

## Report on Corporate Governance

In accordance with the Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as listing regulations) and practices followed on Corporate Governance, the report containing the details of Corporate Governance system and process at Sanghvi Movers Limited is as under:

### COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company is committed to maintain high standards and continues to practice 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 and accountability. 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.

### BOARD OF DIRECTORS

#### 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 31<sup>st</sup> March 2018, the Company's Board consists of Nine Directors. It comprises of One Managing Director, One Joint Managing Director, One Non-Executive Non-Independent Woman Director 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 P. Sanghvi
Independent Director	Mr. Vijay B. Mainkar
Independent Director	Mr. Dara N. Damania
Independent Director	Mr. S. Padmanabhan
Independent Director	Mr. Pradeep R. Rathi
Independent Director	Mr. Dinesh H. Munot
Independent Director	Mr. Madhukar V. Kotwal

Category	Name
Non-Executive Woman Director	Mrs. Mina C. Sanghvi
Joint Managing Director & CFO	Mr. Sham D. Kajale

### 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.

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 31<sup>st</sup> March 2018:

Name	Attendance Particulars		Number of Other Directorships and Committee Memberships/ Chairmanships		
	Board Meetings	Last AGM	Other Directorships *	Committee Memberships**	Committee Chairmanships**
Mr. Chandrakant Sanghvi	3	Yes	-	-	-
Mr. Vijay Mainkar	4	Yes	-	-	-
Mr. Dara Damania	4	Yes	4	3	1
Mr. S. Padmanabhan	4	Yes	6	2	1
Mr. Pradeep Rathi	3	Yes	6	3	1
Mr. Dinesh Munot	4	Yes	1	-	-
Mr. Madhukar V. Kotwal	4	Yes	-	-	-
Mrs. Mina C. Sanghvi	4	Yes	-	-	-
Mr. Sham D. Kajale	4	Yes	-	-	-

\* Excludes directorship in Sanghvi Movers Limited. Also excludes directorship in Private Companies, Companies incorporated under Section 8 of the Companies Act, 2013.

\*\* For the purpose of considering the limit of Committee Memberships and Chairmanships of a Director, Audit Committee and Stakeholders Relationship Committee of Public Companies have been considered. Also excludes the Memberships & Chairmanships in Sanghvi Movers Limited.

### 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 2017-2018, the Board met four times on the following dates, namely, 30<sup>th</sup> May 2017, 09<sup>th</sup> August 2017, 13<sup>th</sup> November 2017 and 09<sup>th</sup> February 2018 and the maximum time gap between two meetings did not exceed one hundred and twenty days. The Board meets atleast once in each quarter to review the quarterly financial results and to consider other items on the agenda.

### **Board Procedures**

The dates for meetings of the Board of Directors and its Committees are scheduled in advance and published as a part of the Annual Report. The Agenda and the explanatory notes are circulated well in advance to the Directors in accordance with the Secretarial Standards.

The Managing Director and Joint Managing Director & CFO make presentations to the Board on matters including but not limited to the Company's performance, operations, plans, etc. The Board has complete access to any information within your Company which includes the information as specified in Regulation 17 of the Listing Regulations. Regular updates provided to the Board, inter alia, include:

- Capital budgets and any updates;
- Quarterly financial results for your Company;
- Minutes of meetings of Committees of the Board of Directors;
- The information on recruitment and remuneration of Senior Management Personnel just below the level of Board of Directors;
- Show cause, demand, prosecution and penalty notices, which are materially important;
- Fatal or serious accidents, dangerous occurrences, if any;
- Sale of a material nature, or of investments and assets which are not part of the normal course of business;
- Details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material;
- Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as nonpayment of dividend, delay in share transfer; and
- Any other information which is relevant for decision making by the Board.

### **Evaluation of the Board Effectiveness:**

In accordance with the provisions of the Companies Act, 2013 and Rules thereunder, Part D of Schedule II of the Listing Regulations and SEBI guidance note dated January 05<sup>th</sup> 2017 on Board evaluation, the Board of Directors has put in place a process, to be carried out on an annual basis, to formally evaluate the effectiveness of Board as a whole, Committees of the Board, Directors, and Chairperson. Accordingly, the annual performance evaluation of the Board, its Committees and each Director was carried out for the financial year 2017-18.

The Nomination and Remuneration Committee discussed on the evaluation mechanism, outcome and the feedback received from the Directors. The Independent Directors at their meeting also discussed the performance of the Non-Executive/Promoter Directors including the Chairman of the Board.

### **Directors' inter-se relationship**

Mrs. Mina C. 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 31<sup>st</sup> March 2018:**

Name of the Director	No. of Equity Shares
Mr. Vijay Mainkar	3,577
Mr. Dara Damania	-
Mr. S. Padmanabhan	-
Mr. Pradeep Rathi	-
Mr. Dinesh Munot	-
Mr. Madhukar V. Kotwal	-
Mrs. Mina C. Sanghvi	4,418,791

**Meeting of the Independent Directors**

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the Listing Agreement, a separate meeting of the Independent Directors of the Company was held on 04th April 2017 to review the performance of Board as a whole, Independent Directors, Committees of the Board and Chairperson. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties.

