



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	Contents	Page No.
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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	Cash Flow Statement	28
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ENGINEERING LIFT PLANNING HEAVY LIFT CRANE RENTALS		

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 Rathi, 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/dispatched, 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.



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Risks and Concerns

- Economic Risk** : The international economic crisis is manifestation of larger issues and the economic ills plaguing the world economies. The global economic conditions are affecting the Indian economy.
- Industry Risk** : The entry of international and domestic players is also affecting the crane rental business. The overall slowdown in the economy and the entry of new players directly puts the pressure on crane rentals. Delay in infrastructure and core projects spending could result in downturn in revenues.
- Execution Risk** : To maintain optimal utilization and yield of fleet all times and ensuring minimal idle time between contracts, to maintain the fleet with minimum downtime.
- Financial Risk** : Your company's business exposure to the normal financial and market risks continue to be monitored and managed by experienced managers at all levels duly strengthened from time to time by systems and processes commensurate with the volume of business activities and the perceived risk requirements.

Internal Control System and Their Adequacy

Internal control system of the company is responsible for the financial reporting of transactions and compliance with relevant laws and regulations commensurate with its size and nature of business. The company also has process of management reporting and periodical review. The company has adequate safeguards and controls over the use of its assets, generation of resources and meeting of various expenses and the systems are closely monitored by the management.

Human Resource Development

The company believes that employees are one of its greatest assets. Considering the business challenges, management has initiated various training and development activities to upgrade skills and knowledge of the employees. Your company has a team of professionally qualified personnel to look after technical and commercial aspects of business operations. Its technical team includes qualified engineers, skilled operators and expert maintenance staff. Employee relations have been cordial. Your company had 1,198 employees including indirect labour as on 31st March 2013.

Disclosure to the Board by the Management

All disclosures relating to financial and commercial transactions where Directors may have a potential interest are provided to the Board and the interested Directors do not participate in the discussion nor do they vote on such matters.

Cautionary Statement

The information and opinion expressed in this section of the annual report consists of certain forward looking statements, which the management believes are true to the best of its knowledge at the time of its preparation. We shall not be liable for any loss, which may arise as a result of any action taken on the basis of the information contained herein.

The information contained herein may not be disclosed, reproduced or used in whole or in part for any purpose or furnished to any other persons without the express prior written permission of the company.

Report on Corporate Governance

In accordance with the clause 49 of the Listing Agreement with The Bombay Stock Exchange Limited (BSE) and The National Stock Exchange of India Limited (NSE) and practices followed on Corporate Governance, the report containing the details of Corporate Governance system and process at Sanghvi Movers Limited is as under:

1. Company's Philosophy on Code of Governance

The company firmly believes in good corporate governance. Good governance encompasses conduct of the company's business in an ethical, transparent, fair and equitable manner with due regard to the interests of various stakeholders, exercising proper control over the company's assets and transactions.

Sanghvi Movers Limited core values are based on integrity, respect for the law and compliance thereof, emphasis on product quality and a caring spirit. In Sanghvi Movers Limited, we believe that good governance is a systemic process which enables the company to operate in a manner that meets with the ethical, legal and business expectations and at the same time fulfils its social responsibilities.

The Sanghvi Movers Limited Board endeavours, by leveraging the resources at its disposal and fostering an environment for growth and development of human resources. The management team is fully empowered to take the company forward within the framework of effective accountability, which in turn enables the conversion of opportunities into achievements for the betterment of the company and its stakeholders. The Directors present the company's report on corporate governance. Sanghvi Movers Limited believes that good governance generates goodwill among business partners, customers and investors and earns respect from society at large. Your company is committed to the principles of good governance.

2. Board of Directors

a. Composition and Size of the Board

The Board of Directors of the company has a combination of Executive, Non-Executive and Independent Directors, to maintain the independence of the Board. As on 31st March 2013, the company's Board consists of Ten Directors. It comprises of One Managing Director, One Executive Director, Two Non-Executive Non-Independent Directors and Six Non-Executive Independent Directors.

The composition of the Board and category of Directors is as follows:

Category	Name
Promoter - Chairman & Managing Director	Mr. Chandrakant Sanghvi
Independent Director	Mr. Vijay Mainkar
Independent Director	Mr. Dara Damania
Independent Director	Mr. S. Padmanabhan
Non-executive Director	Mr. Gary Jit Meng Ng
Independent Director	Mr. Pradeep Rathi
Independent Director	Mr. Dinesh Munot
Independent Director	Mr. Sanjay Asher
Non-executive Director	Mrs. Mina Sanghvi
Executive Director & CFO	Mr. Sham Kajale
Executive Director	Mr. Ramchandra Desai (Resigned w.e.f. 1 st November 2012)

Independent Directors

Independent Directors are Non-executive Directors, who other than receiving Director's sitting fees do not have any other material pecuniary relationship or transactions with the company, its promoters, its Directors, its Senior Management or its associates, which may affect the independence of the Director and who are not related to the Promoters or Senior Management of the company and who has not been an Executive of the company

and who is not a partner or an executive of the statutory audit firm, internal audit firm, legal firm and consulting firm who is associated with the company and who is not a material supplier, service provider or customer or a lessor or a lessee of the company, which may affect the independence of the Director.

- b. & c.** The following table gives details of Directors, attendance of Directors at the board meetings and at the last annual general meeting, number of memberships held by Directors in the Board/Committees of various companies as of 31st March 2013:

Name	Attendance Particulars		Number of Other Directorships and Committee Memberships / Chairmanships		
	Board Meetings	Last AGM	Other Directorships	Committee Memberships	Committee Chairmanships
Mr. Chandrakant Sanghvi	4	Yes	4	-	-
Mr. Vijay Mainkar	4	Yes	4	-	-
Mr. Dara Damania	4	No	9	8	-
Mr. S. Padmanabhan	3	Yes	11	7	1
Mr. Gary Jit Meng Ng	3	No	11	3	-
Mr. Pradeep Rathi	2	No	21	6	1
Mr. Dinesh Munot	1	Yes	10	1	-
Mr. Sanjay Asher	3	Yes	41	12	5
Mrs. Mina Sanghvi	4	Yes	5	-	-
Mr. Sham Kajale	4	Yes	-	-	-
Mr. Ramchandra Desai*	2	Yes	-	-	-

* Resigned w.e.f. 1st November 2012.

d. No. of Board Meetings Held During the Year Along With the Dates of the Meetings

The meetings of the Board are normally held at the Company's Registered Office in Pune. The notice along with agenda is circulated to the Directors well in advance. During the year 2012-2013, the Board met four times on the following dates, namely, 30th May 2012, 06th August 2012, 9th November 2012 and 11th February 2013.

e. Directors' Inter-Se Relationship

Mrs. Mina Sanghvi is a wife of Mr. Chandrakant Sanghvi, Chairman & Managing Director of the company. Except this there is no other inter-se relationship amongst the Directors.

No. of equity shares directly held by the Non-executive Directors as on 31st March 2013:

Name of the Director	No. of Equity Shares
Mr. Vijay Mainkar	3,000
Mr. Dara Damania	-
Mr. S. Padmanabhan	-
Mr. Gary Jit Meng Ng	-
Mr. Pradeep Rathi	-
Mr. Dinesh Munot	-
Mr. Sanjay Asher	-
Mrs. Mina Sanghvi	37,77,633

f. Appointment/Re-Appointment of Directors

In accordance with the provisions of the Companies Act, 1956 and the articles of association of the company, Mr. S. Padmanabhan and Mr. Pradeep Rathi are liable to retire by rotation and being eligible, offer themselves for re-appointment as Director. The brief profile of the Directors is as follows:

Name of Director	Mr. S. Padmanabhan	Mr. Pradeep Rathi
Age	73 Years	60 Years
Date of Appointment	2 nd September 2006	12 th April 2007
Qualifications	Ex-I.A.S., M.Sc. (Physics), Bachelor of General Law, Diploma USA Developmental Economics and Diploma in Management.	M.S. (Chem. Engg.) MIT, USA, MBA in (Columbia)
Expertise in Specific Area	Industrial Projects, Finance and Administration	Finance and Commercial Activities
Director in other Companies	Videocon Industries Ltd. Videocon Power Ltd. Videocon Energy Holdings Ltd. Sudarshan Chemical Industries Ltd. Desai Brothers Ltd. Premier Ltd. Rajkumar Forge Ltd. Force Motors Ltd. Aquapharm Chemicals Pvt. Ltd. Pipavav Energy Pvt. Ltd. Chattisgarh Power Ventures Pvt. Ltd.	Sudarshan Chemical Industries Ltd. Finolex Cables Ltd. Prescient Color Ltd. REICO Industries Ltd. Rathi Brothers Poona Ltd. Rathi Brothers Calcutta Ltd. Rathi Brothers Madras Ltd. Rathi Brothers Delhi Ltd. Rathi Brothers Pvt. Ltd. I. W. Technologies (India) Pvt. Ltd. GPSK Capital Pvt. Ltd. Thirumalai Chemicals Ltd. PRR Finance Pvt. Ltd. Clean Science & Technologies Pvt. Ltd. Rathi Mixers Pvt. Ltd. Rathi Enterprises Pvt. Ltd. Rathi Vessels & Systems Private Ltd. Lahoti Overseas Ltd. Bharat Business Channel Ltd.
Chairman/Member of Committee of the Board of other Companies	Chairman of Audit and Remuneration Committee of Premier Ltd. Member of Shareholders and Investors Grievance Committee of Videocon Industries Ltd. Member of Finance & General Affairs Committee of Videocon Industries Ltd.	Chairman of Audit and Remuneration Committee of Prescient Color Ltd. Chairman of Remuneration Committee of Finolex Cables Ltd. Chairman of Remuneration Committee of Finolex Cables Ltd.

	Member of Finance & General Affairs Committee of Videocon Industries Ltd. Member of Rights Issue Committee of Videocon Industries Ltd. Member of Re-organization Committee of Videocon Industries Ltd. Member of Audit Committee of Videocon Power Ltd. Member of Audit Committee of Force Motors Ltd. Member of Audit Committee of Pipavav Energy Pvt. Ltd.	Member of Audit Committee and Shareholders / Investors Grievance Committee of Sudarshan Chemical Industries Ltd. Member of Audit Committee and Share Transfer Cum Investors Grievance Committee of Finolex Cables Ltd. Member of Audit Committee and Remuneration Committee of Lahoti Overseas Ltd.
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3. Audit Committee

a. Brief description of terms of reference

The terms of reference of this committee cover the matters specified for the Audit Committee under Clause 49 of the Listing Agreement as well as in Section 292A of the Companies Act, 1956.

The Audit Committee was constituted to ensure prudent financial and accounting practices, fiscal discipline and transparency in financial reporting. The quarterly results are reviewed by the Audit Committee and recommended to the Board for its adoption. The Chairman of the committee is an Independent Director.

Role and objectives

- Reviewing with the management and auditors, the adequacy of Internal control systems;
- Discussion with the auditors periodically about internal control system;
- Any significant findings and follow up thereon and reviewing with the management, the financial statements before submission to the Board.

b. Composition

As of 31st March 2013, the Audit Committee consists of four Independent Non-Executive Directors, namely, Mr. Vijay Mainkar, who is the Chairman of the committee, Mr. S. Padmanabhan, Mr. Pradeep Rathi and Mr. Dara Damania, and one Non-Executive Director namely, Mr. Gary Jit Meng Ng. All members of the committee are financially literate. The Company Secretary acts as the Secretary to the committee. The Statutory Auditors and the Internal Auditors also make their presentations at the committee meeting.

c. Meetings and Attendance during the Year

During the year 2012-2013, the Audit Committee met four times on the following dates, namely, 30th May 2012, 06th August 2012, 09th November 2012 and 11th February 2013.

