



SANGHVI MOVERS LIMITED

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

Website: www.sanghvicranes.com CIN: L29150PN1989PLC054143

Tel.: (020) 66744700, **Fax.** (20) 66744724, **Email:** secretarial@sanghvicranes.com

POSTAL BALLOT NOTICE

Pursuant to Section 110 of the Companies Act, 2013 read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014

Dear Members,

Notice is hereby given that pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014, the Company is seeking the consent of its members in respect of the Special Business proposed to be passed through Postal Ballot, more specifically provided in the appended Resolution.

Special Business:

1. Remuneration of Mr. C. P. Sanghvi, Managing Director of the Company:

To consider and if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 197, 198, 203 read with Schedule V to the Companies Act, 2013 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules prescribed thereunder, the consent of the shareholders of the Company be and is hereby accorded to vary the terms and conditions of appointment of Mr. C. P. Sanghvi, Managing Director of the Company by inserting following clause in the existing terms and conditions of his appointment approved by the shareholders vide resolution passed in the Annual General Meeting held on 22.09.2016 and that the rest of the terms and conditions of appointment of Mr. C. P. Sanghvi remain unchanged.

The Board may pay remuneration to Mr. C. P. Sanghvi upto double the amount of remuneration specified in appropriate slab of Schedule V of the Companies Act, 2013 or the amount specified in the resolution passed by the shareholders of the Company in the Annual General Meeting held on 22.09.2016, whichever is higher subject to the conditions of Schedule V and Companies Act, 2013 and the rules made thereunder, applicable if any.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and to execute all such documents as may be required to give effect to the aforesaid resolution."

By Order of the Board of Directors,
For Sanghvi Movers Limited,

Rajesh P. Likhite
Company Secretary &
Chief Compliance Officer

Date: 13th November 2017

Place: Pune

Registered Office:

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

CIN: L29150PN1989PLC054143

Tel No. +91 (20) 66744700 Fax No: +91 (20) 66744724

E-mail: cs@sanghvicranes.com Website: www.sanghvicranes.com

NOTES:

- 1 The explanatory statement for the proposed Special Resolution under Items No. 1 pursuant to Section 102 (1) of the Companies Act, 2013, read with Section 110 of the Companies Act, 2013, setting out material facts is annexed herewith.
- 2 The Postal Ballot Notice is being sent to all the Members, whose names appear in the Register of Members/list of Beneficial Owners as received from National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) as on 17 November 2017.
- 3 In compliance with Regulation 44 of SEBI (LODR) Regulations, 2015 and the provisions of Sections 108 & 110 of the Companies Act, 2013 read with the Rule 20 & 22 of the Companies (Management and Administration) Rules, 2014, the Company has

provided the facility to the shareholders to exercise their votes electronically and vote on the resolution through the e-voting facility arranged by CDSL. The instructions for e-voting are provided herein below.

- 4 In accordance with the provisions of Section 101 of the Companies Act, 2013 read with Rule 18 and Rule 22 of the Rules, this Postal Ballot Notice is being sent by email to those members who have registered their e-mail address with the Company in respect of shares held in physical form, if any or with their Depository Participants (DP) (in respect of shares held in electronic form) and made available to the Company by the Depositories. Members who have not registered their email address will receive their Postal Ballot Notice along with the form through post.
- 5 In case a member is desirous of obtaining Postal Ballot Form in physical form or a duplicate one, he/she may write to the Secretarial Department or send an email to secretarial@sanghvicranes.com. The Company shall forward the same along with the prepaid postage Business Reply envelope to the member.
- 6 Resolution passed by the shareholders through postal ballot is deemed to have been passed as if it is passed in a general meeting of the shareholders.
- 7 The postal ballot notice is also being published in Business Standard and Loksatta and the same has been uploaded on the websites www.sanghvicranes.com and www.evotingindia.com.
- 8 The voting rights of the members shall be in proportion to their shares in the total paid up equity share capital of the Company as on date.

In compliance with Rule 22(5) of the Companies (Management and Administration) Rules, 2014, the Board of Directors has appointed Mr. Vinayak S. Khanvalkar, Practising Company Secretary, Partner, Kanj & Associates, Company Secretaries, Pune as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner and in accordance with the said rules. The Scrutinizer's decision on the validity or otherwise of the Postal Ballot Form / e-voting will be final.