**Familiarisation Programme for Independent Directors**

The Board has adopted Familiarisation Programme Independent Directors pursuant to listing regulations. The programme aims to provide insights into the Company to enable the Independent Directors to understand its business in depth and contribute significantly to the Company and to help them in the efficient discharge of their roles, rights and responsibilities in the Company. The familiarisation programmes along with details of the same imparted to the Independent Directors during the year are available on the website of the Company [http://www.sanghvicranes.com/media/SML\\_FPFID.pdf](http://www.sanghvicranes.com/media/SML_FPFID.pdf).

**COMMITTEES****AUDIT COMMITTEE**

The Audit Committee is, inter alia, entrusted with the responsibility to monitor the financial reporting, audit process, determine the adequacy of internal controls, evaluate and approve transactions with related parties, disclosure of financial information and recommendation of the appointment of Statutory Auditors. The composition of the Audit Committee is in alignment with provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations. The members of the Audit Committee are financially literate and have experience in financial management.

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**

The Audit Committee is empowered, pursuant to its terms of reference and its role, inter alia, includes the following:

1. Overseeing Company's financial reporting process and the disclosure of its information;

2. Reviewing with the management quarterly, half-yearly, nine months and annual financial statements before submission to the Board for approval;
3. Reviewing the Management Discussion and Analysis of the financial condition and results of operations;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - a. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report as per Sec 134(3)(c) of the Companies Act, 2013;
  - b. Changes in the accounting policies and practices and the reasons for the same, major accounting entries involving estimates based on the exercise of judgment by management and significant adjustments made in the financial statements arising out of audit findings;
  - c. Compliance with the Listing Regulations and other legal requirements relating to financial statements;
  - d. Disclosure of any related party transactions; and
  - e. Qualifications in the draft audit report, if any.
5. Reviewing and considering the following w.r.t. appointment of auditors before recommending to the Board:
  - a. qualifications and experience of the individual/firm proposed to be considered for appointment as auditor;
  - b. whether such qualifications and experience are commensurate with the size and requirements of the company; and
  - c. giving due regard to any order or pending proceeding relating to professional matters of conduct against the proposed auditor before the Institute of Chartered Accountants of India or any competent authority or any Court.
6. Recommending to the Board, the appointment, reappointment and if required, the replacement or removal of the statutory auditor, fixing of audit fees and approving payments for any other service;
7. Discussion with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
8. Reviewing and approving quarterly and yearly management representation letters to the statutory auditors;
9. Reviewing management letters/letters of internal control weaknesses issued by the statutory auditors and ensuring suitable follow-up thereon;
10. Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;
11. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

12. Reviewing the appointment, removal and terms of remuneration of the Chief Internal Auditor of the Company;
13. Evaluating the internal financial controls and risk management policies system of the Company;
14. Discussion with the internal auditors on internal audit reports relating to internal control weaknesses and any other significant findings and follow-up thereon;
15. Review and comment upon the report made by the statutory auditors (before submission to the Central Government) with regard to any offence involving fraud committed against the company by its officers/ employees;
16. Approval or subsequent modification of transactions of the Company with related parties including appointment and revision in remuneration of related parties to an office or place of profit in the Company;
17. Reviewing the statements of significant related party transactions submitted by the management;
18. Reviewing and Scrutinizing the inter-corporate loans and investments;
19. Review of the Whistle Blower mechanism of the Company as per the Whistle Blower Policy. Overseeing the functioning of the same;
20. Approval of appointment of CFO;
21. Approving the auditors (appointed under the Companies Act 2013) to render any service other than consulting and specialised services;
22. Recommending to the Board of Directors, the appointment, remuneration and terms of appointment of Cost Auditor for the Company;
23. Review the cost audit report submitted by the cost auditor on audit of cost records, before submission to the Board for approval;
24. Review and approve, policy on materiality of related party transactions and also dealing with related party transactions; and
25. Any other matter referred to by the Board of Directors.

### Composition

Sr. No.	Name of the Director	Designation	Category of Directorship
1.	Mr. Vijay Mainkar	Chairman	Independent Director
2.	Mr. S. Padmanabhan	Member	Independent Director
3.	Mr. Dara Damania	Member	Independent Director
4.	Mr. Pradeep Rathi	Member	Independent Director
5.	Mr. Dinesh Munot	Member	Independent Director

All members of the Committee are financially literate. The Company Secretary acts as the Secretary to the committee. The Internal Auditor and the Statutory Auditors also make their presentations at the Committee meeting.

**Meetings and attendance during the year**

During the year 2017-2018, the Audit Committee met four times on the following dates, namely, 30<sup>th</sup> May 2017, 09<sup>th</sup> August 2017, 13<sup>th</sup> November 2017 and 09<sup>th</sup> February 2018.