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Name of the Director	No. of Meetings Attended
Mr. Vijay Mainkar	4
Mr. Dara Damania	4
Mr. S. Padmanabhan	3
Mr. Gary Jit Meng Ng	3
Mr. Pradeep Rathi	2

4. Remuneration Committee

a. Brief Description of Terms of Reference

To review access & recommend remuneration of the Managing Director & Executive Directors based on their performance. The Executive Directors are not entitled to sitting fees for attending meetings of the Board & Committees thereof.

b. Composition

As of 31st March 2013, the Remuneration Committee consists of four Independent Non-Executive Directors, namely, Mr. Vijay Mainkar, who is the Chairman of the committee, Mr. S. Padmanabhan, Mr. Pradeep Rathi, Mr. Dara Damania and one Non-Executive Director, namely, Mr. Gary Jit Meng Ng. The committee complies with the provisions of the Companies Act, 1956 and the corporate governance code. The Remuneration Committee has been constituted to determine company's policy on specific remuneration package of Managing Director and Executive Director.

c. Meetings and Attendance during the Year

During the year 2012-13, the Committee met one time on 30th May 2012.

Name of the Director	No. of Meetings Attended
Mr. Vijay Mainkar	1
Mr. Dara Damania	1
Mr. S. Padmanabhan	Nil
Mr. Gary Jit Meng Ng	1
Mr. Pradeep Rathi	1

d. Remuneration Policy

The Remuneration Policy of the company is directed towards rewarding performance, based on review of achievements on a periodic basis. The Remuneration Policy is consonance with the existing industry practice.

e. Remuneration to Managing Director and Other Executive Directors

In respect of the year ended 31st March 2013, the following remuneration was paid / payable to these Directors:

(Amount in ₹)

Name of Director	Salary	Allowances, Ex-Gratia & Perquisites	Commission Payable	Contribution towards Superannuation Scheme	Total
Mr. Chandrakant Sanghvi	1,56,60,000	12,02,836	Nil	Nil	1,68,62,836
Mr. Sham Kajale	24,66,000	12,11,000	Nil	3,69,900	40,46,900
Mr. Ramchandra Desai*	20,86,306	51,82,517**	Nil	Nil	72,68,823

* Mr. Ramchandra Desai has ceased to be an Executive Director w.e.f. 1st November 2012.

** Apart from allowances, ex-gratia and perquisites, it also includes, gratuity of ₹29,72,308 and leave encashment of ₹7,75,385.

Considering the valuable time given and timely guidance provided by the Non-Executive Directors, the Board of Directors and shareholders in their respective meetings, resolved to pay sitting fees to its Non-Executive Directors.

The company pays sitting fees to the Non-Executive Directors at the rate of ₹20,000/- per board meeting and ₹10,000/- per committee meeting and also reimburses expenses for attending the meeting by these Directors. The sitting fees paid/payable to Directors for the year ended 31st March 2013 was as follows:

Mr. Vijay Mainkar: ₹1,90,000/-, Mr. S. Padmanabhan: ₹90,000/-, Mr. Gary Jit Meng Ng: ₹90,000/-, Mr. Pradeep Rathi: ₹70,000/-, Mr. Dara Damania: ₹170,000/-, Mrs. Mina Sanghvi: ₹80,000/-, Mr. Sanjay Asher: ₹40,000/- and Mr. Dinesh Munot: ₹20,000/-.

5. Shareholders' Grievance Committee

As of 31st March 2013, the Shareholders' Grievance Committee consists of four members, Mr. Vijay Mainkar, Mr. Chandrakant Sanghvi, Mr. Dara Damania and Mr. Sham Kajale.

- Mr. Vijay Mainkar, Non-Executive Independent Director, who is the Chairman of the committee.
- Mr. Rajesh Likhite, Company Secretary, who is the Chief Compliance Officer of the company for the purpose of shareholders grievance related matters.
- A total of 19 complaints were received by the company from the shareholders and investors.
- All complaints have been resolved to the satisfaction of the investors.
- During the year under review, no complaints are pending.
- Meetings and Attendance during the year**

During the year 2012-13, the Committee met four times on the following dates, namely, 30th May 2012, 06th August 2012, 09th November 2012 and 11th February 2013.

Name of the Director	No. of Meetings Attended
Mr. Chandrakant Sanghvi	4
Mr. Vijay Mainkar	4
Mr. Dara Damania	4
Mr. Sham Kajale	4
Mr. Ramchandra Desai*	2

*Resigned w.e.f. 1st November 2012.

6. General Body Meetings

The details of Annual and Extra-ordinary General Meetings held during last three years are as below:

Year	General Meeting	Day	Date	Time	Location	Special Resolution Passed
2011-12	AGM	Monday	17.09.2012	11.00 a.m.	Survey No.92, Tathawade, Taluka Mulshi, Pune - 411033	Nil
2010-11	AGM	Friday	30.09.2011	11.30 a.m.	Survey No.92, Tathawade, Taluka Mulshi, Pune - 411033	Appointment of Mr. Rishi Sanghvi to hold and continue to hold office or place of profit as Manager - Business Development.
2009-10	AGM	Monday	27.09.2010	11.30 a.m.	Survey No.92, Tathawade, Taluka Mulshi, Pune - 411033	Nil

7. Disclosures**a. Related Party Transactions**

During the year, no material transactions with the Directors or the management, their subsidiaries or relatives, etc. have taken place, which have potential conflict with the interest of the company. The details of all significant transactions with related parties are periodically placed before the audit committee. Details of related party transactions entered into in the normal course of business are given in Note No. 33 forming part of 'Notes to Accounts'.

b. Details of non-compliance by the company, penalties, strictures imposed on the company by the stock exchanges or any other statutory authority on any matter related to capital markets during last three years.

There has been no instance of non-compliance by the company on any matter related to capital markets and hence no penalties or strictures have been imposed on the company by the stock exchanges or any other statutory authority during last three years.

c. Whistle Blower Policy

The company promotes ethical behaviour in all its business activities and has put in place a mechanism of reporting illegal or unethical behaviour. The company has whistle blower policy wherein the employees are encouraged to report violation of laws, rules, and regulations. The confidentiality of such reporting is maintained and is not subject to any discriminatory practice. We affirm that no employee has been denied access to the audit committee.

8. Means of Communication

The company has published quarterly and yearly financial results in Business Standard and Loksatta after forwarding the same to The Bombay Stock Exchange Limited (BSE) and The National Stock Exchange of India Limited (NSE) as per clause 41 of the Listing Agreement. The results are also published on the company's website, www.sanghvicranes.com under 'Investor Centre' section.

9. General Shareholder Information**a. AGM - Day, Date & Time are given below:**

AGM - Day, Date & Time	23 rd September 2013, at 11.00 a.m.
Venue	Registered Office of the Company

b. Financial year 1st April to 31st March.**c. Dates of Book Closure: 09th September 2013 to 23rd September 2013 (Both days inclusive)****d. Dividend Payment Date**

The dividend, if approved by the members of the company will be payable on or after 28th September 2013.

Unclaimed Dividend

Pursuant to section 205A and 205C and other applicable provisions, if any, of the Companies Act, 1956, all unclaimed/unpaid dividend, remaining unclaimed/unpaid dividend for a period of seven years from the date of the disbursement is required to be transferred to Investor Education and Protection Fund (IEPF) established by the Central Government. No claim shall lie against the IEPF or the company for the amounts so transferred nor shall any payment be made in respect of such claims. Members, who have not yet encashed their dividend warrants for the financial year 2005-2006 onwards, are requested to make their claims without any delay to the registrar and transfer agents, Link Intime India Private Limited.



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The information relating to outstanding dividend account(s) and the dates by which they can be claimed by the shareholders are given below:

Financial Year	Date of declaration of dividend	Type of dividend	Total dividend Amount in (₹)	Unclaimed Dividend as on 31 March 2012 Amount in (₹)	Due date for transfer to Investor Education and Protection Fund (IEPF)
2005-2006	2 October 2006	Final	7,17,16,000	268,430	1 October 2013
2006-2007	26 July 2007	Final	10,07,20,000	308,088	25 July 2014
2007-2008	28 August 2008	Final	12,98,64,000	314,976	27 August 2015
2008-2009	23 July 2009	Final	8,65,76,000	338,678	22 July 2016
2009-2010	28 September 2010	Final	12,98,64,000	373,440	27 September 2017
2010-2011	30 October 2011	Final	12,98,64,000	356,572	29 October 2018
2011-2012	17 September 2012	Final	129,864,000	354,360	16 September 2019

e. Listing

NAME OF THE EXCHANGE	CODE / SYMBOL
The Bombay Stock Exchange Limited (BSE)	530073
The National Stock Exchange of India Limited (NSE)	SANGHVIMOV

Annual Listing Fee has been paid to The Bombay Stock Exchange Limited (BSE) and The National Stock Exchange of India Limited (NSE).

f. Financial Calendar 2013-2014 (Tentative)

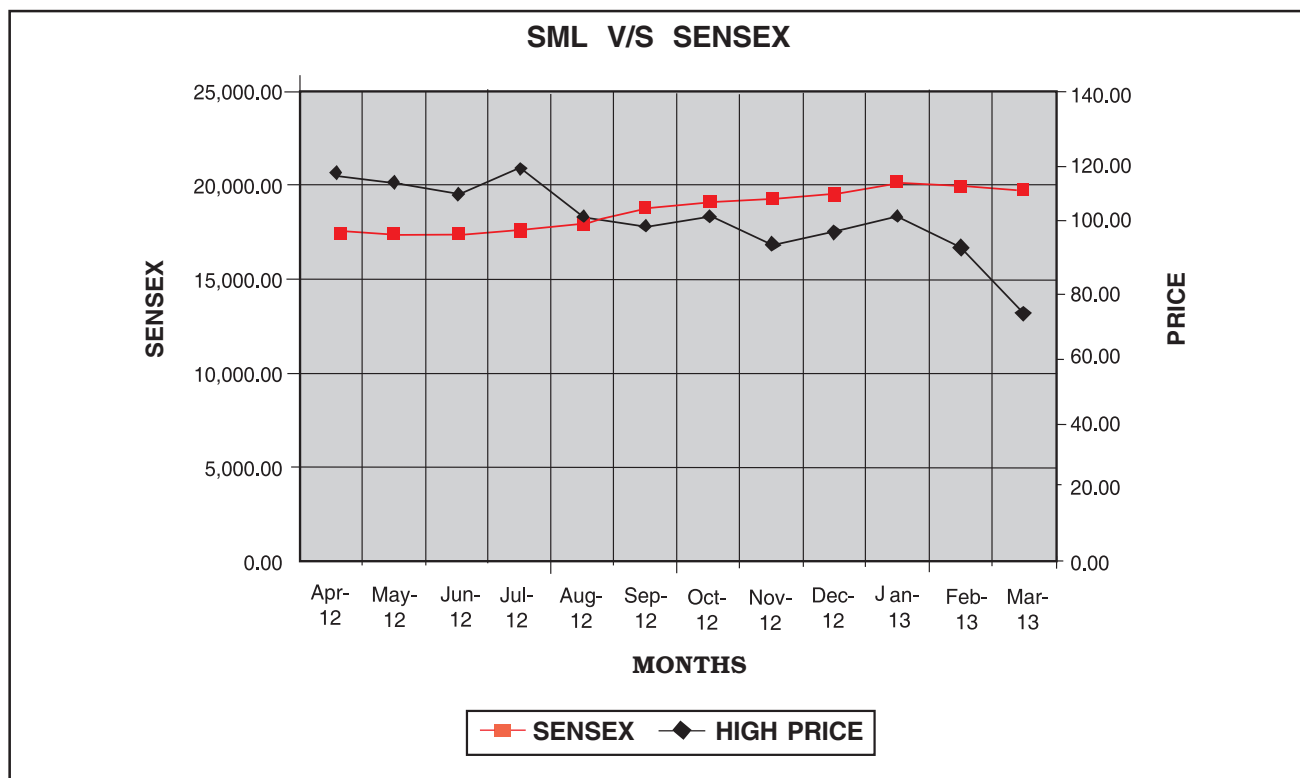
Annual General Meeting	September 2014
Board Meetings	
Results for the quarter ending June 2013	2 nd Week of August 2013
Results for the quarter ending September 2013	2 nd Week of November 2013
Results for the quarter ending December 2013	2 nd Week of February 2014
Results for the year ending March 2014	Last Week of May 2014

g. Market Price Data

Share Price - High & Low (₹) during each month in the year 2012- 2013 at BSE:

Month	Price (In ₹)		Month	Price (In ₹)	
	High	Low		High	Low
April 2012	114.80	103.25	October 2012	103.20	89.80
May 2012	112.95	97.00	November 2012	94.60	84.50
June 2012	109.90	100.25	December 2012	98.20	88.05
July 2012	117.30	93.00	January 2013	103.25	88.10
August 2012	103.00	85.10	February 2013	93.70	70.30
September 2012	99.90	85.55	March 2013	73.80	63.00

h. Performance in comparison to broad-based indices such as BSE Sensex is as below:



Source: The Bombay Stock Exchange Limited (BSE) (www.bseindia.com)

i. Registrar & Share Transfer Agents

M/s. Link Intime India Private Limited (formerly Intime Spectrum Registry Limited) is the Registrar and Transfer Agents of the company and carry out the share transfer work on behalf of the company. The equity shares of the company are traded on the stock exchanges and compulsorily in demat mode.

j. Share Transfer System

To facilitate the speedy approvals and administrative convenience, the board has formed a share transfer committee, represented by the Board of Directors, to examine the share transfer and related applications. The Share Transfer Committee supervises and ensures efficient transfer of shares and proper and timely attendance of such applications. The committee has been delegated the power of approving transfer, transmission, rematerialisation, dematerialisation etc. of shares of the company.

As of 31st March 2013, the Share Transfer Committee consists of three members and the Company Secretary, who is the Secretary of the committee.

The company has appointed M/s. Link Intime India Private Limited as its registrar and share transfer agent with effect from 1st August 2006. The share transfer requests are processed through M/s. Link Intime India Private Limited. The company obtains a half yearly certificate from a Company Secretary in Practice of compliance of transfer formalities as required under clause 47 (C) of the Listing Agreement.

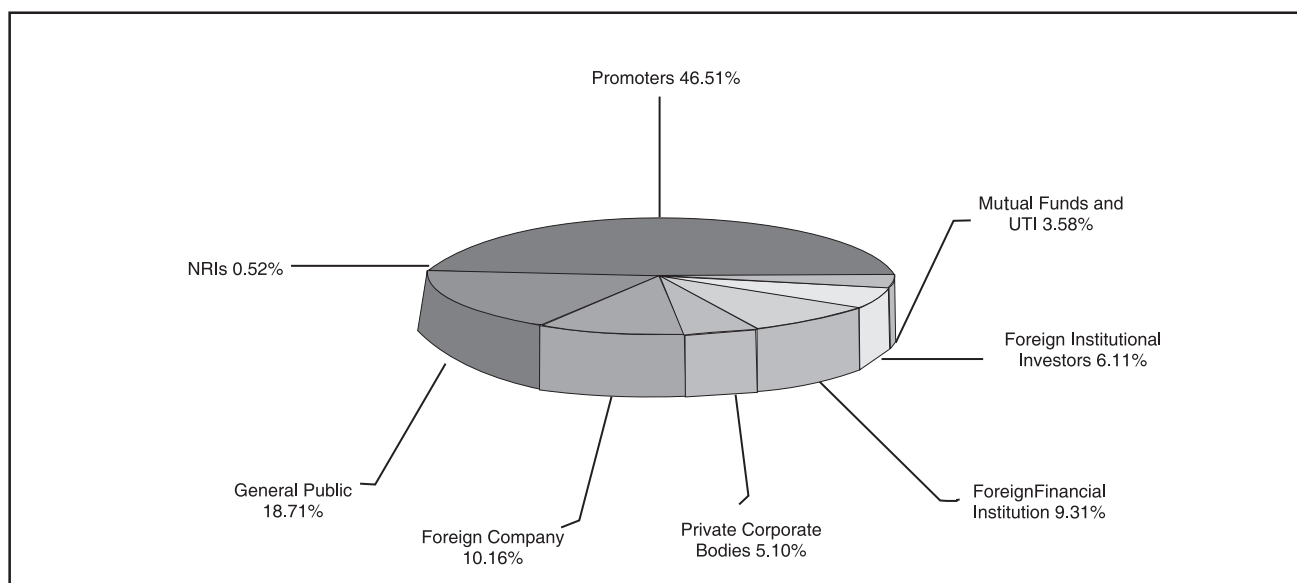


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k. Distribution of Shareholding

Shareholding Pattern as on 31st March 2013 is as below:

Category	No. of Shares held	% of shareholding
Promoters	20,132,444	46.51
Mutual Funds and UTI	1,548,617	3.58
Foreign Institutional Investors	2,643,590	6.11
Foreign Financial Institution	4,031,250	9.31
Private Corporate Bodies	2,207,197	5.10
Foreign Company	4,400,000	10.16
General Public	8,099,346	18.71
NRIs	225,556	0.52
Total	43,288,000	100.00



Distribution Schedule as on 31st March 2013:

No. of Shares	No. of Folios	% to Total	No. of Shares held	% of Shareholding
Up to 500	11,011	82.75	1,562,092	3.61
501-1000	1,235	9.28	878,044	2.03
1001-2000	545	4.10	780,456	1.80
2001-3000	198	1.49	494,582	1.14
3001-4000	55	0.41	194,419	0.45
4001-5000	55	0.41	259,150	0.60
5001-10000	90	0.68	650,634	1.50
10001 and above	117	0.88	38,468,623	88.87
Total	13,306	100.00	43,288,000	100.00

l. Dematerialization of Shares and Liquidity

The company's shares are compulsorily traded in dematerialised form and are available for trading on both the Depositories in India-National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

The new ISIN after sub-division of shares is INE989A01024 for dematerialization of shares. As on 31st March 2013, 2,81,98,360 equity shares were held in dematerialized form.

m. Code of Conduct

The Board of Directors has adopted the Code of Conduct for Directors and Senior Management. The said code has been communicated to the Directors and the members of the Senior Management. They have confirmed compliance with the said code. The code has been uploaded on the company's website www.sanghvicranes.com

n. CEO / CFO certification

A certificate from the Managing Director & CEO and Executive Director & CFO on the financial terms of the company in terms of Clause 49 of the Listing Agreement was placed before the board, who took the same on record.

o. Management Discussion and Analysis

The detailed Management Discussion and Analysis is given as a separate section in this annual report.

p. Reconciliation of Share Capital

A qualified Practicing Company Secretary carried out a Secretarial Audit on quarterly basis to reconcile the total share capital with National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit confirms that the total issued/paid-up capital is in agreement with total no. of shares in physical form and total no. of dematerialized shares held with NSDL & CDSL.

The status on complaints is reported to the Board of Directors as an agenda item. A total of 19 complaints were received by the company from the shareholders and investors. All complaints have been resolved to the satisfaction of the investors and as on 31st March 2013, there were no pending complaints.

q. Voluntary Corporate Compliance Certificate

The company obtains a corporate compliance audit report on a quarterly basis from practicing company secretary to ensure compliance under the Companies Act, 1956, Listing Agreement, SEBI Rules and other corporate law as applicable.

r. Investor Contact Details

Company

Sanghvi Movers Limited
Secretarial Department
Survey No. 92, Tathawade,
Taluka Mulshi, Pune - 411033
Tel: 91-20-66744700
Fax: 91-20-66744724
Email: grievance.redressel@sanghvicranes.com

Registrar & Share Transfer Agent

M/s. Link Intime India Private Limited
C -13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (W),
Mumbai - 400078
Tel: 91-22-25963838, 25946970
Fax: 91-22-25946969
Email: rnt.helpdesk@linkintime.co.in
Website: www.linkintime.co.in



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DECLARATIONS

Compliance with Code of Conduct

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, the Board Members and Senior Management Personnel have confirmed compliance with the Code of Conduct for the year ended 31st March 2013.

For Sanghvi Movers Limited

Chandrakant Sanghvi

Chairman & Managing Director

CEO / CFO Certification

As required by sub-clause V of the Clause 49 of the Listing Agreement with the stock exchanges, we have certified to the board that for the financial year ended 31st March 2013, the company has complied with the requirements of the said sub-clause.

For Sanghvi Movers Limited

Chandrakant Sanghvi

Chairman & Managing Director

For Sanghvi Movers Limited

Sham Kajale

Executive Director & CFO

Place : Pune

Date : 27th May 2013

CERTIFICATE

To,

The Members of Sanghvi Movers Limited

We have examined the compliance of conditions of Corporate Governance by Sanghvi Movers Limited ('the Company') for the year ended 31 March 2013 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our knowledge and according to the information and explanations given to us, we certify that the Company has complied in all material respects with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

As per our Report of the date attached

For B S R & Co.

Chartered Accountants

Firm registration no. 101248W

Juzer Miyajiwal

Partner

Membership No.047483

Place : Pune

Date : 27th May 2013

Independent Auditors' Report

To the Members of Sanghvi Movers Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Sanghvi Movers Limited ("the Company") which comprise the Balance Sheet as at 31 March 2013, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- i. in the case of the Balance Sheet, of the state of affairs of the company as at 31 March 2013;
- ii. in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- iii. in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
 - c. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Act; and
 - e. on the basis of written representations received from the directors as on 31 March 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act.

For B S R & Co.