9 VOTING THROUGH ELECTRONIC MEANS:

In compliance with provisions of Section 108,110 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, modifications and amendments thereof and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the Company is pleased to provide e-voting facility to all its shareholders, to enable them to cast their votes electronically instead of dispatching the physical ballot form by post. The Company has engaged the services of CDSL for the purpose of providing e-voting facility to all its shareholders.

Instructions for electronic voting by members:

The e-voting period commences on 03 December 2017 (09.00 am IST) and ends on 01 January 2018 (5.00 pm IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the relevant date of 17 November 2017 may cast their vote electronically. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently. The remote e-voting module shall be disabled by CDSL for voting thereafter.

A. In case a Member receives an email [for members whose email IDs are registered with the Company/Depository Participants(s)]:

- (i) Launch internet browser by typing the following URL: www.evotingindia.com
- (ii) Click on Shareholders / Members.
- (iii) Now Enter your User ID.
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.

If you are a first time user follow the steps given below:

| For Members holding shares in Demat Form and Physical Form | |
|---|---|
| PAN | Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field. |

| | | For Members holding shares in Demat Form and Physical Form |
|--|--|---|
| Dividend Bank Details or Date of Birth (DOB) | | Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. • If both the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iii). |

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Members holding shares in physical form will then directly reach the Company selection screen. However, Members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN of SANGHVI MOVERS LIMITED on which you choose to vote.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the voting page.
- (xv) If Demat account holder has forgotten the changed login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xvii) Note for Non - Individual Shareholders and Custodians
- Non-Individual Shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xviii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- B. In case a Member receives physical copy of the Postal Ballot Notice [for Members whose email IDs are not registered with the Company/ Depository Participants(s) or requesting physical copy]:
- a. Please follow all steps as given above, to cast vote.
 - I. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the relevant date of 17 November 2017.
 - II. Please follow the instructions from (i) to (xviii) as mentioned in point A, to cast your vote.

- 10 The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.sanghvicranes.com and on the website of CDSL e-Voting www.evotingindia.com immediately after the declaration of result by the Chairman and Managing Director or Joint Managing Director & CFO of the Company. The results shall also be immediately forwarded to the stock exchanges where the shares of the Company have been listed.
- 11 All documents referred to in the accompanying Notice and the statement are open for inspection at the registered office of the Company during the office hours on all working days except Saturday and Sunday between 11.00 a.m. and 2.00 p.m. upto 01 January 2018.
- 12 The Postal Ballot Notice 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 secretarial@sanghvicranes.com or pune@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 resolution shall be deemed to be passed on the last date of receipt of Postal ballot forms i.e., on 02 January 2018, if approved by requisite majority.
- 15 Kindly note that the members can opt for only one mode of voting i.e., either by physical ballot or remote e-voting. If you are opting for e-voting, then do not vote by physical ballot and vice-versa. However, in case members cast their votes by both the modes, voting done by physical ballot shall be treated as invalid and votes cast through remote e-voting shall prevail.
- 16 Members exercising their vote by physical Postal Ballot are requested to carefully read the instructions printed in the Postal Ballot Form and return the Postal Ballot Form duly completed and signed in the enclosed self addressed business reply envelope to the Scrutinizer so as to reach the Scrutinizer on or before the close of working hours on 02 January 2018, at 05.00 p.m.
Please note that all postal ballot forms received after 02 January 2018 at 05.00 p.m. will be strictly treated as if the reply from the Member has not been received.
- 17 In case, shares are jointly held, the postal ballot form should be completed and signed as per the specimen signature registered with the Company by the first named Member and in his / her absence, by the next named Member.

By Order of the Board of Directors,
For Sanghvi Movers Limited,

Rajesh P. Likhite
Company Secretary &
Chief Compliance Officer

Date: 13th November 2017

Place: Pune

Registered Office:

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

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STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 1 - Mr. C. P. Sanghvi is a Chairman & Managing Director of the Company. He was appointed as the Managing Director on 1st October 1994 and since then he has been re-appointed as Managing Director of the Company from time to time. He has done his BE (Metallurgy) from Pune University & MS (Structural) from University of Colombia, USA. He is instrumental in the growth of the Company and because of his vast experience and knowledge, the Company has achieved various milestones. It is because of his able leadership and guidance, Company has made more than ₹ 100 Crores Net Profit for four times during last 10 years. Mr. Sanghvi has started this business with a small capital of ₹ 12 Lakhs and now the Company has Gross Block of Fixed Assets in excess of ₹ 2,350 Crores as on 31st March 2017. Sanghvi Movers Limited is recognized as the India's largest, Asia's third largest and sixth largest crane rental Company in the world.