Name of Director	No. of Meeting Attended
Mr. Vijay Mainkar	4
Mr. Dara Damania	4
Mr. S. Padmanabhan	4
Mr. Pradeep Rathi	3
Mr. Dinesh Munot	4

**NOMINATION & REMUNERATION COMMITTEE**

The constitution and the terms of reference of the Nomination & Remuneration Committee are in compliance with the provisions of Section 178 (1) of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

**Brief description of terms of reference**

1. Recommend to the Board the remuneration of the Whole Time Directors, Related Party in place of Profit and key managerial personnel;
2. Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
3. Carry out the evaluation of every director's performance and formulate criteria for evaluation of Independent Directors, Board/Committees of Board and review the term of appointment of Independent Directors on the basis of the report of performance evaluation of Independent Directors;
4. Undertake any other matters as the Board may decide from time to time.

**Composition**

Sr. No.	Name of the Director	Designation	Category of Directorship
1.	Mr. Vijay Mainkar	Chairman	Independent Director
2.	Mr. S. Padmanabhan	Member	Independent Director
3.	Mr. Dara Damania	Member	Independent Director
4.	Mr. Pradeep Rathi	Member	Independent Director

The Committee complies with the provisions of the Companies Act, 2013 and the corporate governance code.

### Meetings and attendance during the year

During the year 2017-2018, the Nomination & Remuneration Committee met two times on the following dates, namely, 30<sup>th</sup> May 2017 and 13<sup>th</sup> November 2017.

Name of Director	No. of Meeting Attended
Mr. Vijay Mainkar	2
Mr. Dara Damania	2
Mr. S. Padmanabhan	2
Mr. Pradeep Rathi	1

### 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.

### Remuneration to Managing Director and Joint Managing Director & CFO

In respect of the year ended 31st March 2018, the following Remuneration was paid/payable to these Directors:

(₹ in Lakhs)

Name of Director	Salary	Allowance Ex-Gratia & Perquisites	Commission Payable	Gratuity Provision for the year	Contribution towards Superannuation Scheme & National Pension Scheme	Total
Mr. Chandrakant P. Sanghvi	190.40	28.63	Nil	Nil	(79.13)	139.90
Mr. Sham D. Kajale	63.84	0.54	Nil	-*	7.49	71.87

\* 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, had the Company calculated the gratuity on arithmetical basis, gratuity expense pertaining to Mr. Sham Kajale would have amounted to ₹ 1.97 Lakhs (2017: ₹ 6.25 Lakhs). However, contribution toward superannuation fund is included as part of managerial remuneration.

The Company was paying sitting fees to the Independent and Non-Executive Directors at the rate of ₹ 70,000/- per Board Meeting upto 13<sup>th</sup> November 2017 and ₹ 10,000/- per Committee meeting and also reimburses expenses for attending the meeting by these Directors. The Company does not have any direct pecuniary relationships or transactions with any of its Non-Executive Directors. Taking into consideration the weak financial performance of the company in the financial year 2017-18, the Board members requested the Chairman to reduce the Sitting Fees payable for attending the Board Meeting. In the Board Meeting held on 09<sup>th</sup> February 2018, the resolution to reduce the Sitting Fees by ₹ 20,000/- effective from 09<sup>th</sup> February 2018 was passed. The sitting fees paid to Directors for the year ended 31<sup>st</sup> March 2018 were as follows:

Mr. Vijay Mainkar: ₹ 430,000/-, Mr. S. Padmanabhan: ₹ 350,000/-, Mr. Dara Damania: ₹ 390,000/-, Mr. Pradeep Rathi: ₹ 240,000/-, Mrs. Mina C. Sanghvi: ₹ 270,000/-, Mr. Dinesh Munot: ₹ 310,000/- and Mr. Madhukar V. Kotwal: ₹ 200,000/-



**STAKEHOLDERS' RELATIONSHIP COMMITTEE**

The composition of the Stakeholder Relationship Committee is in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations.

Sr. No.	Name of the Director	Designation	Category of Directorship
1.	Mr. Vijay Mainkar	Chairman	Independent Director
2.	Mr. Dara Damania	Member	Independent Director
3.	Mr. C. P. Sanghvi	Member	Chairman & Managing Director
4.	Mr. Sham D. Kajale	Member	Joint Managing Director & CFO

The Company Secretary acts as the Secretary to the committee. During the period under review, one complaint was received by the Company from a shareholder and nil complaints are pending.

**Meetings and Attendance during the year**

During the year 2017-2018, the Stakeholders' Relationship Committee met four times on the following dates, namely, 30th May 2017, 09th August 2017, 13th November 2017 and 09th February 2018.

Name of the Director	No. of Meetings Attended
Mr. Vijay Mainkar	4
Mr. Chandrakant Sanghvi	4
Mr. Dara Damania	4
Mr. Sham D. Kajale	4

**CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR)**

The composition of the CSR Committee is in alignment with provisions of Section 135 of the Companies Act, 2013.

The terms of Reference of the Committee are as follows:

- a. Recommend the amount of expenditure to be incurred on the activities;
- b. To frame the CSR Policy and its review from time-to-time;
- c. To ensure effective implementation and monitoring of the CSR activities as per the approved policy, plans and budget.
- d. To ensure compliance with the laws, rules & regulations governing the CSR and to periodically report to the Board of Directors.

**Composition**

Sr. No.	Name of the Director	Designation	Category of Directorship
1.	Mrs. Mina C. Sanghvi	Chairperson	Non-Executive & Non Independent Director
2.	Mr. S. Padmanabhan	Member	Independent Director
3.	Mr. Dara Damania	Member	Independent Director

The Company Secretary acts as the Secretary to the committee.