Chartered Accountants

Firm registration no. 101248W

Juzer Miyajiwal

Partner

Membership No. 047483

Place : Pune

Date : 27th May 2013

Annexure to Independent Auditors' Report – 31 March 2013

[Referred to in Auditors' Report to the Members of Sanghvi Movers Limited ('the Company') on the financial statements for the year ended 31 March 2013]

We report as follows:

- 1 (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The Company has a regular program of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of two years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification during the year.
 - (c) Fixed assets disposed off during the year were not substantial, and therefore, do not affect the going concern assumption.
 - 2 (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable.
 - (b) In our opinion and according to the information and explanations given to us, the procedures for physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of account.
 - 3 (a) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Act.
 - (b) The Company has availed unsecured loans from three parties covered in the register maintained under section 301 of the Act. The maximum amount outstanding during the year was ₹172,100,000 and the year-end balance of such loan is ₹172,100,000.
 - (c) In our opinion, the rate of interest and other terms and conditions on which the aforesaid loans have been taken are not, prima facie, prejudicial to the interests of the Company.
 - (d) In the case of the aforesaid loans, there was no principal amount repayable during the current financial year. The Company has been regular in repayment of interest as per the terms of the agreement.
 - 4 In our opinion and according to the information and explanations given to us, and having regard to the explanation that purchase of certain items of inventories and fixed assets are for the Company's specialised requirements and similarly certain services rendered are for the specialised requirements of the buyers and suitable alternative sources are not available to obtain comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventories and fixed assets and with regard to the rendering of services. The Company's activities do not involve sale of goods. In our opinion and according to the information and explanations given to us, there is no continuing failure to correct major weaknesses in internal control system.
 - 5 In our opinion, and according to the information and explanations given to us, there are no contracts or arrangements the particulars of which need to be entered into the register maintained under Section 301 of the Act.
 - 6 The Company has not accepted any deposits from the public.
 - 7 In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
 - 8 The Central Government has not prescribed the maintenance of cost records under section 209 (1) (d) of the Act, for services rendered by the Company.
 - 9 (a) According to the information and explanations given to us and on the basis of our examination of the records, the Company has been regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income tax, Wealth tax, Sales tax, Service tax, Customs duty and other material statutory dues during the year with the appropriate authorities. As explained to us, the Company did not have any dues on account of Investor Education and Protection Fund and Excise duty.
- According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income tax, Wealth tax, Sales tax, Service tax, Customs

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duty and other material statutory dues were in arrears as at 31 March 2013 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues of Income tax, Sales tax, Wealth tax, Service tax and Customs duty which have not been deposited with the appropriate authorities on account of disputes other than those stated below:

Name of the statute	Nature of the dues	Amount(Rs in lakhs)	Amount paid under protest (Rs in lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax – TDS demands	37.83	—	2007-2012	Commissioner of Income Tax - Appeals, Pune
Income Tax Act, 1961	Income tax - Disallowances	498.07	381.46	2008-2010	Commissioner of Income Tax -Pune
Gujarat Value Added Tax Act, 2003	Sales tax demand on crane hiring services	124.75	—	June 2008 to March 2009	Gujarat Value Added Tax Tribunal
Gujarat Motor Vehicles Act, 1989	RTO tax under Gujarat Motor Vehicles Act	44.46	—	N.A.	Gujarat High Court

- 10 The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- 11 In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to its bankers. The Company did not have any outstanding dues to any financial institutions or debenture holders during the year.
- 12 The Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13 In our opinion and according to the information and explanations given to us, the Company is not a chit fund/nidhi/mutual benefit fund/society.
- 14 According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments.
- 15 In our opinion and according to the information and explanations given to us, Company has not given any guarantees for loans taken by others from banks or financial institutions.
- 16 In our opinion and according to the information and explanations given to us, the term loans taken by the Company have been applied for the purpose for which they were raised.
- 17 According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we are of the opinion that the funds raised on short-term basis have not been used for long-term investments.
- 18 According to the information and explanations given to us, the Company has not made preferential allotment of shares to companies/firms/other parties covered in the register maintained under section 301 of the Act.
- 19 The Company did not have outstanding debentures during the year.
- 20 The Company has not raised any money by public issues during the year.
- 21 According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

For B S R & Co.
Chartered Accountants
Firm registration no. 101248W

Juzer Miyajiwal
Partner
Membership No. 047483

Place : Pune
Date : 27th May 2013

BALANCE SHEET

(Currency - Indian Rupees in Lacs, except share data)

Particulars	Notes	As at 31 st March 2013	As at 31 st March 2012
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	865.76	865.76
Reserves and surplus	4	65,476.08	61,886.44
	(A)	66,341.84	62,752.20
Non-current liabilities			
Long-term borrowings	5	38,269.10	30,965.82
Deferred tax liabilities (net)	6	9,431.43	9,093.40
	(B)	47,700.53	40,059.22
Current liabilities			
Short-term borrowings	7	79.41	4,264.91
Trade payables	8	960.30	1,240.40
Other current liabilities	9	21,780.15	36,074.44
Short-term provisions	10	693.08	1,673.05
	(C)	23,512.94	43,252.80
TOTAL	(A) + (B) + (C)	137,555.31	146,064.22
ASSETS			
Non-current assets			
Fixed assets	11		
Tangible fixed assets		109,020.59	118,598.88
Capital work-in-progress		15.69	1,386.20
Non-current investments	12	0.25	0.25
Long term loans and advances	13	1,129.58	652.35
	(A)	110,166.11	120,637.68
Current assets			
Inventories	14	1,054.85	836.62
Trade receivables	15	22,409.12	20,463.72
Cash and bank balances	16	2,906.73	1,533.13
Short-term loans and advances	17	940.57	2,522.91
Other current assets	18	77.93	70.16
	(B)	27,389.20	25,426.54
TOTAL	(A) + (B)	137,555.31	146,064.22
Summary of significant accounting policies	2		
See accompanying notes to the financial statements	3 - 41		

The notes referred to above form an integral part of the Balance Sheet.
As per our report of even date attached.

For B S R & Co.

Chartered Accountants
Firm Registration No.101248W

Juzer Miyajiwal

Partner
Membership No.047483

Place : Pune
Date : 27th May 2013

For and on behalf of the Board of Directors of Sanghvi Movers Ltd.

Chandrakant Sanghvi

Sham Kajale

Vijay Mainkar

Rajesh Likhite

- Chairman & Managing Director
- Executive Director & Chief Financial Officer
- Director
- Company Secretary & Chief Compliance Officer

Place : Pune
Date : 27th May 2013

TWENTY-FOURTH ANNUAL REPORT 2012-2013

STATEMENT OF PROFIT & LOSS ACCOUNT

(Currency - Indian Rupees in Lacs, except share data)

Particulars	Notes	For the year ended	
		31 st March 2013	31 st March 2012
Revenue from operations	19		
Sale of services		33,214.07	44,825.82
Other operating revenues		704.44	221.59
Total		33,918.51	45,047.41
Other income	20	822.50	2,098.92
Total revenue		34,741.01	47,146.33
Expenses			
Operating and other expenses	21	9,149.60	11,719.37
Employee benefits expense	22	1,596.21	1,785.58
Finance costs	23	6,337.40	7,708.63
Depreciation and amortization expense	11	11,809.77	11,060.30
Total expenses		28,892.98	32,273.88
Profit before exceptional items and tax		5,848.03	14,872.45
Exceptional items	24	—	140.59
Profit before tax		5,848.03	15,013.04
Tax expense			
Current tax		1,584.83	3,475.00
Tax (credit) / charge in respect of earlier years		(167.57)	60.10
Deferred tax charge		338.03	1,300.72
Profit for the year		4,092.74	10,177.22
Basic and diluted earnings per equity share of face value of ₹2 each		9.45	23.51
Summary of significant accounting policies	2		
See accompanying notes to the financial statements	3 - 41		

The notes referred to above form an integral part of the Statement of Profit and Loss.

As per our report of even date attached.

For B S R & Co.

Chartered Accountants

Firm Registration No.101248W

Juzer Miyajiwala

Partner

Membership No.047483

Place : Pune

Date : 27th May 2013

For and on behalf of the Board of Directors of Sanghvi Movers Ltd.

Chandrakant Sanghvi

Sham Kajale

Vijay Mainkar

Rajesh Likhite

- Chairman & Managing Director
- Executive Director & Chief Financial Officer
- Director
- Company Secretary & Chief Compliance Officer

Place : Pune

Date : 27th May 2013

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2013

(Currency - Indian Rupees in Lacs, except share data)

Particulars	For the year ended	
	31 st March 2013	31 st March 2012
A Cash flows from operating activities		
Net profit before tax	5,848.03	15,013.04
Non cash adjustment to reconcile profit before tax to net cash flows		
Depreciation and amortization expense	11,809.77	11,060.30
Capital advances written off	—	177.74
Provision for doubtful capital advances	—	283.23
Provisions for doubtful capital advances written back (net)	(127.58)	—
(Profit) / Loss on sale of fixed assets (net)	(366.92)	(1,856.68)
Interest expense	6,337.40	7,708.63
Dividend income	(0.05)	(0.10)
Interest income	(117.09)	(76.18)
Operating Profit before working capital changes	23,383.56	32,309.98
Movements in working capital :		
Increase in inventories	(218.23)	(201.54)
Increase in trade receivables	(1,945.40)	(6,966.77)
Decrease in short term loans and advances	982.69	645.53
Decrease in long term loans and advances	98.01	79.27
Decrease in trade payables	(280.10)	(103.37)
Decrease in other current liabilities	(232.90)	(918.75)
Increase in short-term provision	15.37	34.41
Working capital changes	(1,580.56)	(7,431.22)
Cash generated from operations	21,803.00	24,878.76
Direct taxes paid (including tax deducted at source), net of refunds	(1,576.08)	(3,183.26)
Net cash from operating activities	20,226.92	21,695.50
B Cash flows from investing activities		
Purchase of fixed assets	(937.76)	(23,128.83)
Proceeds from sale of fixed assets	877.67	3,867.27
Investments in bank deposits (having original maturity of more than three months)	(4,208.95)	(1,333.13)
Maturity of bank deposits (having original maturity of more than three months)	4,088.00	1,737.98
Dividends received	0.05	0.10
Interest received	139.33	41.70
Net cash used in investing activities	(41.66)	(18,814.91)

TWENTY-FOURTH ANNUAL REPORT 2012-2013

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2013

(Currency - Indian Rupees in Lacs, except share data)

Particulars	For the year ended	
	31 st March 2013	31 st March 2012
C Cash flows from financing activities		
Proceeds from borrowings	85,441.19	43,701.25
Repayment of borrowings	(96,596.22)	(37,860.21)
Dividends paid	(1,298.63)	(1,298.60)
Tax on dividends paid	(210.67)	(210.67)
Interest paid	(6,271.05)	(7,148.76)
Net cash used in financing activities	(18,935.38)	(2,816.99)
Net increase in cash and cash equivalents (A+B+C)	1,249.88	63.60
Cash and cash equivalents at beginning of the year	624.45	560.85
Cash and cash equivalents at end of the year	1,874.33	624.45
Components of cash and cash equivalents		
Cash on hand	2.85	11.64
Balances with banks:		
On current accounts	1,871.48	612.82
Total cash and cash equivalents (also refer note 16)	1,874.33	624.46
Summary of significant accounting policies	2	
See accompanying notes to the financial statements	3 - 41	

The notes referred to above form an integral part of the Cash Flow Statement.

As per our report of even date attached.

For B S R & Co.

Chartered Accountants

Firm Registration No.101248W

Juzer Miyajiwal

Partner

Membership No.047483

Place : Pune

Date : 27th May 2013

For and on behalf of the Board of Directors of Sanghvi Movers Ltd.

