SANGHVI MOVERS LIMITED

Regd. Office : Survey No. 92, Tathawade,
Taluka - Mulshi, Pune, Maharashtra - 411 033, INDIA.
Tel. : +91-20-66744700 Fax : +91-20-66744724
E-mail : sanghvi@sanghvicranes.com
Web : www.sanghvicranes.com
CIN No. : L29150PN1989PLC054143

SANGHVI

REF: SML/SEC/SE/18-19/11

Date: 25th May 2018

By Online filing

Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai- 400001
Kind Attn.: Ms. Pooja Sanghvi - Relationship Manager
Ref: Code No. 530073

National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Bandra East, Mumbai – 400051
Kind Attn.: Mr. K. Hari – Asst. Vice President
Symbol: SANGHVIMOV

Sub: Outcome of the Board Meeting held on 25th May 2018

Dear Sir/Madam,

Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Board, at their meeting held on 25th May 2018, transacted the following items of business:

Financial Results:

1. Approved and took on record the Audited Financial Results of the Company for the quarter and year ended on 31st March 2018;

2. Took on record the Audit Report from Statutory Auditors;

3. Updates on financial results for the quarter and year ended on 31st March 2018.

Annual General Meeting and Book Closure:

4. The 29th Annual General Meeting of the Members of the Company will be held on Monday, 13th August 2018, at the registered office of the Company;

5. In accordance with the Regulation 42 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will remain closed from Monday, 30th July 2018 to Monday, 13th of August 2018 (both days inclusive).

The meeting of the Board of Directors commenced at 12.00 noon and concluded at 13.59 p.m.

Kindly take the same on your record & acknowledge the same.

Thanks & Regards,

For Sanghvi Movers Limited

Rajesh P. Likhite
Company Secretary &
Chief Compliance Officer

SANGHVI MOVERS LIMITED PUNE

Encl.: As above

SANGHVI MOVERS LIMITED

CIN : L29150PN1989PLC054143 Registered Office : Survey No 92, Tathawade, Taluka - Mulshi, Pune - 411 033
Tel : +91 20 66744700 Fax : +91 20 66744724 Email : sanghvi@sanghvicranes.com Website : www.sanghvicranes.com

STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2018

₹ In Lakhs

Sr. No.	Particulars	3 months ended 31 March 2018 (Refer note 5)	3 months ended 31 December 2017 (Unaudited)	3 months ended 31 March 2017 (Refer note 5)	12 months ended 31 March 2018 (Audited)	12 months ended 31 March 2017 (Audited)
1	Income from operations					
	(a) Revenue from operations	8,444.04	3,891.72	17,034.67	22,839.76	55,313.69
	(b) Other income (see note 2)	293.35	48.24	180.92	2,005.46	974.52
	Total income from operations (net)	8,737.39	3,939.96	17,215.59	24,845.22	56,288.21
2	Expenses					
	(a) Cost of materials consumed	-	-	-	-	-
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	-	-	-	-	-
	(c) Employee benefits expense	300.46	382.74	496.38	1,544.03	2,187.82
	(d) Finance costs	1,326.45	1,465.41	1,533.76	5,474.94	6,474.00
	(e) Depreciation and amortisation expense	3,625.98	3,327.63	4,135.57	13,673.44	14,998.45
	(f) Freight & carriage	1,000.06	284.21	721.96	2,095.97	4,179.07
	(g) Provision for doubtful debts and advances	(89.37)	1,116.63	87.32	2,116.33	319.04
	(h) Other Expenses	3,212.70	1,536.02	3,272.24	8,727.32	11,980.01
	Total expenses	9,376.28	8,112.64	10,247.23	33,632.03	40,138.39
3	(Loss) / Profit before tax	(638.89)	(4,172.68)	6,968.36	(8,786.81)	16,149.82
4	Tax expense					
	Current tax	(13.80)	(92.31)	2,277.31	(121.26)	5,360.12
	Deferred tax	(86.94)	(1,465.68)	(105.10)	(2,917.57)	(128.13)
5	Total tax expense	(100.74)	(1,557.99)	2,172.21	(3,038.83)	5,231.99
6	(Loss) / Profit for the period	(538.15)	(2,614.69)	4,796.15	(5,747.98)	10,917.83
7	Total other comprehensive income (net of tax)					
	Items that will not be reclassified subsequently to profit or loss	302.34	(31.18)	(113.45)	208.76	(113.45)
	Income tax relating to items that will not be reclassified to profit or loss	(105.34)	10.80	39.27	(72.95)	39.27
	Items that will be reclassified subsequently to profit or loss	379.18	63.60	(100.28)	701.23	(383.00)
	Income tax relating to items that will be reclassified to profit or loss	(133.59)	(22.01)	34.71	(245.04)	132.55
	Total other comprehensive (loss) / income (net of tax)	442.59	21.21	(139.75)	592.00	(324.63)
8	Total comprehensive (loss) / income for the period	(95.56)	(2,593.48)	4,656.40	(5,155.98)	10,593.20
	Paid-up equity share capital (Face Value - Rs. 2 per share)	865.76	865.76	865.76	865.76	865.76
	Reserves excluding revaluation reserves as per balance sheet of previous accounting year	-	-	-	78,030.28	85,270.32
	(Loss) / Earnings per share (before extraordinary items) (of Rs. 2/- each) (not annualised):					
	(a) Basic (Rs.)	(1.24)	(6.04)	11.08	(13.28)	25.22
	(b) Diluted (Rs.)	(1.24)	(6.04)	11.08	(13.28)	25.22
	(Loss) / Earnings per share (after extraordinary items) (of Rs. 2/- each) (not annualised):					
	(a) Basic (Rs.)	(1.24)	(6.04)	11.08	(13.28)	25.22
	(b) Diluted (Rs.)	(1.24)	(6.04)	11.08	(13.28)	25.22