Mr. C. P. Sanghvi was re-appointed as the Managing Director of the Company for a period of five years commencing from 01st October 2016 to 30th September 2021, by the members in the Twenty-seventh Annual General Meeting of the Company held on 22nd September 2016. Pursuant to his re-appointment on 22nd September, 2016, Mr. C. P. Sanghvi is entitled for Gross Remuneration of ₹ 20 lacs per month aggregating to ₹ 240 lacs per annum. In addition to this, he is also entitled for a Commission @ 1% of Net Profit of the Company as computed as per Section 198 of the Companies Act, 2013.

Post March, 2017, the Company has witnessed huge turbulence in the business environment. Due to sudden and unexpected change in the business situation and more particularly in the wind mill sector which has contributed more than 70% of our revenue stream during last financial year. In FY 2016-17 nearly 82% of Company's business has come from Wind Mill & thermal Power Sector. Presently, both these sectors are not doing well. Wind Mill Sector has played a dominant role in the revenue contribution of the Company since last 7/8 years. However, due to recent change in business conditions and more particularly Government of India's policies towards wind mill sector, Company is witnessing substantial slow down in the business volume and therefore expect quantum decline in the Turnover and Profitability of the Company during the current financial year.

It is pertinent note here that India has installed more 5400 MW Wind Mills during last fiscal year i.e. FY 2016-17. However, due to reduction in Accelerated Depreciation from 80% to 40% from the current financial year and withdrawal of Generation Based Incentive (GBI), there has been a huge reduction in wind mill installation in the current financial year. Furthermore, due to change in method of signing PPAs for Wind Mill Sector from feed-in-tariff based system to auction based system, this sector expects substantial drop in the business volume for the current financial year. It is, thus, seems hard to imagine that India would see the record capacity addition like 2016-2017 any time soon.

As per the industry estimates, India as a whole may end up 1000 MW to 1500 MW wind mill installation in the current financial year as against 5400 MW in the previous financial year. This drop in the wind mill installation is beyond Company's expectation and may impact Company's business volume and profitability in the current financial year.

All these factors have taken a toll on the Company's financial performance and the Company has posted Total comprehensive loss of ₹ 2,466.94 Lakhs for the six months period ended on 30th September 2017. In view of the above, the payment of the managerial remuneration for the current year and for the remaining period of four years (till the expiry of tenor of Mr. Sanghvi's as Managing Director) may fall within the purview of Section II of Part II of Schedule V of the Companies Act, 2013 which lays down the following limits for payment of managerial remuneration:

| Where the effective capital is | Maximum Yearly Permissible Limit of Managerial Remuneration |
|--------------------------------|--|
| ₹ 250 crores or more | ₹ 10,00,000 per month plus 0.01% of the effective capital in excess of ₹ 250 Crores. |

The maximum remuneration payable under Section II of Part II of Schedule V of the Companies Act, 2013 based on effective capital of the Company as on 31st March, 2017 is given below:

| | |
|--|-------------------|
| Effective Capital as on 31 st March 2017 | ₹ 1,271.26 Crores |
| Effective Capital in excess of ₹ 250 crores | ₹ 1,021.00 Crores |
| Maximum Managerial Remuneration (120 lakhs plus 0.01% of the effective capital in excess of ₹ 250 crores) (a) | ₹ 130.21 Lakhs |
| Maximum Managerial Remuneration (Double the limit in (a) above in view of special resolution) | ₹ 260.42 Lakhs |

Accordingly, the Board of Directors based on the recommendation of Nomination and Remuneration committee and Audit Committee at its Meeting held on 13th November 2017 felt it prudent to approach the Members of the Company seeking their approval by way of special resolution to have necessary provision in the terms and conditions of the appointment of Mr. C. P. Sanghvi to enable the Board to fix, vary and pay remuneration to Mr. C. P. Sanghvi in line with Schedule V of the Companies Act, 2013 and also to vary, if required, the other terms and conditions of appointment of Mr. C. P. Sanghvi to accommodate the desired level of remuneration based on the financial position of the Company.

By addition of the above mentioned new clause in the terms of appointment of Mr. C. P. Sanghvi, the board will be able to fix and pay upto double the amount of remuneration to Mr. C. P. Sanghvi based on the slabs given in Schedule V of the Companies Act, 2013 or equal to the amount of remuneration already sanctioned at the Annual General Meeting held on 22nd September 2016.