### Meetings and Attendance during the year

During the year 2017-2018, the Corporate Social Responsibility Committee met on 30<sup>th</sup> May 2017.

Name of the Director	No. of Meetings Attended
Mrs. Mina C. Sanghvi	1
Mr. Dara Damania	1
Mr. S. Padmanabhan	1

The details of the CSR initiatives of your Company form part of the CSR Section in the Annual Report. The CSR Policy has been placed on the website of your Company and can be accessed through the following link: <http://www.sanghvicranes.com/media/CORPORATESOCIALRESPONSIBILITYCOMMITTEE.pdf>

### RISK MANAGEMENT COMMITTEE

The Board of Directors has constituted a Risk Management Committee and defined its roles and responsibilities in accordance with the provisions of Regulation 21 of the Listing Regulations.

The Committee's terms of reference, among other things, include identify Company's risk appetite set for various elements of risk, review the risk management practices, structures and recommend changes to ensure adequacy of risk management in the Company.

### Composition

Sr. No.	Name of the Director	Designation	Category of Directorship
1.	Mr. S. Padmanabhan	Chairman	Independent Director
2.	Mr. Dara Damania	Member	Independent Director
3.	Mr. Sham D. Kajale	Member	Joint Managing Director & CFO

The Company Secretary acts as the Secretary to the committee.

### Meetings and Attendance during the year

During the year 2017-18, the Risk Management Committee met on 09<sup>th</sup> February 2018.

Name of Director	No. of Meeting Attended
Mr. S. Padmanabhan	1
Mr. Dara Damania	1
Mr. Sham D. Kajale	1

**General Body Meetings & Postal Ballot**

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
2016-17	AGM	Wednesday	09.08.2017	03.30 p.m.	Survey No.92, Tathawade, Taluka Mulshi, Pune – 411033	Revision in remuneration of Mr. Rishi C. Sanghvi, General Manager – Business Development of the Company
2015-16	AGM	Thursday	22.09.2016	11.00 a.m.	Survey No.92, Tathawade, Taluka Mulshi, Pune – 411033	Nil
2014-15	AGM	Friday	23.09.2015	11.00 a.m.	Survey No.92, Tathawade, Taluka Mulshi, Pune – 411033	Nil

**Postal Ballot:**

Date of Postal Ballot Notice : 22<sup>nd</sup> May 2015

Date of declaration of Postal Ballot results : 20<sup>th</sup> July 2015

Sr. No.	Resolution	Votes in favour of the Resolution		Votes against the Resolution	
		No. of votes	% to total votes	No. of votes	% to total votes
1	To approve creation of charge/ encumbrance on assets of the company subject to limit upto ₹ 1,000 Crore.	31,691,246	99.99	284	0.01
2	To approve borrowing powers of the company upto a limit of ₹ 1,000 Crore.	31,690,885	99.99	145	0.01
3	To approve Adoption of new set of Memorandum of Association of the Company.	31,690,346	99.99	784	0.01
4	To approve Adoption of new set of Articles of Association of the Company.	31,690,395	99.99	635	0.01

Mr. Vinayak S. Khanvalkar, Practising Company Secretary, Partner, Kanj & Associates, Company Secretaries, Pune was appointed as Scrutinizer for the process of postal ballot exercise. According to the Scrutinizer's report, the Resolutions were passed by the requisite majority. The result of the postal ballot was declared on 20 July 2015 on the website of the

Company and informed to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed for the information of the members.

Date of Postal Ballot Notice : 13<sup>th</sup> November 2017

Date of declaration of Postal Ballot results : 04<sup>th</sup> January 2018

Sr. No.	Resolutions	Votes in favour of the Resolution		Votes against the Resolution		Invalid Votes	
		No. of votes	% to total votes	No. of votes	% to total votes	No. of votes	% to total votes
1	Remuneration of Mr. C. P. Sanghvi, Managing Director of the Company	8,332,991	93.58	209,249	2.36	361,800	4.06

Mr. Vinayak S. Khanvalkar, Practising Company Secretary, Partner, Kanj & Associates, Company Secretaries, Pune was appointed as Scrutinizer for the process of postal ballot exercise. According to the Scrutinizer's report, the resolution was passed by the requisite majority. The result of the postal ballot was declared on 04<sup>th</sup> January 2018 on the website of the Company and informed to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed for the information of the members.

#### Means of communication

The Company has published quarterly and yearly financial results in Business Standard and Loksatta after forwarding the same to The BSE Limited (BSE) and The National Stock Exchange of India Limited (NSE). The results are also published on the Company's website, [www.sanghvicranes.com](http://www.sanghvicranes.com) under 'Investor Centre' section.

#### Filings with Stock Exchanges:

Pursuant to the requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and rules thereunder, the notices, financial results, reports, statements, documents, filings and any other information that are required to be submitted to the stock exchange(s) has been submitted through online filing on the following websites:

BSE Listing Centre: <https://listing.bseindia.com>

NSE Electronic Application Processing System (NEAPS): <https://www.connect2nse.com>

Simultaneously the Company has also uploaded these submissions on its website, i.e., [www.sanghvicranes.com](http://www.sanghvicranes.com) under investor centre menu. The updates on financial results have also been uploaded on the website of the company.

