,038.88
Net Block	1,09,020.59	1,18,598.88	1,07,019.96	87,968.60	80,787.86
Dividend					
In Percentage	*50.00	150.00	150.00	150.00	100.00
In Amount	*432.88	1298.64	1,298.64	1,298.64	865.76
Paid-Up Capital	865.76	865.76	865.76	865.76	865.76
Reserves	65,476.08	61,886.44	53,218.53	46,096.81	38,569.06
Shareholders' Funds	66,341.84	62,752.20	54,084.29	46,962.57	39,434.82
Debt : Equity	0.88:1	1.12	1.19	1.01	1.27
Earning Per Share (₹)					
Basic	9.45	23.51	19.94	**20.89	**23.34
Diluted	9.45	23.51	19.94	**20.89	**23.34
Cash Eps (₹)	37.52	52.07	44.22	**42.01	**42.27
Book Value (₹)	153.26	144.96	124.94	**108.49	**91.10
Capex	Nil	23,000	29,900	16,000	23,600

* Subject to approval of the Members

**Earning Per Share, Cash EPS and Book Value after the sub-division of shares from ₹10/- each to ₹2/- each

Notice

NOTICE is hereby given that the Twenty-fourth Annual General Meeting of the Members of Sanghvi Movers Limited will be held on Monday, the 23rd day of September 2013, 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 Audited Balance Sheet as at 31st March 2013, 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 on 31st March 2013.
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 Rathi, who retires by rotation and being eligible, offers himself for re-appointment.
5. To consider, and if thought fit, to pass with or without modification(s), the following resolution as an

Ordinary Resolution:

"RESOLVED THAT M/s. B S R & Co., Chartered Accountants, Pune, (Firm Registration Number 101248W) be and are hereby re-appointed as the Auditors of the company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the company, on such remuneration, for the said period, as may be determined by the Board of Directors in consultation with the Auditors, apart from reimbursement of out-of-pocket expenses and applicable taxes."

By Order of the Board of Directors
For Sanghvi Movers Limited

Pune, 27th May 2013

Registered Office:

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

Rajesh P. Likhite
Company Secretary &
Chief Compliance Officer



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 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.
- 3 Members/Proxies are requested to bring their duly filled attendance slips to be deposited to company's officials at the venue of the meeting.
- 4 In terms of Article 122 of the articles of association of the company, read with section 256 of the Companies Act, 1956, Mr. S. Padmanabhan and Mr. Pradeep Rath, Directors, retire by rotation at the ensuing meeting and being eligible, offer themselves for re-appointment. The Board of Directors of the company recommends their respective re-appointments. A brief profile of the Directors retiring by rotation and eligible for re-appointment is furnished in the report on corporate governance.
- 5 The register of members and share transfer books of the company will remain closed from Monday, the 09th September 2013 to Monday, the 23rd September 2013 (both days inclusive), for the purpose of annual general meeting and payment of dividend.
- 6 Subject to the provisions of section 206A of the Companies Act, 1956, the dividend on equity shares, if declared at the meeting, will be credited/dispensed, to those members whose names appear on the register of members on Thursday, 05th September 2013. In respect of equity shares in dematerialised form, the dividend will be paid to members, whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited, as beneficial owners as on that date.
- 7 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. For payment of dividend (if any) through electronic format, the members holding shares in dematerialized form are encouraged to utilize the Electronic Clearing System (ECS)/National Electronic Clearing System (NECS) for receiving dividends.
- 8 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 so that these details could be shown on the dividend warrants,
 - 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.
- 9 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.
- 10 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 2006, onwards, are requested to claim the same from the company at the earliest.

- 11 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 dematerialised 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.
- 12 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.
- 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.
- The Annual Report is available on the website of the company i.e. on www.sanghvicranes.com
- 13 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.
- 14 The register of directors' shareholding maintained under Section 307 of the Companies Act, 1956, will be available for inspection by the members at the annual general meeting.

By Order of the Board of Directors
For Sanghvi Movers Limited

Pune, 27th May 2013

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

Rajesh P. Likhite
Company Secretary &
Chief Compliance Officer

Directors' Report to the Members

We take pleasure in presenting the Twenty-fourth Annual Report and Audited Accounts of your company for the year ended 31st March 2013.

(₹ in Lacs)

Financial Results	2012-2013	2011-2012
Total Income	34,741.01	47,146.33
Total Expenditure	10,745.81	13,504.95
Profit before Interest and Depreciation	23,995.20	33,641.38
Interest	6,337.40	7,708.63
Depreciation	11,809.77	11,060.30
Profit before Exceptional Items and Tax	5,848.03	14,872.45
Exceptional Items	Nil	140.59
Profit Before Tax	5,848.03	15,013.04
Provision for Taxation	1,755.29	4,835.82
Profit after Tax	4,092.74	10,177.22
Surplus brought forward from last year	26,303.74	16,126.52
Profit available for Appropriation	30,396.48	26,303.74
Appropriations:		
Transfer to General Reserves	5,000.00	5,000.00
Proposed Dividend	432.88	1,298.64
Tax on Dividend	70.22	210.67
Surplus carried forward to Balance Sheet	24,893.38	19,794.43

Business Review

During the year under report, your company generated revenue of ₹347 crores, decrease of 26% as compared to the previous year and the Net Profit was ₹41 crores, fall of 60% year on year basis.