This remuneration will be payable to Mr. C. P. Sanghvi for the remaining period of four and half (4 & ½) years i.e. from 01st April 2017 to 30th September 2021. The details of remuneration of Mr. C. P. Sanghvi is given in **Annexure-I** and the detailed particulars in respect of the Company and of the aforesaid managerial personnel are given in **Annexure-II** forming part of this Notice.

Considering the contributions of Mr. C. P. Sanghvi as the Managing Director of the Company, size of operations, market conditions, remuneration level of Directors and Senior Managerial Personnel in comparable companies, the remuneration being paid to Mr. C. P. Sanghvi is very modest.

None of the Directors and their relative or Key Managerial Personnel of the Company, except Mrs. Mina C. Sanghvi - Non Executive Woman Director and Mr. Rishi C. Sanghvi - General Manager - Business Development are concerned or interested in the above resolution. The Board recommends passing of the Special Resolution as set out at Item No. 1 of the Notice.

ANNEXURE-I

The details of remuneration at which Mr. C. P. Sanghvi was re-appointed as Managing Directors of the Company for a period of five years commencing from 01st October 2016 to 30th September 2021, duly approved by the Members of the Company by the Ordinary Resolution at the 27th Annual General Meeting of the Company held on 22nd September 2016 :-

a. Basic Salary:

A Basic Salary (Basic plus Dearness Allowance) of ₹ 19,00,000/- (₹ Nineteen Lakhs Only) per month.

However the Board may pay remuneration to Mr. C. P. Sanghvi upto double the amount of remuneration specified in appropriate slab of Schedule V of the Companies Act, 2013 or the amount specified in the resolution passed by the shareholders of the Company in the Annual General Meeting held on 22nd September 2016, whichever is higher subject to the conditions of Schedule V and Companies Act, 2013 and the rules made thereunder, applicable if any.

The annual increments which will be effective 1st April each year will be decided by the Board based on the recommendations of the Nomination and Remuneration Committee within the said maximum amount.

b. Commission:

Calculated at a rate not exceeding 1% of the Net Profit of the Company as computed under Section 197 of the Companies Act, 2013.

c. Perquisites:

Perquisites to the Managing Director shall be restricted to such ceiling, if any, as may be provided in Part II of Schedule V of the Companies Act, 2013, for the time being in force or any statutory modification or re-enactment thereof. Perquisites shall be valued as per Income Tax Rules, 1962.

d. House Rent Allowance:

₹ 1,00,000/- (Rupees One Lakh only) per month.

e. Medical Expenses:

Reimbursement of Medical Expenses incurred including hospitalization, nursing home and surgical charges for himself and his Family.

f. Medical Insurance:

As per the Rules of the Company.

g. Leave:

On full pay and allowances in accordance with the rules of the Company but not exceeding one month's leave for every eleven months' service.

h. Leave Travel Concession:

For himself once in a year in accordance with the rules of the Company.

i. Club Fees:

The Company shall pay the fees of clubs, subject to a maximum of two clubs. This will not include admission and life membership fees.

j. Personal Accident Insurance:

The Company shall effect a personal accident insurance policy for the Managing Director.

k. Telephone:

Telephone at residence (including payment of local calls and long distance official calls, mobile phone, and internet facility/ any other communication facility) at Company's cost.

l. Car:

Provision of one car with entitlement of a Chauffeur, which shall be fueled and maintained by the Company, to be valued as per Income Tax Rules, 1962.

m. Other Perquisites:

Reimbursement of Expenditure incurred on Gas, Electricity, Water and Furnishings and gardeners' salary.

Minimum Remuneration:

Notwithstanding anything to the contrary herein contained, where in any financial year during the tenure of the Managing Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of Salary, Benefits, Perquisites and Allowances subject to further approvals as required under Schedule V of the Companies Act, 2013, or any modification(s) thereto.

ANNEXURE-II**STATEMENT PURSUANT TO THE PROVISIONS OF SECTION II OF PART II OF SCHEDULE V OF THE COMPANIES ACT, 2013 [INCLUDING SECRETARIAL STANDARD – 2 AND SEBI (LODR) REGULATIONS, 2015, AS APPLICABLE] IN RESPECT OF ITEM NO. 1 OF THE NOTICE:****I. GENERAL INFORMATION:**

- a. **Nature of Industry:** The Company is engaged in the business of providing medium sized heavy duty cranes on rental basis.
- b. **Date or expected date of commencement of production:** The Company is an existing Company and is in operation since 1989.
- c. **In case of new companies, expected date of commencement of activities as per project approved by Financial Institution appearing in the prospectus:** Not applicable
- d. **Financial performance based on given indicators:**