Notes :

1 The above financial results have been reviewed by the Audit Committee and thereafter approved and taken on record by the Board of Directors in their respective meetings held on May 25, 2018. These financial results have been prepared in accordance with the Indian Accounting Standards ("Ind-AS") as specified under Section 133 of the Companies Act, 2013 read with the Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and the provisions of the Companies Act, 2013.

2 Other income for the 3 months ended 31 March, 2018, 31 December 2017, 31 March, 2017 and 12 months ended 31 March 2018, 31 March 2017 includes profit on sale of fixed assets of Rs.279.90 Lakhs, Rs. 21.90 Lakhs, Rs. 8.01 Lakhs, Rs. 1779.49 Lakhs, and Rs. 167.51 Lakhs respectively.

3 The Statutory Auditors of the Company have audited the above financial results of the Company for the year ended March 31, 2018. An unqualified opinion has been issued by them thereon.

4 The Company is of the view that Crane operations and its related activities continue to be the only reportable segment. Accordingly, there are no separate reportable segments in accordance with Ind AS 108 - Operating Segments.

5 The figures for the quarter ended 31 March 2018 and 31 March 2017 are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the current financial year and last financial year and have been regrouped/reclassified where necessary. Also, the figures upto the end of the third quarters were only reviewed and not subject to audit.

6 Previous period's figures have been regrouped / reclassified wherever necessary to conform with the current period's classification / disclosure.

SANGHVI MOVERS LIMITED PUNE

PART II

STATEMENT OF ASSETS AND LIABILITIES AS AT 31 MARCH 2018

(Rs. in lakhs)