#### General shareholder information

AGM - Day, Date & Time are given below:

<b>AGM - Day, Date &amp; Time</b>	Monday, 13 <sup>th</sup> August 2018, at 3.30 p.m.
<b>Venue</b>	Registered Office of the Company

Financial year : 1<sup>st</sup> April to 31<sup>st</sup> March

Dates of Book Closure : 30<sup>th</sup> July 2018 to 13<sup>th</sup> August 2018

**Dividend:**

**Transfer of unpaid dividend during the year to the Investor Education and Protection Fund:**

Pursuant to the provisions of section 124 (5) of the Companies Act, 2013, any amount lying in the Unpaid Dividend Account which remains unpaid or unclaimed for a period of seven years from the date of such transfer shall be transferred by the company to the Investor Education and Protection Fund ("IEPF") of the Central Government.

During the year dividend declared for financial year 2009-10, amounting to ₹3,57,810.00 lying unclaimed in the Dividend Account, which had been declared at the Twenty-first Annual General Meeting of the Company held on 27<sup>th</sup> September 2010, after completion of seven years was transferred in October 2017 to the Investor Education and Protection Fund ("IEPF") of the Central Government. In this regard, the Company has filed necessary forms to Ministry of Corporate Affairs.

**Transfer of shares corresponding to dividend which have remained unclaimed for seven years and transferred to Investor Education and Protection Fund Authority (IEPFA):**

Pursuant to the requirements of section 124 (6) of the Companies Act, 2013 and Rule 6 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("Rules"), the Company has transferred 39,508 (Thirty Nine Thousand Five Hundred and Eight) equity shares to Investor Education and Protection Fund Authority on 04<sup>th</sup> December 2017, after sending letters to those Shareholders and also making an advertisement in the newspapers in this regard. Details of the shares transferred to IEPF are available on the following link [http://www.sanghvicranes.com/media/SML\\_List\\_of\\_shares\\_transferred\\_to\\_IEPF.pdf](http://www.sanghvicranes.com/media/SML_List_of_shares_transferred_to_IEPF.pdf)

**Unclaimed dividend**

By virtue of the provision laid down under the Companies Act, 2013, 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 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 2010 -2011 onwards, are requested to make their claims without any delay to the Registrar and Transfer Agents, Link Intime India Private Limited.

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

(Amount in ₹)

Financial Year	Date of declaration of dividend	Type of dividend	Total dividend	Unclaimed dividend as on 31 <sup>st</sup> March 2018	Due date for transfer to Investor Education and Protection Fund (IEPF)
2010-2011	30 September 2011	Final	129,864,000	322,863	01 October 2018
2011-2012	17 September 2012	Final	129,864,000	315,729	16 October 2019
2012-2013	23 September 2013	Final	43,288,000	158,867	22 October 2020
2014-2015	23 September 2015	Final	21,644,000	74,695	22 October 2022
2015-2016	11 March 2016	Interim	129,864,000	855,732	10 April 2023
2016-2017	09 August 2017	Final	173,152,000	396,440	08 August 2024

## Listing

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

Annual Listing Fees have been paid to BSE Limited (BSE) and The National Stock Exchange of India Limited (NSE).

## Financial calendar 2018-2019 (Tentative)

<b>Annual General Meeting</b>	August 2019
<b>Board Meetings</b>	
Results for the quarter ending June 2018	2 <sup>nd</sup> Week of August 2018
Results for the quarter ending September 2018	2 <sup>nd</sup> Week of November 2018
Results for the quarter ending December 2018	2 <sup>nd</sup> Week of February 2019
Results for the year ending March 2019	Last Week of May 2019

## Market price data

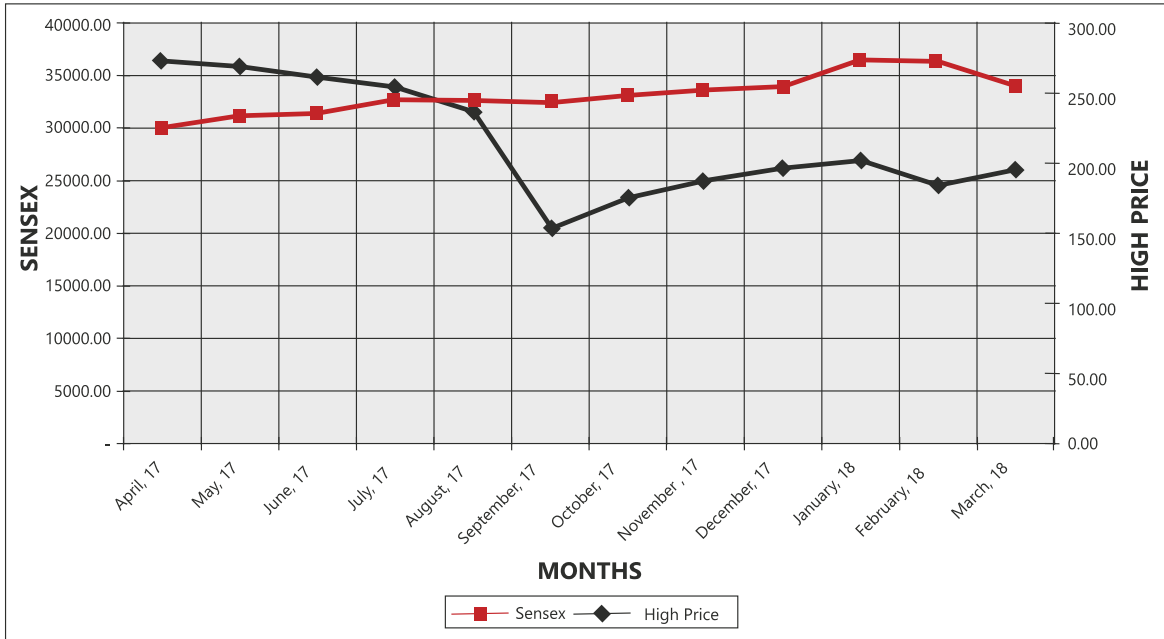
Share Price - High & Low in rupees during each month in the year 2017- 2018 at BSE and NSE:

Month	BSE Price (In ₹)		Month	NSE Price (In ₹)	
	High	Low		High	Low
April 2017	274.10	225.00	April 2017	274.40	225.90
May 2017	270.00	235.00	May 2017	270.90	234.10
June 2017	262.00	229.50	June 2017	264.00	229.00
July 2017	255.00	230.00	July 2017	255.00	221.10
August 2017	238.55	140.00	August 2017	238.25	139.35
September 2017	155.95	130.00	September 2017	157.00	130.10
October 2017	177.65	134.85	October 2017	177.75	135.05
November 2017	189.80	138.00	November 2017	190.00	137.90
December 2017	198.60	161.00	December 2017	199.00	143.50
January 2018	203.20	158.00	January 2018	203.55	153.15
February 2018	187.20	155.00	February 2018	187.00	154.45
March 2018	198.10	162.10	March 2018	198.00	163.00

Performance in comparison to broad-based indices such as BSE Sensex and NSE Nifty is as below:

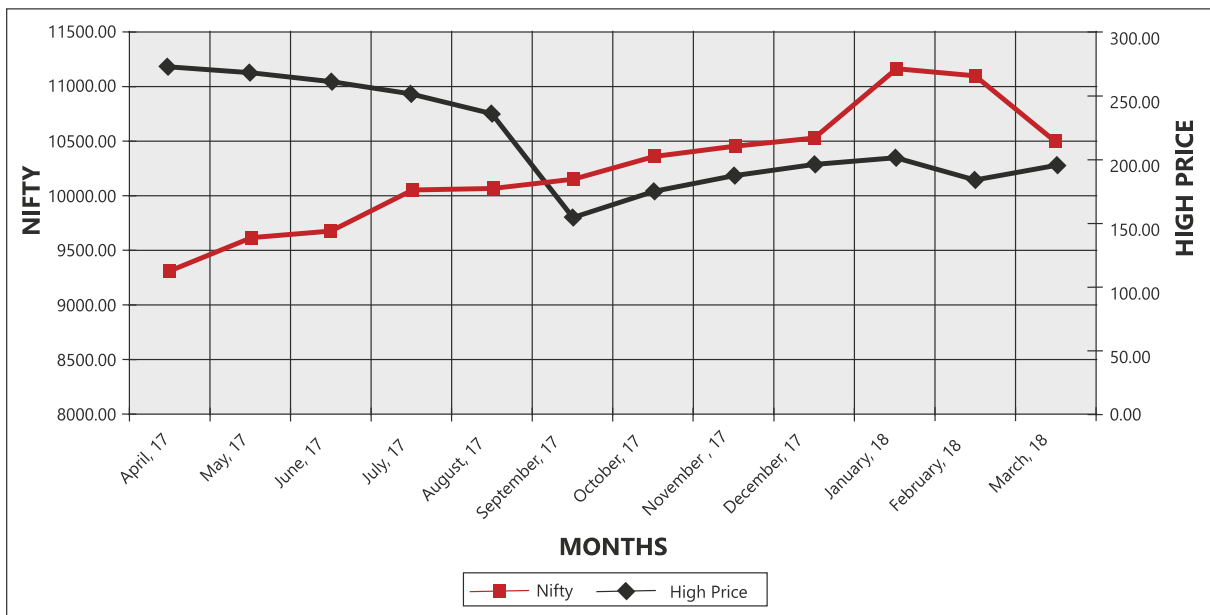
**SML V/S SENSEX**

Source: The Bombay Stock Exchange Limited (BSE) ([www.bseindia.com](http://www.bseindia.com))



Source: BSE Limited (BSE) ([www.bseindia.com](http://www.bseindia.com))

**SML V/S NIFTY**



Source: The National Stock Exchange of India Limited (NSE) ([www.nseindia.com](http://www.nseindia.com))

### Registrar & share transfer agents

The Company has appointed M/s. Link Intime India Private Limited as its Registrar and Share Transfer Agent with effect from 1<sup>st</sup> August 2006, to carry out the share transfer work on behalf of the Company.