(₹ In Lakhs)

| Particulars | 2016-17 | 2015-16 | 2014-15 |
|---------------------------|-----------|-----------|-----------|
| Total Income | 56,288.21 | 53,728.79 | 31,562.58 |
| Profit/Loss before Tax | 16,149.82 | 17,178.58 | 2,320.00 |
| Net Profit after taxation | 10,917.84 | 10,695.58 | 805.90 |

- e. **Export performance and net foreign exchange earned:** Nil
- f. **Foreign investments or collaborators, if any:** Nil

II. Information about Appointee:

- a. **Background details:** Mr. C. P. Sanghvi, aged 63 years is a Graduate in Engineering and has completed his Masters in Engineering from the Columbia University, New York, USA. He was appointed as Managing Director of the Company on 01st October 1994 and thereafter re-appointed from time to time. Mr. C. P. Sanghvi has in depth knowledge of core business of the Company and is a promoter of the Company. Mr. C. P. Sanghvi is associated with the Company since inception and has experience of more than 28 years in the industry. He brings a wealth of experience in crane hiring business. Under the leadership of Mr. C. P. Sanghvi's, the Company has grown manifold.
- b. **Past remuneration:** The table showing the net profit earned in the financial year, maximum permissible limits of the remuneration as per the Companies Act, 2013 and remuneration paid, is as follows:

(₹ In Lakhs)

| Financial Year | Net Profit after tax for the year | Maximum Permissible limits as per Companies Act, 2013 (i.e. 5% of the Net profit for the year) | Remuneration paid | Remuneration paid as % of Net Profits of the Company for the year |
|----------------|-----------------------------------|--|--------------------|---|
| 2016-17 | 10,917.84 | 545.89 | 458.02 | 4.20% |
| 2015-16 | 10,695.58 | 534.78 | 354.00 | 3.31% |
| 2014-15 | 805.90 | 40.30 | 87.47 [#] | 10.85% |

[#] Necessary approval for payment of minimum Remuneration as per Companies Act, 1956 has been taken from the Central Government. It is pertinent to note here that during FY 2014-15, Mr. C. P. Sanghvi has suo-moto has reduced his Salary by 50% than what has been agreed as per his terms of appointment.

- c. **Recognition or awards:** Mr. C. P. Sanghvi is a renowned personality in crane hiring business and has helped steered growth of the Company. Started with a small capital of Rupees Twelve Lakhs, Sanghvi Movers Limited has since developed into a highly successful business in a short span of time and is India's largest, Asia's third largest and sixth largest Company in the world.
- d. **Job profile and his suitability:** Subject to the supervision and control of the Board of Directors, Mr. C. P. Sanghvi is overall in-charge of the Company. He looks after efficient running of all business operations, planning, control, business expansion, customer relationships. Mr. C. P. Sanghvi is instrumental in the development of the Company and for maintaining efficient & smooth functioning of the Company.
- e. **Remuneration proposed:** The remuneration paid/proposed to be paid during the tenure of Mr. C. P. Sanghvi's Managing Directorship is detailed herein above and provided in the explanatory statement.
- f. **Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:** Taking into consideration the size of the Company, the profile of Mr. C. P. Sanghvi, the responsibilities shouldered

by him and the industry benchmarks, the remuneration paid is commensurate with the remuneration packages paid to similar senior level managerial personnel in other companies.

- g. **Pecuniary relationship directly or indirectly with the Company or relationship with the personnel, if any:** Mr. C. P. Sanghvi is a Promoter Director holding 1,00,31,098 shares consisting of 23.17% of the paid-up capital of the Company. Apart from receiving remuneration as stated above and dividend as a member of the Company, he does not receive any emoluments from the Company. Mrs. Mina C. Sanghvi (Non Executive Woman Director) is wife of Mr. C. P. Sanghvi and Mr. Rishi C. Sanghvi, General Manager– Business Development is a son of Mr. C. P. Sanghvi. No other key managerial personnel have any relationship with Mr. C. P. Sanghvi.

III Other information:

Reasons of loss or inadequate profits: Post March, 2017, the Company has witnessed huge turbulence in terms of its order book which is primarily dominated by Wind Mill Industry and Power Sector. Due to sudden change in the business environment and more particularly in the wind mill sector (which has contributed more than 70% of our revenue stream), the company's financial performance is badly affected in the current financial year. In FY 2016-17 nearly 82% of our business has come from Wind Mill & Power Sector. Presently, both these sectors are not doing well. Wind Mill Sector has played a dominant role in the revenue contribution of the Company since last 7/8 years. Due to recent change in business conditions and more particularly Government of India's policies towards wind mill sector, we expect substantial slow down in our business volume and therefore expect decrease in the Turnover and Profitability of our Company during the current financial year.