Sr. No.	Particulars	31 March 2018 (Audited)	31 March 2017 (Audited)
A	**Assets**		
1	**Non-current assets**		
a.	Property, plant and equipments	123,783.83	127,449.94
b.	Capital work-in-progress	385.73	48.76
c.	Investment Property	1,571.85	1,627.82
d.	Financial assets		
	Investment	0.25	0.25
	Loans	4.25	16.47
	Other financial assets	160.85	150.77
e.	Income tax assets (net)	874.98	402.99
f.	Other non-current assets		
	Capital advances	-	2,404.43
	Others	438.72	438.72
		127,220.46	**132,540.15**
2	**Current assets**		
a.	Inventories	1,239.22	1,383.44
b.	Financial assets		
	Investment	-	1,500.43
	Trade receivables	13,451.77	16,581.50
	Cash and cash equivalents	251.30	238.92
	Other balances with banks	32.50	24.37
	Loans	14.92	25.96
	Other financial assets	881.03	1.84
c.	Other current assets		
	GST / CENVAT credit receivable	1,096.06	1,235.35
	Others	354.13	782.10
		17,320.93	**21,773.91**
	TOTAL ASSETS	**144,541.39**	**154,314.06**
B	**EQUITY AND LIABILITIES**		
	Equity		
a.	Equity share capital	865.76	865.76
b.	Other equity	78,030.28	85,270.32
		78,896.04	**86,136.08**
	Liabilities		
1	**Non-current liabilities**		
a.	Financial Liabilities		
	Borrowings	45,889.76	40,990.80
	Derivative contract liability	-	493.51
b.	Provisions	200.80	285.96
c.	Deferred tax liabilities (net)	5,834.72	8,434.30
		51,925.28	**50,204.57**
2	**Current liabilities**		
a.	Financial Liabilities		
	Borrowings	1,161.34	4,402.15
	Trade Payable	1,746.42	1,790.66
	Derivative contract liability	368.01	702.73
	Other financial liabilities	9,124.78	9,876.91
b.	Other Current liabilities	1,261.25	439.92
c.	Provisions	58.27	156.12
d.	Current Income tax liabilities (net)	-	604.92
		13,720.07	**17,973.41**
	TOTAL EQUITY AND LIABILITIES	**144,541.39**	**154,314.06**

Place: Pune
Date: May 25, 2018

B S R & Co. LLP Chartered Accountants India

SANGHVI MOVERS LIMITED PUNE

For Sanghvi Movers Limited

Sham D. Kajale
Joint Managing Director & CFO

B S R & Co. LLP
Chartered Accountants

7th & 8th floor, Business Plaza,
Westin Hotel Campus,
36/3-B, Koregaon Park Annex,
Mundhwa Road, Ghorpadi,
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INDEPENDENT AUDITOR'S REPORT

To Board of Directors of Sanghvi Movers Limited

Report on the Audit of the Financial Results (prepared as per Ind AS)

We have audited the accompanying annual financial results of Sanghvi Movers Limited for the year ended 31 March 2018 attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). Attention is drawn to the fact that the figures for the quarter ended 31 March 2018 and the corresponding quarter ended in the previous year as reported in these financial results are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the end of the third quarter of the relevant financial year. Also the figures up to the end of the third quarter had only been reviewed and not subjected to audit.

Management's Responsibility for the Financial Results (prepared as per Ind AS)

These financial results have been prepared on the basis of the annual financial statements and reviewed quarterly financial results upto the end of the third quarter. The Company's Board of Directors is responsible for the preparation of these financial results that give a true and fair view of the net profit/loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in the Companies (Indian Accounting Standards) Rules, 2015 as per Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

This responsibility also includes maintenance of adequate accounting records for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial results, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial results based on our audit of the annual financial statements.

We have taken into account the relevant provisions of the Listing Regulations and the accounting and auditing standards.

Sanghvi Movers Limited
Independent Auditor's Report (Continued)

We conducted our audit of the financial results in accordance with the Standards on Auditing under section 143(10) of the Companies Act, 2013. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial results are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial results. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial results, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial results that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial results.

We are also responsible to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial results.

Opinion

In our opinion and to the best of our information and according to the explanations given to us these financial results:

(i) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and

(ii) give a true and fair view of the net loss and other comprehensive income and other financial information for the year ended 31 March 2018.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Swapnil Dakshindas
Partner
Membership No. 113896

Place: Pune
Date: 25 May 2018

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FINANCIAL HIGHLIGHTS

1.0 FINANCIAL HIGHLIGHTS

1.1 - Summarised Financial Performance

(Rs. in Crores)