### 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. In addition, the Board of Directors have delegated the authority to consider and approve the transfer of shares, transmission of shares or requests for deletion of name of the shareholder, etc., upto two thousand shares to the designated official of the Company.

A summary of approved transfers, transmissions, deletion requests, etc., are placed before the Board of Directors from time to time as per Listing Regulations. Your Company obtains a half-yearly compliance certificate from a Company Secretary in Practice as required under Listing Regulations (including any statutory modification(s) or re-enactment(s) for the time being in force) and files a copy of the said certificate with BSE & NSE.

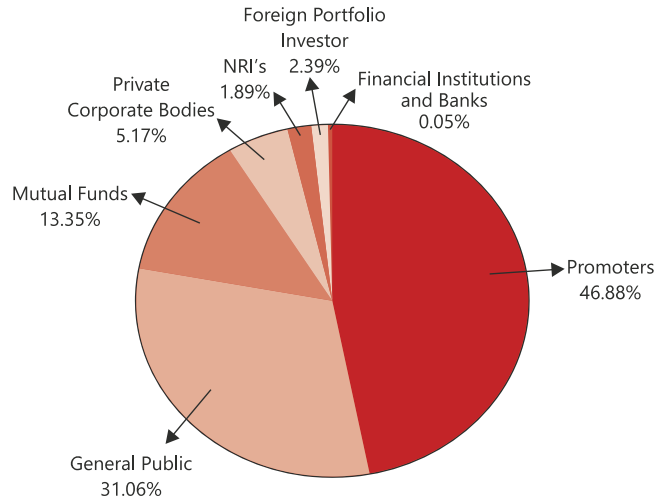
The share transfer requests are processed through M/s. Link Intime India Private Limited. The Company obtains a half yearly certificate from a Company Secretary in Practice of compliance of transfer formalities as required under Regulation 40 (9) of the SEBI (Listing Obligation and Disclosure) Regulations 2015.

### Distribution of shareholding

Shareholding Pattern as on 31<sup>st</sup> March 2018 is as below:

Category	No. of shares held	% of shareholding
Promoters	2,02,95,129	46.88
Mutual Funds	57,79,158	13.35
Financial Institutions and Banks	23,573	0.05
Private Corporate Bodies	22,37,699	5.17
Foreign Portfolio Investor	6,88,222	1.59
General Public	1,34,46,390	31.06
NRI's	8,17,829	1.89
<b>Total</b>	<b>4,32,88,000</b>	<b>100.00</b>





**Distribution schedule as on 31<sup>st</sup> March 2018:**

No. of Shares	No. of Folios	% to Total	No. of Shares held	% of Shareholding
Up to 500	12,669	71.05	10,00,099	2.31
501-1000	2,172	12.18	8,74,557	2.02
1001-2000	1,395	7.82	10,92,145	2.52
2001-3000	433	2.42	5,53,271	1.27
3001-4000	287	1.60	5,31,679	1.22
4001-5000	155	0.86	3,59,840	0.83
5001-10000	328	1.83	12,02,230	2.77
10001 and above	392	2.19	3,76,74,179	87.03
<b>Total</b>	<b>17,831</b>	<b>100.00</b>	<b>43,288,000</b>	<b>100.00</b>

**Dematerialization of Shares and Liquidity**

The Company's shares are compulsorily traded in dematerialized 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 ISIN is INE989A01024 for dematerialization of shares. As on 31<sup>st</sup> March 2018, 2,86,08,960 equity shares were held in dematerialized form.

**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. The declarations with regard to its compliance have been received for the financial year 2017-18 from all Board Members and Senior Management Personnel. The code has been uploaded on the website of the Company at <http://www.sanghvicranes.com>.

### **CEO / CFO certification**

A certificate from the Chairman & Managing Director and Joint Managing Director & CFO on the Financial Terms of the Company in terms of Regulation 17(8) of the SEBI (Listing Obligation and Disclosure) Regulations 2015 was placed before the Board, who took the same on record.

### **Management discussion and analysis**

The detailed Management Discussion and Analysis is given as a separate section in this Annual Report.

### **Reconciliation of share capital**

A qualified Practicing Company Secretary carried out 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 number of shares in physical form and total number of dematerialized shares held with NSDL & CDSL.

The status on complaints is reported to the Board of Directors as an agenda item. One complaint was received by the Company from the shareholder and has been resolved to the satisfaction of the shareholder. During the year the company received 84 requests from the investors and all have been resolved during the year to the satisfaction of the investors and as on 31<sup>st</sup> March 2018, there were no pending complaints and requests.

### **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, 2013, Listing Agreement, SEBI Rules and other corporate law as applicable.

### **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](mailto:grievance.redressel@sanghvicranes.com)

#### **Registrar & Share Transfer Agent**

M/s. Link Intime India Private Limited  
Block No 202, Akshay Complex,  
2<sup>nd</sup> Floor, Near Ganesh Temple,  
Off Dhole Patil Road, Pune - 411001  
Tel: +91 20 26160084/ 26161629  
Fax: +91 20 26163503  
Email: [pune@linkintime.co.in](mailto:pune@linkintime.co.in)

### **Disclosures**

#### **Related party transactions**

During the year, no material transactions with the Directors or the management, their 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. 23 forming part of 'notes to accounts'.