During the financial year 2012-13, the macro-economic conditions remained volatile. The global economic slowdown, rising interest rates, lack of government initiative and foreign currency fluctuations affected the market severely.

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 ₹2.33 crores.

Dividend

The Board has recommended Dividend ₹1/- per equity share i.e. @ 50% on equity shares for the year ended 31st March 2013, as against ₹3/- per equity share, in the previous year. In order to conserve the resources of the company, the Dividend Payout Ratio is kept at 12 %. The Dividend @ ₹1/- per equity share will be paid to eligible members, after the approval by the members at the forthcoming annual general meeting. The total cash outflow on account of dividend payments will be ₹4.32 crores and on the dividend distribution tax is ₹0.70 crores.

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 31st March 2013 was ₹ 577.71 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

Mr. Ramchandra Desai resigned with effect from 01st November 2012. Your Board of Directors expresses its sincere appreciation for the services rendered by Mr. Ramchandra Desai and further expresses its gratitude for the same.

Mr. S. Padmanabhan and Mr. Pradeep Rathi 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 2013.

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 31st March 2013, 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 31st March 2013, on a going concern basis.

Auditors

M/s. B S R & Co., Chartered Accountants, Pune retires as Auditors of the company at the conclusion of the ensuing annual general meeting and are eligible for re-appointment.

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 lacs 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.



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During the year under review, there were Nil foreign exchange earnings and the foreign exchange outgo amounted to ₹11.55 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, Management Discussion & Analysis Report and Compliance Certificate from the Auditors of the company 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. To provide a focused and structured approach to the program, we limit its support to causes related to the education of needy children.

The socially responsible initiatives undertaken by the company are as follows:

- Donation to Lead Institution namely "Teach to Lead". Tech to Lead is a non profit organization whose mission is to create a movement of leaders who will work to eliminate educational inequality in India.
- Donation to Children Education Fund of OXAM India, a children welfare institution.
- Donation to Care India.
- Donation to SSC Passed students who have secured more than 90% marks in examinations. For this noble cause, the employees of Sanghvi Movers Ltd also contributed to it.
- Sanghvi Movers Limited has organized a blood donation camp at its head office with the support of the blood bank of Aditya Birla Hospital Pune. Forty eight employees donated blood in the said camp.

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, 27th May 2013

Chandrakant Sanghvi
Chairman & Managing Director

Registered Office:

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

Management Discussion & Analysis Report

Review of Economy

The economic backdrop continued to be an important factor impacting the performance of companies across all the sectors. The market sentiment and business confidence were subdued in financial year 2012-13. Rising interest rates, fiscal deficit, stock market fluctuations, global woes, slow reforms by the government, tight monetary policy adopted by Reserve Bank of India, higher inflation rates, foreign currency fluctuations, poor performance of agriculture, manufacturing and mining sectors, political instability severely affected the Indian economic growth in 2012-13. Due to these factors, the economic growth fell to a decade's low of 5 percent for the year 2012.13.

The World Bank sees India's economic growth rising to 5.7 percent in 2013-14, buoyed by gradual strengthening of external demand. Indian economy's GDP growth is projected to accelerate to 6.5 percent in 2014-15 and 6.7 percent in 2015-16, as per the latest edition of the Global Economic Prospects issued by World Bank. As per the Twelveth Five Year Plan, the infrastructure spend is going to be around ₹50,00,000 crores.

Company Performance

The company operates primarily in operations of cranes. Financial performance of the company was affected due to lack of investments in the core sectors of the economy, overall slowdown and increased competition.

We have been pioneered in catering to crane requirements of major industries in the economy like Power, Steel, Refinery, Cement and Wind Power. During the year under review, your company has shifted its focus more on Power, Cement, Steel, Metro Projects and Refinery sectors.

Industry

Your company is the largest crane hiring company in India and 8th largest in the world, as per rankings from Cranes International Magazine (source: June 2013 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 387 medium to large size hydraulic truck mounted telescopic & lattice boom cranes and crawler cranes with lifting capacity 20 Tons to 800 Tons.

In the next couple of years, your company will focus more on renting cranes to Power, Steel, Cement, 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, we may add more cranes to our fleet in the next fiscal year, after assessing demand supply situation.

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 project implementation due to economic situation.

Outlook

During last three four years, company concentrated on buying heavy duty cranes (cranes above 100 Tons). At present more than 90% of gross block of cranes is in 100 MT & above cranes. 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, Cement, Refinery sectors and Metro Projects.