It is pertinent note here that India has installed more 5400 MW Wind Mills during last fiscal year i.e. FY 2016-17. However, due to reduction in Accelerated Depreciation from 80% to 40% from the current financial year and withdrawal of Generation Based Incentive (GBI), there has been a huge reduction in wind mill installation in the current financial year. Furthermore, due to change in method of signing PPAs for Wind Mill Sector from feed-in-tariff based system to auction based system, this sector expects substantial drop in the business volume for the current financial year. It is, thus, seems hard to imagine that India would see the record capacity addition like 2016–2017 any time soon.

As per the industry estimates, India as a whole may end up 1000 MW to 1500 MW wind mill installation in the current financial year as against 5400 MW in the previous financial year. This drop in the wind mill installation is beyond Company's expectation and would likely impact our business volume and profitability in the current financial year.

All these factors have taken a toll on the Company's financial performance and the Company have posted Total comprehensive loss of ₹ 2,466.94 Lakhs for the six months period ended on 30th September 2017.

Steps taken or proposed to be taken for improvement: The Company has been making conscious efforts to improve its financial performance have initiated various cost reduction and cost optimization efforts. The results of these initiatives are likely to be felt in the coming quarters.

Expected increase in productivity in profits in measurability terms: The Company has adopted various cost optimisation methods. The positive results of these measures can be seen in the forthcoming quarters. In addition to this Company is targeting maximum deployment of its crane fleet with reasonable amount of yield which will eventually expected to increase the top line and profitability of the Company going forward.

IV. DISCLOSURES

The disclosures on remuneration paid/payable to Mr. C. P. Sanghvi are provided in the explanatory statement.

Except Mrs. Mina C. Sanghvi, no other Director or Key Managerial Personnel are concerned or interested in the above resolution.

By Order of the Board of Directors,
For Sanghvi Movers Limited,

Rajesh P. Likhite
Company Secretary &
Chief Compliance Officer

Date: 13th November 2017

Place: Pune

Registered Office:

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

CIN: L29150PN1989PLC054143

Tel No. +91 (20) 66744700 Fax No: +91 (20) 66744724

E-mail: cs@sanghvicranes.com Website: www.sanghvicranes.com



SANGHVI MOVERS LIMITED

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

Website: www.sanghvicranes.com CIN: L29150PN1989PLC054143

Tel.: (020) 66744700, Fax: (20) 66744724 , Email : secretarial@sanghvicranes.com

POSTAL BALLOT FORM
(Pursuant to Section 110 of the Companies Act, 2013)

| | | |
|----|--|--|
| 1. | Name and address of the Sole/First named Member | |
| 2. | Name(s) of the Joint Member(s), if any | |
| 3. | Registered folio No./DP ID No. /Client ID No.* (* Applicable to investors holding shares in dematerialized form) | |
| 4. | Number of Shares held | |

I/We hereby exercise my/our vote in respect of the special resolution to be passed through postal ballot for the special business stated in the notice of the postal ballot dated 13 November 2017 of the Company, by giving my/our assent or dissent to the said resolution by placing the tick (√) mark at the appropriate box below.

| Sl. No. | Description | No. of shares held | I/We assent to the resolution (FOR) | I/We dissent to the resolution (AGAINST) |
|---------|---|--------------------|-------------------------------------|--|
| 1. | Special Resolution: Remuneration of Mr. C. P. Sanghvi , Managing Director of the Company | | | |

Place:

Date:

(Signature of the Member)

Notes:

1. Please read the instructions printed overleaf carefully before exercising the vote.
2. Last date for receipt of the Postal Ballot Form by the Scrutinizer is **02 January 2018**.

Electronic Voting Particulars

| EVSN (Electronic Voting Sequence Number) | User ID | *PAN / Sequence Number |
|--|------------------|------------------------|
| 171114001 | 1203000000483916 | USE YOUR PAN |

* Only Members who have not updated their PAN with the Company / Depository Participant shall use default PAN in the PAN / Sequence Number field.

Notes:

1. The E-voting facility will be available from 03 December 2017 (9:00 a.m.) to 01 January 2018 (5:00 p.m.)
2. For e-voting refer to the instructions for voting provided in the Postal Ballot Notice at Note no. 9.