Chandrakant Sanghvi

Sham Kajale

Vijay Mainkar

Rajesh Likhite

- Chairman & Managing Director
- Executive Director & Chief Financial Officer
- Director
- Company Secretary & Chief Compliance Officer

Place : Pune

Date : 27th May 2013



SANGHVI

Notes forming part of the financial statements

For the year ended 31st March 2013

(Currency - Indian Rupees in Lacs, except share data)

1. Background

Sanghvi Movers Limited ("SML" or "the Company") was incorporated in 1989. SML is engaged in the business of providing hydraulic and crawler cranes to various industries in the infrastructure sector and has a fleet of 387 medium-to large-size hydraulic trucks mounted telescopic and lattice boom cranes and crawler cranes with lifting capacity ranging from 20 tons to 800 tons. The Company has its corporate office at Pune. The equity shares of the Company are listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

2. Significant accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting, in accordance with the generally accepted accounting principles (GAAP) in India and comply with the Accounting Standards prescribed by the Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Indian Companies Act, 1956 ('the Act'), to the extent applicable.

2.2 Use of estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make judgments, estimates and assumptions that affect the application of accounting principles and reported amount of assets, liabilities and the disclosure of contingent liabilities on the date of the financial statements. Actual results may differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in the current and future periods.

2.3 Current-non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- a) it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is expected to be realised within 12 months after the reporting date; or
- d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- a) it is expected to be settled in the Company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is expected to be settled within 12 months after the reporting date; or
- d) the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Notes forming part of the financial statements (continued)

For the year ended 31st March 2013

(Currency - Indian Rupees in Lacs, except share data)

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The operating cycle of the Company is less than 12 months.

2.4 Revenue recognition

a) Rendering of services

Revenue from hiring of equipments (cranes and trailers along with relevant manpower) is recognised when the service is performed, usually on a time proportionate basis as per the terms of contract, and the performance of service is regarded as achieved when no significant uncertainty exists regarding the amount of consideration that will be derived from rendering the service.

b) Sale of goods

Revenue from sale of goods is recognised when all significant risks and rewards of owner ship of goods are passed onto the customers.

c) Interest income

Interest income is recognised using the time proportion method based on the underlying interest rates.

d) Other

Other items of income are accounted as and when the right to receive arises.

2.5 Fixed assets and depreciation (also refer note 40)

Tangible fixed assets

Tangible fixed assets are carried at acquisition cost less accumulated depreciation and/or impairment loss if any. The cost of an item of tangible fixed asset comprises its purchase price including inward freight, duties, taxes, relevant foreign exchange fluctuation differences and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an tangible fixed assets are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard or performance.

Borrowing costs directly attributable to acquisition or construction of those fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalised. Other borrowing costs are recognised as expense in the period in which they are incurred. (also refer note 40)

Exchange differences (favorable as well as unfavorable) arising in respect of translation/settlement of long term foreign currency borrowings attributable to the acquisition of depreciable asset are also included in the cost of the assets.

Tangible fixed assets under construction are disclosed as capital work-in-progress.

Depreciation on fixed assets is provided on straight line method, at the rates, and in the manner prescribed under Schedule XIV to the Act except for cranes and windmills which are depreciated over useful life of 13 years. Depreciation is provided on a pro-rata basis i.e. from the date on which asset is ready for use.

Freehold land is not depreciated. Acquired assets consisting of leasehold land are recorded at acquisition cost and amortised on straight-line basis based over the lease term.

Additions to fixed assets individually costing ₹5,000 or less are depreciated fully in the year of acquisition.

A fixed asset is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal.

Losses arising from retirement or gains or losses arising from disposal of fixed assets which are carried at cost are recognised in the Statement of Profit and Loss.

2.6 Investments

Investments that are readily realizable and intended to be held for not more than a year from the date of the acquisition are classified as current investments. All other investments are classified as long-term



SANGHVI

Notes forming part of the financial statements (continued)

For the year ended 31st March 2013

(Currency - Indian Rupees in Lacs, except share data)

investments. However, that portion of long term investments which is expected to be realised within 12 months after the reporting date is also presented under 'current assets' as current portion of long term investments in consonance with the current/non-current classification scheme of revised Schedule VI.

Long-term investments are valued at cost less any other-than-temporary diminution in value, determined separately for each individual investment.

Current investments are valued at lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investments. Any reductions in the carrying amount and any reversals of such reductions are charged or credited to the Statement of Profit and Loss.

2.7 Inventories

Inventories comprise of stores and spare parts and are valued at cost on first in first out (FIFO) basis, net of Cenvat credit.

2.8 Employee benefits

a) Short term employee benefits

Employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee services is recognised as an expense as the related service is rendered by employees.

b) Post employment benefits (defined benefit plans)

The employees' gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plan is determined at each Balance Sheet date based on an actuarial valuation carried out by an independent actuary using the projected unit credit method. Gratuity Liability is funded through a Group Gratuity Scheme with Life Insurance Corporation of India wherein contributions are made and charged to revenue on annual basis. Actuarial gains and losses and past service costs are recognised immediately in the Statement of Profit and Loss.

c) Post employment benefits (defined contribution plans)

Contributions to the provident fund and superannuation fund which are defined contribution scheme are recognised as an expense in the Statement of Profit and Loss in the period in which the contribution is due.

d) Long term employee benefits

Long term employee benefits comprise of compensated absences. These are measured based on an actuarial valuation carried out by an independent actuary at each Balance Sheet date. Actuarial gains and losses and past service costs are recognised immediately in the Statement of Profit and Loss.

Compensated absences are funded through a Scheme with Life Insurance Corporation of India wherein contributions are made and charged to revenue on annual basis. Actuarial gains and losses and past service costs are recognised immediately in the Statement of Profit and Loss.

2.9 Taxation

Income-tax expense comprises current tax (i.e. amount of tax for the year determined in accordance with the income-tax law), and deferred tax charge or credit (reflecting the tax effect of timing differences between accounting income and taxable income for the year).

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the asset can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of these assets. Deferred tax assets are reviewed at each Balance Sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.

Notes forming part of the financial statements (continued)**For the year ended 31st March 2013***(Currency - Indian Rupees in Lacs, except share data)***2.10 Foreign exchange transactions****a) Initial recognition (also refer note 40)**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

b) Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined

c) Exchange differences

From accounting period commencing on or after 7 December 2006, the Company accounts for exchange differences arising on translation/settlement of foreign currency monetary items as below:

- i. Exchange differences arising on long-term foreign currency monetary items related to acquisition of fixed assets are capitalised in accordance with an amendment issued by the Ministry of Corporate Affairs ('MCA') on 29 December 2011 to Accounting Standard 11- The Effects of changes in Foreign Exchange Rates and clarification provided vide circular 25/2012 dated 09 August 2012 and depreciated over the remaining useful life of the asset. For this purpose, the Company treats a foreign currency monetary item as "long-term foreign currency monetary item", if it has a term of 12 months or more at the date of its origination.
- ii. All other exchange differences are recognised as income or expenses in the period in which they arise.

d) Forward exchange contracts entered into to hedge foreign currency risk of an existing asset/liability

The Company is exposed to foreign currency fluctuations on foreign currency assets and liabilities and forecasted cash flows denominated in foreign currency. The Company enters into forward exchange contracts, where the counterparty is a bank. The forward contracts are not used for trading or speculation purposes.

The premium or discount arising at the inception of the forward exchange contract is amortised and recognised as an expense/income over the life of the contract. Exchange differences on such contracts, except the contracts which are long-term foreign currency monetary items, are recognised in the Statement of Profit and Loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognised as income or as expense for the period. Any gain/loss arising on forward exchange contracts which are long-term foreign currency monetary items is recognised in accordance with paragraph 'c' above.

2.11 Government grants and subsidies

Grants and subsidies from the government are recognised when there is reasonable assurance that the grant/subsidy will be received and all attaching conditions will be complied with.

When the grant or subsidy relates to an expense item, it is recognised as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate. Where the grant or subsidy relates to an asset, its value is deducted in arriving at the carrying amount of the related asset. In case the asset cannot be distinguished, the grant/subsidy is accounted for as Capital Reserve.

Government grants of the nature of promoters' contribution are credited to Capital Reserve and treated as a part of the shareholders' funds.

**Notes forming part of the financial statements (continued)****For the year ended 31st March 2013***(Currency - Indian Rupees in Lacs, except share data)***2.12 Provisions**

A provision is recognised if, as a result of a past event, the Company has an present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the obligation at the Balance Sheet date. The provisions are measured on an undiscounted basis.

Onerous contracts

A contract is considered as onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable costs of meeting its obligations under the contract. The provision for onerous contracts is measured at lower of the expected cost of terminating the contract and the expected net cost of fulfilling the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

Contingencies

Provision in respect of loss contingencies relating to claims, litigations assessment, fines, penalties etc are recognised when it is probable that a liability has been incurred, and the amount can be estimated reliably.

2.13 Contingent liabilities and contingent assets

A contingent liability exists when there is a possible but no obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefit will rise, the asset and related income are recognised in the period in which the change occurs.

2.14 Impairment of assets

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss.

If at the Balance Sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

2.15 Operating leases

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership over the lease term are classified as operating lease. Operating lease rentals are recognised over the period of the lease in the Statement of Profit and Loss on a straight line basis.

2.16 Earnings per share

The basic earnings per share is computed by dividing the net profit attributable to the equity shareholders for the period by the weighted average number of equity shares outstanding during the year.

The diluted earnings per share is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity and equivalent potential dilutive equity shares outstanding during the year, except where the result would be anti dilutive.

2.17 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

TWENTY-FOURTH ANNUAL REPORT 2012-2013

Notes forming part of the financial statements (continued)

For the year ended 31st March 2013

(Currency - Indian Rupees in Lacs, except share data)

Particulars	For the year ended	
	31 st March 2013	31 st March 2012
3. Share Capital		
Authorized		
50,000,000 (2012 : 50,000,000)		
equity shares of face value of ₹2 each	1,000.00	1,000.00
	1,000.00	1,000.00
Issued, Subscribed and Paid-up Capital		
43,288,000 (2012 : 43,288,000)		
equity shares of face value of ₹2 each fully paid up	865.76	865.76
	865.76	865.76

3.1 Rights, preferences and restrictions attached to equity shares

The company has only one class of shares referred to as equity shares having a par value of ₹2. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. The Board of Directors, in their meeting on 27th May 2013 proposed a final dividend of ₹1 per equity share. The proposal is subject to the approval of shareholders at the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their share holding.