Sr	Particulars	FY 2018	FY 2017
a)	Income from Operations	228.40	553.14
b)	Other Income (see note below)	20.05	9.74
c)	Total Income (a) + (b)	248.45	562.88
d)	Total Expenditure *(##)*	144.84	186.66
e)	PBIDT c) – d)	103.61	376.22
f)	% of PBIDT to Total Income e)-b) / a) x 100	36.58%	66.25%
g)	Interest	54.75	64.74
h)	Depreciation	136.73	149.98
i)	Profit Before Tax	(87.87)	161.50
j)	Tax expense (current tax + deferred tax)	(30.39)	52.32
k)	Profit for the Year / (Loss)	(57.48)	109.18
l)	Other Comprehensive Income / (Loss) net of tax	5.92	(3.25)
m)	Total Comprehensive Income / (Loss)	(51.56)	105.93
n)	% of PAT to Total Income	N.A.	19.39%
o)	Total Cash Accruals *(after adding back PDD amount)*	100.41	262.35
p)	Net Worth	788.96	861.36
q)	Total Loans (Secured + Unsecured)	542.32	544.53
r)	Debt : Equity Ratio	0.69	0.63
s)	Average Capacity Utilization for the Year	41%	78%
t)	Average Gross Yield for the full Year	2.15%	2.78%

Note :- Other Income for FY 2017-18, includes a sum of Rs. 16.95 Crores towards profit on sale of 20 Nos. Cranes (ranging from 40 MT to 400 MT Capacity) sold during the year.

(##) For FY 2017-18 – It includes Provision for Doubtful Debts (PDD) to the tune of Rs. 21.16 Crores. While the PDD amount for FY 2016-17 was Rs. 3.19 Crores.

Balance Sheet as on		*(Rs. In Crores)*
Particulars	31/03/2018	31/03/2017
	Audited	Audited
ASSETS		
Non Current Assets		
Property, Plant and Equipments	1,237.84	1274.50
Capital work in progress	3.86	0.49
Investment Property	15.72	16.28
Financial Assets		
i) Investments	0.00	0.00
ii) Loans	0.04	0.16
iii) Other Financial Assets	1.61	1.51
Income Tax Assets	8.75	4.03
Other Non-Current Assets		
Capital Advances	0.00	24.04
Others	4.39	4.39
Total Non-Current Assets	1,272.20	1,325.41
Current Assets		
Inventories	12.39	13.83
Financial Assets		
i) Investments	0.00	15.00
ii) Trade Receivables	134.52	165.81
iii) Cash & Bank Balances	2.51	2.39
iv) Bank balance other than above	0.33	0.24
v) Loans	0.15	0.26
vi) Other financial assets	8.81	0.02
Other Current Assets		
i) GST/Cenvat Credit Receivable	10.96	12.35
ii) Others	3.54	7.82
Total Current Assets	173.21	217.73
TOTAL ASSETS	1,445.41	1,543.14

(Rs. In Crores)

EQUITY AND LIABILITIES	31/03/2018	31/03/2017
EQUITY	Audited	Audited
SHAREHOLDERS FUNDS		
Share Capital	8.66	8.66
Reserves & Surplus	780.30	852.70
Total Equity :-	788.96	861.36
NON-CURRENT LIABILITIES		
Financial Liabilities		
i) Borrowings	458.90	409.91
ii) Derivative Contract Liabilities	0.00	4.94
Provisions	2.01	2.86
Deferred Tax Liabilities	58.35	84.34
Total Non-Current Liabilities :-	519.25	502.05
CURRENT LIABILITIES		
Financial Liabilities		
i) Borrowings	11.61	44.02
ii) Trade Payables	17.46	17.91
iii) Derivative Contract Liabilities	3.68	7.03
iv) Other financial liabilities	91.25	98.77
Other Current Liabilities	12.61	4.40
Provisions	0.58	1.56
Current Tax Liabilities	0.00	6.05
Total Current Liabilities	137.20	179.73
TOTAL EQUITY AND LIABILITIES	1,445.41	1,543.14

1.2 - Review of Quarter on Quarter Financial Performance

(Rs. in Crores)