## TWENTY-NINTH ANNUAL REPORT 2017-2018

The Company has formulated a Policy on materiality of and dealing with Related Party Transactions and the same has been uploaded on the website of the Company ([http://www.sanghvicranes.com/investor\\_centre/compliances/others/FY\\_2014-15](http://www.sanghvicranes.com/investor_centre/compliances/others/FY_2014-15)).

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.

### 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. The said Whistle-Blower Policy has been hosted on the website of the Company ([http://www.sanghvicranes.com/media/SML\\_vigil\\_mechanism.pdf](http://www.sanghvicranes.com/media/SML_vigil_mechanism.pdf)).

Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of Listing Regulations

During the year, the Company has fully complied with the mandatory requirements of Listing Regulations of the Stock Exchanges.

Confirmation of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Particulars	Regulation	Compliance Status (Yes/ No / NA)
Board composition	17(1)	Yes
Meeting of Board of directors	17(2)	Yes
Review of Compliance Reports	17(3)	Yes
Plans for orderly succession for appointments	17(4)	Yes
Code of Conduct	17(5)	Yes
Fees/Compensation	17(6)	Yes
Minimum Information	17(7)	Yes
Compliance Certificate	17(8)	Yes
Risk Assessment and Minimization	17(9)	Yes
Performance evaluation of independent directors	17(10)	Yes
Composition of Audit Committee	18(1)	Yes
Meeting of Audit Committee	18(2)	Yes

Particulars	Regulation	Compliance Status (Yes/ No / NA)
Composition of Nomination and Remuneration committee	19(1) & (2)	Yes
Composition of Stakeholders' Relationship Committee	20(1) & (2)	Yes
Composition and role of Risk Management Committee	21 (1),(2),(3) & (4)	Yes
Vigil Mechanism	22	Yes
Related party Transaction	23	Yes
Requirements with respect to subsidiary of listed entity	24	N.A
Maximum Directorships & tenure of Independent Directors	25 (1) & (2)	Yes
Meeting of Independent Directors	25 (3) & (4)	Yes
Familiarization of Independent Directors	25(7)	Yes
Memberships in Committees	26(1)	Yes
Affirm with compliance to Code of Conduct of Board of Directors and Senior Management Personnel	26(3)	Yes
Disclosure of Shareholding by Non-Executive Directors	26(4)	Yes
Disclosure of material, financial and commercial transactions by Senior Management Personnel	26(5)	Yes
Corporate Governance Report	27(2)	Yes
Functional website of the Company	46(1)	Yes
Dissemination of information on website of the Company	46(2)	Yes

**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT, PURSUANT TO REGULATION 17 (8) OF SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

As required under Regulation 17 (5) (a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this is to confirm that the Company has adopted Code of Conduct for all Board Members and Senior Management of the Company.

Pursuant to Regulation 26 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and Senior Management Personnel have confirmed compliance with the Code of Conduct for the year ended 31<sup>st</sup> March 2018.

**For Sanghvi Movers Limited**

**C. P. Sanghvi**

Chairman & Managing Director  
(DIN: 00116599)

**CEO / CFO CERTIFICATION PURSUANT TO PART B OF SCHEDULE II AND REGULATION 17 (8)  
OF SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

The Board of Directors,  
Sanghvi Movers Limited

- A. We hereby certify that on the basis of the review of the financial statements and the cash flow statement for the financial year ended 31<sup>st</sup> March 2018 and that to the best of our knowledge and belief:
1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. We hereby certify that, to the best of our knowledge and belief, no transactions entered into during the year by the Company are fraudulent, illegal or violative of the Company's Code of Conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee:
1. significant changes in internal control over financial reporting during the year;
  2. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  3. instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the internal control system over financial reporting.

**For Sanghvi Movers Limited**

**C. P. Sanghvi**  
**Chairman & Managing Director**  
(DIN: 00116599)

**For Sanghvi Movers Limited**

**Sham D. Kajale**  
**Joint Managing Director & CFO**  
(DIN: 00786499)

Place: Pune

Date: 25<sup>th</sup> May 2018

## Corporate Governance Compliance Certificate

To,  
Members,  
Sanghvi Movers Limited,  
S. NO. 92 Tathawade, Taluka Mulshi,  
Pune – 411033

We have examined the compliance conditions of Corporate Governance by Sanghvi Movers Limited (SML) for the year ended on 31<sup>st</sup> March 2018, as per Regulation 15 (2) of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements Regulations, 2015 (LODR).

The Compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring compliance of the requirements 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 information and according to explanations given to us and based on the representations made by the Directors, Company Secretary and the Management, we certify that the Company has complied with the provisions of Corporate Governance specified in Regulation 15 (2) of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements Regulations, 2015 (LODR), as applicable.

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 and this Certificate is issued solely for the purpose of complying with the aforesaid LODR and may not be suitable for any other purpose.

**For Kanj & Co LLP**  
Company Secretaries

**Vinayak S. Khanvalkar**  
Partner

Date: 25<sup>th</sup> May 2018  
Place: Pune