3.2 Details of Shareholders Holding more than 5% Shares is Set Out Below :

Name of the Shareholder	31-Mar-2013		31-Mar-2012	
	No. of shares	% held	No. of shares	% held
Mr. Chandrakant Phoolchand Sanghvi	9,969,284	23.03%	9,969,284	23.03%
Mr. Rishi Chandrakant Sanghvi	5,334,740	12.32%	5,300,500	12.24%
Goldpeak Limited	4,400,000	10.16%	4,400,000	10.16%
Mrs. Mina Chandrakant Sanghvi	3,777,633	8.73%	3,354,380	7.75%
Olympus India Holdings Limited	2,687,500	6.21%	2,687,500	6.21%

Particulars	For the year ended	
	31 st March 2013	31 st March 2012
4. Reserves and Surplus		
Capital Reserve		
Balance as per last Balance Sheet	11.96	11.96
Securities Premium Account		
Balance as per last Balance Sheet	13,136.96	13,136.96
General Reserve		
Balance as per last Balance Sheet	28,943.09	23,943.09
Add: Transferred from surplus in the Statement of Profit and Loss	1,500.00	5,000.00
	30,443.09	28,943.09



SANGHVI

Notes forming part of the financial statements (continued)

(Currency - Indian Rupees in Lacs, except share data)

Particulars	For the year ended	
	31 st March 2013	31 st March 2012
Surplus in the Statement of Profit and Loss		
Balance as per last Balance Sheet	19,794.43	16,126.52
Add: Net profit after tax transferred from Statement of Profit and Loss	4,092.74	10,177.22
Amount Available for Appropriations	23,887.17	26,303.74
<u>Appropriations:</u>		
Proposed final dividend		
(amount per share ₹1 {2012: ₹3})	432.88	1,298.64
Dividend distribution tax on proposed dividend	70.22	210.67
Amount transferred to general reserve	1,500.00	5,000.00
Net surplus in the Statement of Profit and Loss	21,884.07	19,794.43
	65,476.08	61,886.44
5. Long-term borrowings		
Secured :		
Term Loans :		
From banks		
in Indian Rupees	24,986.50	24,285.22
in Foreign Currency	11,561.60	6,680.60
Unsecured :		
Loans from related parties (also refer note 'C' below)	1,721.00	—
	38,269.10	30,965.82

- Term loans from banks in Indian Rupees carry interest rate ranging from 10% to 13.5% p.a. The number of monthly installments payable for these loans are 54 to 96.
- Foreign currency term loans from banks carry usance interest or interest rate ranging from 6 months to 1 year LIBOR or EURIBOR plus additional basis points ranging from 120 to 350. These loans are repayable in 360 to 720 days from the date when these loans were availed.
- Loans from related parties are repayable after 36 months and carry an interest rate of 8.5 - 14% p.a.

Security

- Term loans amounting to ₹45,332.81 (2012 : ₹59,527.93) are secured against cranes/trailers.
- Term loans amounting to ₹11,393.45 (2012 : ₹3,508.22) are secured against cranes/trailers and equitable mortgage on land and buildings at Tathawade and Bharuch.
- Term loans amounting to ₹126.13 (2012 : ₹424.77) are secured against mortgage on land and buildings at Tathawade and Bharuch.
- Term loans amounting to ₹454.47 (2012 : ₹2,219.51) are secured against cranes/trailers and personal guarantees given by Chairman and Managing Director Mr. Chandrakant Sanghvi.
- Term loans amounting to ₹44.55 (2012 : ₹72.24) are secured against vehicles purchased out of the termloan.
- Also refer note 16.

Notes forming part of the financial statements (continued)

(Currency - Indian Rupees in Lacs, except share data)

Maturity of Term Loans

Maturity Profile

	Less than 1 year *	1 - 2 Years	2 - 3 Years	3 - 4 Years	Beyond 4 years
Term loans	20,803.31	23,898.50	6,698.23	3,350.28	2,601.08
(Previous Year)	34,786.86	19,753.60	8,659.78	2,449.01	103.44

* Disclosed under other current liabilities (also refer note 9)

Particulars	For the year ended	
	31st March 2013	31st March 2012
6. Deferred tax liabilities (net)		
Deferred tax liability		
Fixed assets: Impact of difference between tax depreciation and depreciation/amortisation charged in the financial statements	10,029.59	9,367.95
Deferred tax asset		
Arising out of timing differences in		
Compensated absences	5.25	3.16
Gratuity	11.80	8.89
Disallowances under the Income Tax Act, 1961	28.75	52.26
Provision for doubtful debts and advances	552.36	210.24
Deferred tax liability (net)	9,431.43	9,093.40
Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing taxation laws.		
7. Short-term borrowings		
Secured :		
Working capital loans repayable on demand from banks (refer note 'a' below)	—	4,050.91
Unsecured :		
Loans from related party (also refer note 'b' below)	—	214.00
Terms loans from bank (also refer note 'c' below)	79.41	—
	79.41	4,264.91

- a) Working capital loans from banks representing cash credit facilities are secured against receivables, personal guarantee of Mr. Chandrakant Sanghvi, Chairman and the Managing Director up to ₹3,700 Lacs (2012 : ₹3,700 Lacs) pledge of 6 Lacs (2012 : 5 Lacs) equity shares of the Company held by Mr. Chandrakant Sanghvi, Chairman and the Managing Director and Nil (2012 : 1 Lac) equity shares held by Mrs. Mina Sanghvi. The cash credit facilities are repayable on demand and carry an interest ranging between 12 - 14% p.a.
- b) Loans from a related party are repayable on demand and carry an interest rate ranging from 8.5 - 14 % p.a. (2012: 12 - 14% p.a.)
- c) Foreign currency term loans from banks carry usance interest and are repayable in 360 days from the date when these loans were availed.



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Notes forming part of the financial statements (continued)

(Currency - Indian Rupees in Lacs, except share data)

Particulars	For the year ended	
	31 st March 2013	31 st March 2012
8. Trade payables		
Trade payables (also refer note 35 for details of dues to micro and small enterprises)	960.30	1,240.40
	960.30	1,240.40
9. Other current liabilities		
Current maturities of long-term debt (also refer note 5)		
Term loans from banks:		
in Indian rupees	10,954.26	18,712.28
in Foreign currencies	9,849.05	16,074.58
Interest accrued but not due on borrowings (also refer note 'a' below)	672.49	606.14
Unpaid dividend (also refer note 'b' below)	24.51	21.73
Service tax payable	6.84	58.76
TDS payable	28.92	15.43
Other taxes payable	45.02	44.46
Accrued employee liabilities	95.23	259.65
Other current liabilities	94.19	61.56
Advance from customers	9.64	72.90
Forward contract payable	—	146.95
	21,780.15	36,074.44
a) Includes ₹129.13 (2012: ₹81.70) due to related parties (also refer note 33).		
b) There are no amounts due for payment to the Investor Education and Protection Fund under Section 205C of the companies Act, 1956 as at the year end.		
10. Short-term provisions		
Provision for employee benefits		
Compensated absences	16.17	9.75
Gratuity (also refer note 34)	36.36	27.41
Others		
Income tax (net of advance taxes paid)	137.45	126.58
Proposed dividend	432.88	1,298.64
Tax on proposed dividend	70.22	210.67
	693.08	1,673.05

Notes forming part of the financial statements (continued)

(Currency - Indian Rupees in Lacs, except share data)

11 : Tangible fixed assets

(Amount in ₹)

	Freehold land	Leasehold land	Buildings	Office equipments	Plant and equipments	Windmills	Motor vehicles	Furniture & fittings	Total
Gross block									
Balance as at 1 April 2011	1,706.31	31.03	1,699.10	170.61	138,834.55	2,199.23	427.23	215.61	145,283.67
Additions	393.64	-	186.47	16.15	23,991.07	-	52.32	12.75	24,652.40
Disposals	5.54	-	3.36	-	3,465.87	-	19.32	-	3,494.09
Balance as at 31 March 2012	2,094.41	31.03	1,882.21	186.76	159,359.75	2,199.23	460.23	228.36	166,441.98
Balance as at 1 April 2012	2,094.41	31.03	1,882.21	186.76	159,359.75	2,199.23	460.23	228.36	166,441.98
Additions	29.50	-	131.80	6.69	2,565.78	-	4.38	1.51	2,739.66
Disposals	-	-	-	2.39	1,098.55	-	29.26	-	1,130.20
Balance as at 31 March 2013	2,123.91	31.03	2,014.01	191.06	160,826.98	2,199.23	435.35	229.87	168,051.44
Accumulated depreciation									
Balance as at 1 April 2011	-	2.93	182.78	69.43	36,620.84	1,195.64	150.44	41.65	38,263.71
Depreciation for the year	-	0.37	59.32	29.71	10,753.20	163.18	40.11	14.41	11,060.30
Accumulated depreciation on disposals	-	-	0.78	-	1,470.86	-	9.27	-	1,480.91
Balance as at 31 March 2012	-	3.30	241.32	99.14	45,903.18	1,358.82	181.28	56.06	47,843.10
Balance as at 1 April 2012	-	3.30	241.32	99.14	45,903.18	1,358.82	181.28	56.06	47,843.10
Depreciation for the year	-	0.37	61.08	19.16	11,513.03	163.19	38.43	14.51	11,809.77
Accumulated depreciation on disposals	-	-	-	1.76	608.22	-	12.04	-	622.02
Balance as at 31 March 2013	-	3.67	302.40	116.54	56,807.99	1,522.01	207.67	70.57	59,030.85
Net block									
As at 31 March 2012	2,094.41	27.73	1,640.89	87.62	113,456.57	840.41	278.95	172.30	118,598.88
As at 31 March 2013	2,123.91	27.36	1,711.61	74.52	104,018.99	677.22	227.68	159.30	109,020.59
Capital work-in-progress									
Balance as at 1 April 2011	-	-	-	-	936.63	-	-	-	936.63
Additions	393.64	-	186.47	16.15	23,210.64	-	52.32	12.75	23,871.96
Assets capitalised during the year	393.64	-	186.47	16.15	22,761.07	-	52.32	12.75	23,422.39
Balance as at 31 March 2012	-	-	-	-	1,386.20	-	-	-	1,386.20
Balance as at 1 April 2012	-	-	-	-	1,386.20	-	-	-	1,386.20
Additions	30.21	-	146.78	6.69	495.25	-	4.38	1.51	684.82
Assets capitalised during the year	29.50	-	131.80	6.69	1,881.45	-	4.38	1.51	2,055.33
Balance as at 31 March 2013	0.71	-	14.98	-	-	-	-	-	15.69

Notes:

- a) Additions during the year includes exchange differences of ₹684.32 (2012: ₹1,230.01) on reinstatement/retirement of long term foreign currency borrowings.
b) Depreciation charge for the year is net of ₹Nil (2012: ₹199.29) in respect of earlier years (also refer note 40).