Sr	Particulars	YTD Mar-18	Q4 FY18	Q3 FY18	Q2 FY18	Q1 FY18
a)	Income from Operations	228.40	84.44	38.92	39.69	65.35
b)	Other Income	20.05	2.93	0.48	2.36	14.28
c)	Total Income (a) + (b)	248.45	87.37	39.40	42.05	79.63
d)	Total Expenditure	144.83	44.23	33.20	28.85	38.55
e)	PBIDIT c) – d)	103.62	43.14	6.20	13.20	41.08
f)	% of PBIDT to Op. Income e-b) / a) x 100	*36.58%*	*47.62%*	*14.69%*	*27.31%*	*41.00%*
g)	Interest	54.75	13.26	14.65	14.21	12.62
h)	Depreciation	136.74	36.26	33.28	33.25	33.95
i)	Profit Before Tax	(87.87)	(6.39)	(41.73)	(34.26)	(5.49)
j)	Tax expense (current tax + deferred tax)	(30.39)	(1.01)	(15.58)	(11.95)	(1.85)
k)	Profit After Tax	(57.48)	(5.38)	(26.15)	(22.31)	(3.64)
l)	% of PAT to Total Income	*N.A.*	*N.A.*	*N.A.*	*N.A.*	*N.A.*
m)	Net Worth	788.96	788.96	789.92	815.85	860.15
n)	Total Loans (Secured + Unsecured) ##	542.32	542.32	565.24	580.21	509.29
o)	Debt : Equity Ratio	0.69	0.69	0.71	0.71	0.59
p)	Average Capacity Utilization for the period	*41%*	*65%*	*29%*	*27%*	*41%*
q)	Average pm Gross Yield for the period	*2.15%*	*2.00%*	*2.00%*	*2.16%*	*2.42%*

1.3 - Details of Capex Done in FY 2017-18

The details of addition to Fixed Assets made during the year are as under –

Sr	Particulars of Fixed Assets	Rs. Crores
1	Cranes (Brand new 2 Nos. 650 MT Crawler + 4 Nos. 300 MT Tyre Mounted Cranes)	99.07
2	Trailers	5.37
3	Other Fixed Assets	11.18
	Total :-	115.62

The above Capex has been funded partly through Debt (~ Rs. 75 Crores) and partly through Sale of Cranes and partly through internal accruals.

DEBT PROFILE AS ON 31-03-2018

2.0 DEBT PROFILE AS ON 31-03-2018

2.1 - Break up Borrowing as on 31-03-2018

Sr.	Particulars	Rs. in Crores
1	Term Loans from various Banks	509.81
2	Working Capital Loan - Cash Credit Limit	11.62
3	Unsecured Loans - Deposit from Directors (Sanghvi Family)	20.89
	Total Borrowings	**542.32**

2.2 – Average Cost of Borrowings during the year

The average rate of interest for Term Loan was 9.50% while for Cash Credit Limit was 8.80%.

2.3 – Term Loan Repayment during the Year 2017-18

The company has re-paid Term Loans to the tune of Rs. 75 Crores during the financial year 2017-18 which includes pre-payment of Term Loan instalments due in FY 2018-19 to the tune of Rs. 44 Crores.

2.4 – Current maturities of Long Term Loan during the Year 2018-19

The Installments of Term Loan due within in one year i.e. in FY 2018-19 is Rs. 68.26 Crores, out of which a sum of Rs. 15 Crores is already repaid by the company till date.

In addition to the above, company proposes to pre-pay Term Loans to the tune of Rs. 50 Crores during the current financial year.

FLEET OF CRANES AS ON 31st March 2018

3.0 FLEET OF CRANES AS ON 31st March 2018 -

SML has a fleet of 413 Cranes as on 31st March, 2018. The total amount of Gross Block of Cranes as on 31st March, 2018 was Rs. 2150 Crores. Company has fleet of 257 cranes above 100 MT capacities which constitutes 92% of our Gross Block.

DETAILS OF REVENUE, CLIENTS , POSITION OF S. DEBTORS, RECEIVABLE DAYS ETC.

4.0 DETAILS OF REVENUE, CLIENTS , POSITION OF S. DEBTORS, RECEIVABLE DAYS ETC.

4.1 Sector Wise Revenue Break Up

The Sector Wise Revenue Break up for FY 2017-18 and FY 2016-17 is as under -

Sr	Sector	FY 2017-18	FY 2016-17
1	Wind Mill Sector	54.00%	71.00%
2	Power Sector	14.00%	11.00%
3	Refinery & Gas	6.00%	9.00%
4	Steel & Metal	4.00%	3.00%
5	Cement	6.00%	2.00%
6	Other Industries	16.00%	4.00%
	Total :-	100.00%	100.00%

4.2 Analysis of S. Debtors Outstanding as on 31-03-2018

Total Sundry Debtors as on 31st March 2018 is Rs. 134.52 Crores.

