

Sanghvi Movers Limited
Results Update for the Financial Year 2016-17

PERFORMANCE REVIEW FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2017

Summary of financial performance is as under -

(Rs. in Crores)

Sr	Particulars	FY 2017	FY 2016
a)	Income from Operations	553.14	530.82
b)	Other Income	9.74	6.47
c)	Total Income (a) + (b)	562.88	537.29
d)	Total Expenditure	186.65	183.79
e)	PBIDT c) – d)	376.23	353.50
f)	% of PBIDT to Total Income e)-b) / c) x 100	66.25%	65.38%
g)	Interest	64.74	55.39
h)	Depreciation	149.98	126.32
i)	Profit Before Tax	161.50	171.79
j)	Tax expense (current tax + deferred tax)	52.32	64.83
k)	Profit for the Year (PAT)	109.18	106.96
l)	Other Comprehensive Income / (Loss) net of tax	(3.25)	(4.51)
m)	Total Comprehensive Income / Profit	105.93	102.45
n)	% of PAT to Total Income	19.73%	19.90%
o)	Total Cash Accruals	259.56	233.28
p)	Net Worth	861.36	755.43
q)	Total Loans (Secured + Unsecured)	544.53	610.74
r)	Debt Repayment during the Year (including pre-payment)	265.90	97.91
s)	Debt : Equity Ratio	0.63	0.81
t)	Average Capacity Utilization for the Year	78%	82%
u)	Average Gross Yield for the full Year	2.78%	3.03%

• **OTHER INCOME – Rs. 9.74 Crs. -**

Other Income for the year ended 31st March, 2017 includes a sum of Rs. 2.42 Crores towards profit on sale of Equity Shares of Suzlon Energy Limited and Short Term Gain on investment in Mutual Funds. It also includes a sum of Rs. 1.62 Crores towards Profit on Sale of 12 Nos. Cranes sold during the year. It also includes a sum of Rs. 3.43 Crores towards the interest received on Fixed Deposits, RTO Tax Refund etc.

- **REVIEW OF CAPEX PLAN FOR FY 2016-17 –**

The company has completed a Capital Expenditure of Rs. 188 Crores in the current financial year and has purchased 5 Nos. New Terex Demag CC 3800-1 Cranes (Capacity – 650 MT) and some Derrick Attachments and Boom Inserts for its Demag CC 2800-1 Cranes. These cranes has been bought under Trade in Agreement with Terex Global GmbH which has bought 5 Nos. used Terex Demag CC 2400-1 Cranes from the company at an aggregate value of Rs. 53 Crores. Hence the net Capex for Cranes and allied attachments is around Rs. 135.00 Crores. In addition to this, the Company has already bought Office premises in BKC, Bombay for a sum of Rs. 17 Crores. Hence the Total Capex done for the FY 2016-17 is around Rs. 152 Crores.

- **DEBT : EQUITY RATIO –**

As on 31st March, 2017, Total Outstanding Bank Borrowings including Cash Credit, Buyers' Credit, & Unsecured Loans is Rs. 544.53 Crores. The Debt : Equity Ratio is 0.63 : 1.

- **SECTOR WISE REVENUE BREAK UP –**

The Sector Wise Revenue Break up for the year ended FY 2016-17 and FY 2015-16 is as under -

Sr	Sector	FY 2016-17	FY 2015-16
1	Wind Mill Sector	71.00%	61.00%
2	Power Sector	11.00%	14.00%
3	Refinery & Gas	9.00%	14.00%
4	Steel & Metal	3.00%	2.00%
5	Cement	2.00%	5.00%
6	Other Industries	4.00%	4.00%
	Total :-	100.00%	100.00%

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• **FLEET OF CRANES AS ON 31st March 2017 -**

SML has a fleet of 427 Cranes having total Investment in Cranes to the tune of Rs. 2150 Crores. The Break up is as under –

Particulars	No. of Cranes	% of Gross Block	Cumulative Lifting Capacity
Hydraulic Cranes	217	15.21%	22,410 MT
Crawler Cranes	210	84.79%	57,782 MT
Total No. of Cranes	427	100.00%	80,192 MT
Hydraulic Cranes > 100 Tons	87	9.63%	
Crawler Cranes > 100 Tons	176	82.21%	
Total Cranes > 100 Tons	263	91.84%	

• **SUNDRY DEBTORS – S. Debtors as on 31st March 2017 is Rs. 16581.50 lacs**

Sr	Particulars	Rs. lacs
A)	S. Debtors – Unsecured, considered good	16581.50
B)	S. Debtors – Doubtful	833.45
C)	Total Receivables as on 31-03-2017 before Provision for Doubtful Debts	17414.95
D)	Less : Provision for Doubtful Debts	833.45
E)	Net S. Debtors C) – D)	16581.50
I)	No. of Days Receivables excluding Service Tax Component	95 Days

• **CAPEX PLAN OF THE COMPANY FOR FY 2017-18 -**

The company proposes to import 7 Nos. Brand New Terex Demag CC 3800 Cranes (Capacity – 650 Tons) and 18 Nos. Brand New Grove GMK 6300L Cranes (Capacity – 300 Tons). The total cost of these 25 Cranes including the Counterweights would be around Rs. 385 Crores. The company has signed a Trade-in-Agreement with the respective crane suppliers to buy back 12 Nos. used Liebherr LR 1400/2 Cranes. Thus we are buying 25 Nos. new Cranes against sale of 12 Nos. used Liebherr LR 1400/2 Cranes.

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The Cost of Project and Means of Finance is as under –

Sr	Particulars	Rs. Crores
A)	COST OF PROJECT	385.00
B)	MEANS OF FINANCE	
i)	Own Margin - 25 % (From Sale of Cranes)	96.00
ii)	Bank Finance - 75% (#)	289.00
	Total Means of Finance	385.00

(#) Bank loans for funding the aforesaid Capex is already been arranged at an average rate of 9.50% per annum.

The delivery of these 25 cranes will start from July 2017 and will be completed by December-2017.

The total amount of Debt as on 31st March, 2017 is Rs. 545 Crores. During FY 2016-17, the Company has already made a pre-payment of Rs. 147 Crores in respect of Term Loan Installments due in the Financial Year 2017-18. The remaining debt repayment obligation for FY 2017-18 is only a sum of Rs. 27 Crores. Out of which a sum of Rs. 23 Crores has already been paid by the Company till 20/05/2017. Hence, a meager a sum of Rs. 4 Crores is due for repayment towards the current year's Term Loan Obligation.

In view of the same, company proposes to utilize the entire amount of cash accruals during the current financial year i.e. 2017-18 towards the repayment of Term Loan Installments due in the next financial year i.e. FY 2018-19.

The estimated amount of Debt : Equity Ratio as on 31/03/2018, after considering the proposed Net Capex Plan of Rs. 265 Crores would be less than 0.70 : 1.