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Notes forming part of the financial statements (continued)

(Currency - Indian Rupees in Lacs, except share data)

Particulars	For the year ended	
	31 st March 2013	31 st March 2012
12. Non-current investments		
Investments in equity instruments (unquoted, non-trade)		
The Saraswat Co-operative Bank Limited 2500 (2012 : 2500) equity shares of ₹10 each	0.25	0.25
	0.25	0.25
Aggregate amount of unquoted investments	0.25	0.25
13. Long term loans and advances		
(Unsecured, considered good unless otherwise stated)		
To parties other than related parties		
Capital advances		
Considered good	75.68	269.76
Considered doubtful	155.65	283.23
Less: Provision for doubtful advances	(155.65)	(283.23)
Security deposits	268.98	343.33
Loans to employees	15.60	39.26
Advance taxes paid (net of provision)	769.32	—
	1,129.58	652.35
14. Inventories (valued at cost)		
Stores and spare parts	1,054.85	836.62
	1,054.85	836.62
15. Trade receivables		
(Unsecured, considered good unless otherwise stated)		
Receivables outstanding for a period exceeding six months from the date they are due for payment		
Considered good	10,926.89	438.69
Considered doubtful	1,171.79	160.01
	12,098.68	598.70
Less : Provision for doubtful receivables	(1,171.79)	(160.01)
(A)	10,926.89	438.69
Other receivables		
Considered good	11,482.23	20,025.03
Considered doubtful	530.65	487.96
	12,012.88	20,512.99
Less : Provision for doubtful receivables	(530.65)	(487.98)
(B)	11,482.23	20,025.03
(A) + (B)	22,409.12	20,463.72

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Notes forming part of the financial statements (continued)

(Currency - Indian Rupees in Lacs, except share data)

Particulars	For the year ended	
	31 st March 2013	31 st March 2012
16. Cash and bank balances		
<i>Cash and cash equivalents</i>		
Cash on hand	2.85	11.64
Balance with banks on current accounts	1,871.48	612.81
	1,874.33	624.45
<i>Other bank balances</i>		
On unpaid dividend accounts	24.51	21.74
On deposit account with original maturity more than three months and remaining maturity less than twelve months *	1,007.89	886.94
* Margin money deposits with carrying value of ₹1,007.89 (2012: ₹886.94) are under lien for foreign currency loans from banks.	1,032.40	908.68
	2,906.73	1,533.13
Details of bank balances/deposits		
Bank balances available on demand/deposits with original maturity of 3 months or less included under 'Cash and cash equivalents'.	1,895.99	634.56
Bank deposits due to mature within 12 months of the reporting date included under 'Other bank balances'.	1,007.89	886.94
	2,903.88	1,521.50
17. Short-term loans and advances		
<i>(Unsecured, considered good unless otherwise stated)</i>		
To parties other than related parties		
Prepaid expenses	661.55	650.85
CENVAT credit receivable	216.04	1,132.98
Loans and advances to employees	38.85	100.89
Advance for supply of goods and services	21.70	34.10
Advance taxes paid (net of provision)	—	599.65
Other loans and advances	2.43	4.44
	940.57	2,522.91
18. Other current assets		
Interest accrued on fixed deposits	45.35	67.59
Forward contracts receivable	32.58	—
Fixed assets held for sale <i>(at net book value or estimated net realisable value whichever is lower)</i>	—	2.57
	77.93	70.16



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Notes forming part of the financial statements (continued)

(Currency - Indian Rupees in Lacs, except share data)

Particulars	For the year ended	
	31 st March 2013	31 st March 2012
19. Revenue from operations		
Sale of services		
Revenue from hiring of equipments	33,214.07	44,825.82
Other operating revenue		
Revenue from power generation	233.75	221.59
Bad Debts recovered	470.69	—
	33,918.51	45,047.41
20. Other income		
Interest income on deposits with banks and others	117.09	76.18
Dividend income from long term investments	0.05	0.10
Profit on sale of fixed assets (<i>net</i>)	366.92	1,856.68
Insurance claims received	1.48	86.41
Foreign exchange fluctuation gain (<i>net</i>)	2.24	13.73
Liabilities written back to the extent no longer required	—	28.45
Provision for doubtful capital advances written back (<i>net</i>)	127.58	—
Other non-operating income (Includes prior period impact of ₹142.51 (2012 : ₹ Nil))	207.14	37.37
	822.50	2,098.92

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Notes forming part of the financial statements (continued)

(Currency - Indian Rupees in Lacs, except share data)

Particulars	For the year ended	
	31 st March 2013	31 st March 2012
21. Operating and other expenses		
Operating expenses		
Cranes and trailer hire charges	63.09	418.60
Crane and trailer operating expenses	463.58	603.57
Freight & carriage	1,837.18	1,964.79
Repairs and maintenance expenses		
Plant and equipments	113.50	230.50
Wind Mills	27.93	26.18
Consumption of stores and spares (<i>also refer note 32</i>)	688.50	983.60
Power and fuel	1,008.36	931.52
Contract labour charges	1,728.42	2,067.69
Wind mill operating expenses	19.38	18.60
	5,949.94	7,245.05
Other expenses		
Rates and taxes	317.33	444.51
Bad debts	119.65	1,133.77
Director's sitting fees	7.74	6.05
Donations	2.81	1.28
Provision for doubtful debts	1,054.47	476.97
Provision for doubtful capital advances	—	283.23
Insurance	533.38	484.17
Repairs and maintenance expenses		
Building	13.88	24.71
Others	35.21	31.10
Auditor's remuneration (<i>also refer note 28</i>)	13.05	12.18
Rent	207.02	229.60
Travelling & conveyance	308.09	338.70
Advances written off	28.16	275.94
Capital advances written off	—	177.74
Miscellaneous expenses	558.87	554.37
	3,199.66	4,474.32
	9,149.60	11,719.37
22. Employee benefits expense		
Salaries and allowances	1,458.78	1,564.61
Contribution to provident and other funds (<i>also refer note 34</i>)	90.35	180.57
Staff welfare expenses	47.08	40.40
	1,596.21	1,785.58



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Notes forming part of the financial statements (continued)

(Currency - Indian Rupees in Lacs, except share data)

Particulars	For the year ended	
	31 st March 2013	31 st March 2012
23. Finance costs		
Interest expense		
On borrowings from banks	6,211.09	6,850.71
On borrowings from others	69.59	57.54
Other borrowing costs (also refer note below)	56.72	800.38
	6,337.40	7,708.63
Includes ₹ Nil (2012: ₹678.66) pertaining to prior period (also refer note 40)		
24. Exceptional items		
Refund of additional customs duty (also refer note below)	—	140.59
	—	140.59
The company was levied additional custom duty amounting to ₹140.59 in the year 1998 on import of certain cranes. The company had capitalised this amount in the year of procurement of these cranes and had also filed an appeal against the levy of this additional customs duty. Those cranes were subsequently sold in earlier years. In the current year the appeal was decided in favour of the company and it received a refund.		
Particulars	For the year ended	
	31 st March 2013	31 st March 2012
25. Earnings per share		
Net profit for the year attributable to equity shareholders A	4,092.74	10,177.22
Weighted average number of equity shares of face value of ₹2/- each outstanding during the year B	43,288,000	43,288,000
Basic and diluted earnings per equity share of face value ₹2/- each (in Rupees) (A/B)	9.45	23.51
26. Contingent liabilities		
(a) Claims against the Company not acknowledged as debts	104.30	78.56
(b) Bills receivable discounted	279.22	197.94
(c) Sales tax matters	125.00	125.00
(d) Income tax matters (excluding consequent penalties, if any)	535.90	546.10
	1,044.42	947.60

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Notes forming part of the financial statements (continued)

(Currency - Indian Rupees in Lacs, except share data)

Particulars	For the year ended	
	31 st March 2013	31 st March 2012
27. Capital commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (<i>net of advances</i>)	86.11	1,434.20
28. Auditor's remuneration		
As auditor		
Statutory audit	7.50	7.00
Limited review of quarterly results	3.20	2.00
Tax audit	1.20	1.00
In other capacity		
Other services including certifications	1.00	0.25
Reimbursement of expenses	0.15	1.93
	13.05	12.18
29. Expenditure in foreign currency (accrual basis)		
Travelling expenses	6.11	7.42
Interest and finance cost	715.65	602.59
Miscellaneous expenses	1.09	1.88
	722.85	611.89
30. Earnings in foreign currency (accrual basis)		
Revenue from hiring of equipments	—	267.62
	—	267.62
31. Value of imports on CIF basis		
Capital goods	60.86	18,295.26
Spares, accessories, components etc.	225.83	791.65
	286.69	19,086.92

32. Imported and indigenous stores and spares consumed

	31-Mar-2013	% of total	31-Mar-2012	% of total
Imported	145.13	21.08%	627.24	63.77%
Indigenous	543.37	78.92%	356.36	36.23%
	688.50	100.00%	983.60	100.00%

33. Related party disclosures

- a) **Enterprises exercising significant influence over the company**
 - 1 Maharashtra Erectors Private Limited (upto 09 September 2011)
- b) **Individuals exercising significant influence over the company**
 - 1 Mr. Chandrakant Sanghvi
- c) **Key management personnel**
 - 1 Mr. Chandrakant Sanghvi
 - 2 Mr. Ramchandra Desai (upto 1 November 2012)
 - 3 Mr. Sham Kajale



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Notes forming part of the financial statements (continued)

(Currency - Indian Rupees in Lacs, except share data)

d) Relatives of individuals exercising significant influence over the company

- 1 Mrs. Mina Sanghvi - Spouse of Mr. Chandrakant Sanghvi
- 2 Mr. Rishi Sanghvi - Son of Mr. Chandrakant Sanghvi
- 3 Ms. Niyoshi Sanghvi - Daughter of Mr. Chandrakant Sanghvi
- 4 Ms. Ruchi Sanghvi - Daughter of Mr. Chandrakant Sanghvi
- 5 Mr. Anilkumar Sanghvi - Brother of Mr. Chandrakant Sanghvi

e) Relatives of key management personnel exercising significant influence over the Company

- 1 Mrs. Tanuja Desai - Spouse of Ramchandra Desai (upto 1 November 2012)

f) Enterprises over which key management personnel exercise significant influence

- 1 Jethi Builders and Traders Private Limited
- 2 Sanghvi Erectors Private Limited
- 3 Maharashtra Erectors Private Limited

g) Disclosure of related party transactions:

Sr. No.	Nature of transaction / relationship / major parties	31-Mar-2013	31-Mar-2012
		Amount	Amount
1.	Expenses		
	Crane and trailer hire charges		
	Maharashtra Erectors Private Limited	—	144.30
	Salaries and allowances		
	Mr. Rishi Sanghvi	12.77	7.27
	Director's sitting fees		
	Mrs. Mina Sanghvi	0.80	1.00
	Interest expense		
	Maharashtra Erectors Private Limited	29.43	141.37
	Mr. Chandrakant Sanghvi	29.21	—
	Mrs. Mina Sanghvi	10.96	—
	Managerial remuneration *		
	Mr. Chandrakant Sanghvi	168.63	345.53
	Mr. Ramchandra Desai (upto 1 November 2012)	72.69	38.68
	Mr. Sham Kajale	36.77	35.18
	Guarantee commission**		
	Mr. Chandrakant Sanghvi	—	—
	Mrs. Mina Sanghvi	—	—
2	Dividend paid		
	Mr. Chandrakant Sanghvi	299.08	299.08
	Mr. Ramchandra Desai (upto 1 November 2012)	—	—
	Mrs. Tanuja Desai (upto 1 November 2012)	0.01	0.01
	Mrs. Mina Sanghvi	113.33	100.63
	Mr. Rishi Sanghvi	159.02	159.02
	Ms. Niyoshi Sanghvi	15.02	15.02
	Ms. Ruchi Sanghvi	15.98	15.98
	Maharashtra Erectors Private Limited	0.94	0.94
	Mr. Anilkumar Sanghvi	0.11	0.03
	Jethi Builders and Traders Private Limited	0.53	0.53
	Sanghvi Erectors Private Limited	21.74	19.42

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Notes forming part of the financial statements (continued)

(Currency - Indian Rupees in Lacs, except share data)

Sr. No.	Nature of transaction / relationship / major parties	31-Mar-2013	31-Mar-2012
		Amount	Amount
3	Loans repaid Maharashtra Erectors Private Limited	—	426.00
4	Loans received Mr. Chandrakant Sanghvi	1,247.00	—
	Mrs. Mina Sanghvi	260.00	—