Sr	Particulars	Rs. Crores
A)	S. Debtors considered good	134.52
B)	S. Debtors considered doubtful	29.45
C)	Total Receivables as on 31-03-2018	149.24
D)	Provision for Doubtful Debts	29.45
E)	Net S. Debtors	134.52
F)	No. of Days Receivables excluding Service Tax/GST Component	180 Days

The company has made a Provision for Doubtful Debts to the tune of Rs. 21.16 Crores during the financial year 2017-18. The accumulated amount of provision for doubtful debts as on 31st March, 2018 is Rs. 29.45 Crores.

SML has already initiated necessary legal action against the defaulting customers including filing a petition before NCLT under IBC. The company is hopeful of recovery of certain amount of dues in near future.

Considering the current business environment, management feels that the average receivable days would remain in the range of 150 days to 165 days in the current financial year 2018-19

BUSINESS OUTLOOK

5.0 BUSINESS OUTLOOK :-

The financial performance of the company has considerably affected in the FY 2017-18 primarily on account of significant reduction in order flow from Wind Mill Sector. The Wind Mill sector has accounted for more than 65 % revenue of the company during last three years. However, due to change in the government policies and more particularly due to change in method for bidding for wind mill projects (Feed-In-Tariff to Auction Based Tariff), there has been a significant drop in the wind mill installation during the year. The annual Wind Mill Installation in India during last three years were as under –

Sr.	Financial Year	Wind Mill Installation
1	F Y 2015-16	3300 MW
2	F Y 2016-17	5400 MW
3	F Y 2017-18	1700 MW

The substantial drop in the wind mill erection coupled with severe competition from the peers has taken a huge toll on the financial performance of the company and SML has posted Net Loss to the tune of Rs. 57.48 Crores in FY 2017-18 as against Profit of Rs. 109.18 Crores in FY 2016-17.

The average annual Capacity Utilisation of SML Fleet was around 41% while the average blended yield was around 2.15 % per month. SML has made some recovery in the Q4FY18 primarily on account of receipt of some orders from wind mill companies like Gamesa, Vestass, GE and Suzlon which has taken the CU in Q4 up to 65%. However, due to delay in receipt of orders from customers in Q4FY18 and due certain infrastructure related issues at site, company could not able to achieve its estimated CU of 70% in Q4FY18.

In spite of substantial decrease in the business volume, SML could able to easily service its debt in time. With whatever surplus cash available, it has pre-paid some of the term loan installments due in FY 2018-19. Pursuant to pre-payment of some of the Term Loans, SML has term loan obligations to the tune of Rs. 68 Crores in the current financial year i.e. FY 2018-19.

Solar Energy Corporation of India (SECI) and Centre has recently concluded wind mill auctions to the tune of 8500 MW. Many of these projects are likely to be completed in FY 2018-19. As per Industry estimates, wind mill installation in India would be between 5000 MW to 6000 MW in current financial year i.e. FY 2018-19 as against 1700 MW in FY 2017-18. With these kinds of wind mill installations, our preliminary estimates reveals that, SML could able to achieve average annual capacity utilization of around 70% in the current financial year while average blended yield would be in the range of 2.15% per month to 2.30% per month. However, we feel that most of business volume will pick up in 2HYFY19.

In addition to this, SML is also focusing on generating the business from other sectors like Steel Plant, Cement Plant, Petro-chemicals and refineries. Currently, SML is working with various infrastructures related projects like construction of Metros, Railways, and Bridges etc. SML is also working with all business verticals of Larsen & Toubro Limited. We also foresee some amount of business from the clients like HEML Bhatinda, BHEL, NTPC, Bridge & Roof, Tata Steel, IOCL etc., in the current financial year.

Company has received so far received orders worth Rs. 148 Crores till 20/05/2018 as compared to Order Book worth Rs. 50 Crores in the previous financial year.