- * As gratuity and compensated absences are computed for all the employees in aggregate, the amounts relating to the Key Managerial Personnel cannot be individually identified.
- ** Mr. Chandrakant P. Sanghvi has given personal guarantee up to ₹3,700 Lacs (2012 : ₹3,700 Lacs) and has pledged his 6 Lacs (2012 : 5 Lacs) equity shares towards the loan for which no guarantee commission is paid by the Company.
- *** Mrs. Mina Chandrakant Sanghvi has pledged her Nil (2012: 1 Lacs) equity shares towards a loan for which no guarantee commission is paid by the Company.

h) Amount due to/from related parties

Sr. No.	Nature of transaction / relationship / major parties	31-Mar-2013	31-Mar-2012
		Amount	Amount
1	Loan availed from related party Maharashtra Erectors Private Limited	214.00	214.00
	Mr. Chandrakant Sanghvi	1,247.00	—
	Mrs. Mina Sanghvi	260.00	—
2	Payable towards services received Maharashtra Erectors Private Limited	111.13	116.79
3	Payable towards interest Maharashtra Erectors Private Limited	102.05	81.70
	Mr. Chandrakant Sanghvi	18.08	—
	Mrs. Mina Sanghvi	9.00	—

34. Disclosure as per Accounting Standard 15 (Revised) : Employee Benefits

The following table sets out the status of the Gratuity plan as required under Accounting Standard 15 (Revised)

Particulars	For the year ended	
	31 st March 2013	31 st March 2012
a) Statement showing changes in present value of obligation as on 31st March		
Present value of obligations at the beginning of the year	151.83	123.79
Interest cost	12.02	9.54
Current service cost	22.95	29.24
Benefits paid	(20.92)	(23.05)
Actuarial (gain)/ loss on obligations	(11.13)	12.31
Present value of obligations as at the end of the year	154.74	151.83
b) Table showing changes in the fair value of Plan assets as on 31st March		
Fair value of plan assets at the beginning of year	124.44	101.01
Expected return on plan assets	9.87	9.20



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Notes forming part of the financial statements (continued)

(Currency - Indian Rupees in Lacs, except share data)

Particulars	For the year ended	
	31 st March 2013	31 st March 2012
Contributions	4.24	37.40
Benefits paid	(20.92)	(23.05)
Actuarial gain / (loss) on plan assets	0.77	(0.12)
Fair value of plan assets at the end of the year	118.40	124.44
c) (Unfunded Liability)/ funded status	—	—
d) Actuarial gain / loss recognized		
Actuarial gain/ (loss) for the year - obligation	11.13	(12.31)
Actuarial (gain)/loss for the year - plan assets	(0.77)	0.12
Total Loss for the year	11.90	(12.43)
Actuarial gain/(loss) recognized in the year	11.90	(12.43)
e) Amounts to be recognized in the Balance Sheet		
Present value of obligations as at the end of the year	154.74	151.83
Fair value of plan assets as at the end of the year	118.40	124.44
Funded Status	(36.36)	(27.41)
Net asset / (liability) recognized in the Balance Sheet	36.36	27.41
f) Expenses recognized in the Statement of Profit & Loss		
Current service cost	22.95	29.24
Past service cost	—	—
Interest cost	12.02	9.54
Expected return on plan assets	(9.87)	(9.20)
Net actuarial (gain) / loss recognized in the Statement of Profit & Loss	(11.90)	12.43
Expenses recognized in Statement of Profit & Loss	13.20	42.01
g) Actual return on plan assets		
Expected return on plan assets	9.87	9.20
Actuarial gain / (loss) on plan assets	0.77	(0.12)
Actual return on plan assets	10.64	9.08
h) Actuarial assumptions		
Discount rate	8.20%	8.50%
Salary escalation	10.00%	10.00%
Expected return on plan assets	8.50%	8.50%
Mortality rate	LIC (1994-96) table	

Note: The estimates of future salary increases take into account inflation, seniority, promotion and other relevant factors on long term basis.

TWENTY-FOURTH ANNUAL REPORT 2012-2013

Notes forming part of the financial statements (continued)

(Currency - Indian Rupees in Lacs, except share data)

Particulars	For the year ended	
	31 st March 2013	31 st March 2012
i) Composition of plan assets		
Investments with insurer	100.00%	100.00%

	31 st March 2013	31 st March 2012	31 st March 2011
j) Experience adjustment			
Experience adjustment on obligations	17.16	(12.31)	(15.27)
Experience adjustments on plan assets	0.77	(0.12)	0.14

Particulars	For the year ended	
	31 st March 2013	31 st March 2012
k) Defined contribution plans		
Amounts recognised in the Statement of Profit and Loss:		
i) Provident fund	31.26	25.74
ii) Superannuation fund	17.11	61.58
35. Compliance with Micro, Small and Medium Enterprises Development Act, 2006		
The Company has amounts due to suppliers under The Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act') as at 31 March		
The disclosure pursuant to the said Act is as under :		
Principal amount due to suppliers under MSMED Act, 2006	0.33	2.89
Interest accrued and due to suppliers under MSMED Act on the above amount, unpaid	—	—
Payment made to suppliers (other than interest) beyond the appointed day during the year	11.05	6.04
Interest paid to suppliers under MSMED Act (other than Section 16)	—	—
Interest paid to suppliers under MSMED Act (Section 16)	—	—
Interest due and payable towards suppliers under MSMED Act for payments already made	0.04	0.43
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act	2.99	2.95
36. Dividends remitted in foreign currency		
Dividend paid during the year	132.00	132.00
Number of non - resident shareholders	1	1
Number of equity shares held by such non-resident shareholders	44,00,000	44,00,000
Year to which the dividend relates	2011-12	2010-11

37. Deferral/capitalisation of exchange differences

On 29 December 2011, the Ministry of Corporate Affairs ('MCA') has issued an amendment to Accounting Standard 11- The Effects of changes in Foreign Exchange Rates and clarification provided vide circular 25/2012 dated 09 August 2012. The amendment permits Companies to defer/capitalise the exchange differences arising on Long Term Foreign Currency Monetary Items.

In accordance with the amendment, the Company has capitalised exchange differences arising on long term foreign currency loans, amounting to ₹684.32 (2012: ₹1,230.01) to the cost of plant and equipments. There is no exchange loss deferred in 'Foreign Currency Monetary Translation Difference Account', as there are no other long term foreign currency monetary items.

38. Foreign currency exposures outstanding at the year end

- (a) The Company has hedged its foreign currency risk exposure and the forward cover outstanding as at the Balance Sheet date:

Particulars	Currency	Amount in foreign currency		Equivalent amount in ₹	
		31-Mar-13	31-Mar-12	31-Mar-13	31-Mar-12
Borrowings	USD	25.35	63.60	1,389.42	3,253.77

- (b) The following foreign currency receivables/payables balances are not covered by derivative instruments at the Balance Sheet date:

Particulars	Currency	Amount in foreign currency		Equivalent amount in ₹	
		31-Mar-13	31-Mar-12	31-Mar-13	31-Mar-12
Borrowings	EURO	218.74	234.68	15,372.99	16,216.00
	USD	111.63	64.22	6,117.05	3,285.41
Advances (liability)	EURO	0.86	0.86	60.44	58.77

39. Segment reporting

The company is primarily engaged in the business of providing cranes on rental basis. Further all the commercial operations of the company are based in India. Accordingly, there is no separate reportable segment in accordance with AS 17- Segment Reporting prescribed under the Companies (Accounting Standards) Rules, 2006.

40. During the previous year, the company had corrected its accounting practice of recognising certain borrowing costs as cost of fixed assets resulting in the interest expense being higher by ₹ Nil (2012 : ₹678.66) and consequently depreciation charge being lower by ₹ Nil (2012 : ₹199.29) for the year with consequent profit before tax being lower by ₹ Nil (2012 : ₹479.37) on account of the prior period item.

41. Prior period comparatives

Previous years' comparative figures have been regrouped/reclassified wherever necessary to conform to current year's presentation.

As per our report of even date attached.

For B S R & Co.

Chartered Accountants

Firm Registration No.101248W

Juzer Miyajiwal

Partner

Membership No.047483

Place : Pune

Date : 27th May 2013

For and on behalf of the Board of Directors of Sanghvi Movers Ltd.

Chandrakant Sanghvi

Sham Kajale

Vijay Mainkar

Rajesh Likhite

- Chairman & Managing Director

- Executive Director & Chief Financial Officer

- Director

- Company Secretary &
Chief Compliance Officer

Place : Pune

Date : 27th May 2013



SANGHVI MOVERS LIMITED

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

ATTENDANCE SLIP

TWENTY-FOURTH ANNUAL GENERAL MEETING – 23RD SEPTEMBER 2013

L. F. No.		*Client Id.	
*DP Id.		No. of Shares held	

Mr./Mrs./Miss

I certify that I am a registered Shareholder / Proxy for the registered Shareholder of the Company.

I hereby record my presence at the TWENTY-FOURTH ANNUAL GENERAL MEETING of the Company held on Monday, 23rd September 2013 at 11.00 A.M., at the Registered Office at Survey No.92, Tathawade, Taluka Mulshi, Pune - 411033.

.....
Member's/Proxy's Signature

* Applicable for Shares held in dematerialised form.

Notes : Shareholders/Proxy holders are requested to bring the attendance slips with them when they come to the Meeting and hand them over at the entrance after affixing their signature on them. Joint Shareholders may obtain additional Attendance Slips at the entrance.

SANGHVI MOVERS LIMITED



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

PROXY FORM

L. F. No.		*Client Id.	
*DP Id.		No. of Shares held	

I/We of

in the district of being a member/members of Sanghvi Movers Limited

hereby appoint of

in the district of

or failing him/her

of in the district of

as my/our proxy to attend and vote for me/us on my/our behalf at the TWENTY-FOURTH ANNUAL GENERAL MEETING of the Company to be held on Monday, 23rd September 2013 at 11.00 A.M., at the Registered Office at Survey No.92, Tathawade, Taluka Mulshi, Pune - 411033 and at any adjournment thereof.

As WITNESS my/our hand/hands this day of 2013.

Affix
Revenue
Stamp

Date

Signature

* Applicable for Shares held in dematerialised form.

Note: The Proxy Form must be deposited at the registered office of the company not less than 48 hours before the commencement of the Meeting. The Proxy need not be a member of the Company.



SANGHVI

SANGHVI MOVERS LIMITED

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

SANGHVI MOVERS LIMITED

Regd. Office : Survey No. 92, Tathawade, Pune-411 033
Tel. : +91-20-66744700 Fax : +91-20-66744724
E-mail: sanghvi@sanghvicranes.com
Web : www.sanghvicranes.com



FORM A

Format of covering letter of the Annual Audit Report to be filed with the stock exchanges

1.	Name of the Company:	Sanghvi Movers Limited
2.	Annual financial statements for the year ended	31 st March 2013
3.	Type of Audit observation	Un-qualified / Matter of Emphasis
4.	Frequency of observation	Whether appeared first time / repetitive / since how long period Not Applicable
5.	To be signed by- • CEO/Managing Director • CFO • Auditor of the company • Audit Committee Chairman	

For Sanghvi Movers Limited

Chandrakant P. Sanghvi
Chairman & Managing Director

Place: Pune
Date: 24th August 2013

Sham D. Kajale
Executive Director & CFO

V. B. Mainkar
Chairman Audit
Committee

For B S R & Co.,
Chartered Accountants
Firm registration
no. 101248W

Juzer Miyajiwal
Partner
Membership No.047483
Place: Pune
Date: 24 August 2013

