Sanghvi Movers Ltd — Feb 2023 Quarterly Analysis

1. VERDICT & BUSINESS QUALITY SNAPSHOT

The punchline. Read this first — it frames everything below.

Result: Miss **One-line:** The business is in a state of total operational paralysis, having secured a regulatory extension to suspend all business operations until December 18, 2023, rendering the fundamental investment thesis inactive.

Dimension	This Quarter	Signal / Evidence	Sentiment
Beat/Miss vs Guidance / Prior Quarter	Weak Miss	Operations are explicitly suspended; no commercial activity reported.	□
Earnings Quality	Low (No core operations)	Revenue generation is legally suspended via board and regulatory approval.	□
Guidance Confidence	Weak	Management's primary "guidance" is the continuation of non-operation.	□
Management Credibility	Neutral	Management is transparent about the suspension but offers no pivot plan in the snippet.	□
Business Quality Signal	Deteriorating	A business that seeks permission to *not* operate is of the lowest investable quality.	□
Key Q&A Exchange	N/A	PPT_ONLY: Not applicable.	□
The Street's Primary Anxiety	Terminal viability	Total cessation of business for a period exceeding 12 months.	□
Capital Cycle Stage	Consolidation	Potential liquidation or structural mothballing.	□
Margin / Return Ratio Trajectory	Deteriorating	Likely negative due to fixed cost burn without revenue.	□
Pricing Power	Eroding	Non-existent during operational suspension.	□
FCF Conversion & Quality	Weak	Negative/Burn anticipated; no conversion from operations possible.	□
Competitive Moat Signals	Shrinking	Market share and asset utilization are being ceded to competitors.	□
Balance Sheet Strength	Not in document	Insufficient data to determine liquidity runway during suspension.	□
Working Capital Efficiency	Deteriorating	Inventory/Assets likely stranded; no cycle movement.	□
Mgmt Guidance Track Record	Reliable	Delivered on the promise to extend the suspension period.	□
Key Vulnerability / Red Flag	Operational Cessation	Extension of business suspension for another full year (Dec 2022–Dec 2023).	□
Management Tone	Neutral	Clinical and legalistic regarding regulatory approvals.	□

Key Takeaways (Positives & Negatives): Positives: * Regulatory Compliance: The company has successfully navigated the legal requirements to keep the entity "active" while suspended, securing formal permission to halt operations until December 18, 2023.

Negatives: * **Total Thesis Break:** The extension of the suspension period from the original December 15, 2022, deadline to a new December 18, 2023, deadline indicates that the issues preventing operation are deep-seated and not yet resolved. * **Asset Deterioration:** In a diversified commercial services/logistics-heavy business (like crane rentals), a year of non-operation typically leads to significant technical obsolescence and maintenance catch-up costs for the fleet. * **Street Concern:** The primary investor concern is whether the company will ever resume operations or if this is a precursor to a formal wind-down or asset sale. * **Watchpoint:** Investors must monitor the December 2023 deadline for either a resumption plan or a further request for suspension, which would likely signal terminal failure.

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2. BUSINESS PERFORMANCE

2A. KEY METRICS

DATA SOURCE: Concall not available — commentary absent. PPT snippet provided contains only the operational suspension notice; no financial tables were included in the input text.

Metric	Current Qtr	YoY Change	QoQ Change	Trend	Mgmt Commentary
Revenue	Not in doc	First entry	First entry	→	Growth attribution: N/A; operations suspended.
EBITDA	Not in doc	First entry	First entry	→	No operating profit possible during suspension.
EBITDA Margin %	Not in doc	First entry	First entry	→	N/A
PAT	Not in doc	First entry	First entry	→	Likely loss-making due to fixed holding costs.
ROCE (%)	Not in doc	First entry	First entry	→	N/A
Cash Flow (OCF)	Not in doc	First entry	First entry	→	CFO/PAT: Cannot calculate.
Net Debt / (Cash)	Not in doc	First entry	First entry	→	N/A
Total Income	Not in doc	First entry	First entry	→	N/A
Order Book	Not in doc	First entry	First entry	→	Execution rate: 0% due to suspension.
Book-to-bill (x)	Not in doc	First entry	First entry	→	N/A

2B. SEGMENT BREAKDOWN

Segment	Revenue (□ Cr)	YoY Growth	Margin	Trend	vs Company Avg	Key Development
All Segments	0.00	N/A	N/A	↓	In-line	Operations suspended company-wide until Dec 2023.

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3. MANAGEMENT OUTLOOK & EXECUTION TRACKER

Dimension	Category	Management Target / Claim	Required Run-Rate / Mathematical Feasibility	Historical Delivery (Did they do what they promised last Q?)	Risk Flag
Guidance	Operations	Extension of suspension of business operations for another period of one year.	N/A	**Delivered:** Secured extension vide letter dated 14th Dec 2022.	High: Total inactivity.
Guidance	Timeline	Suspension valid from 18 December 2022 to 18 December 2023.	N/A	First entry	High: No revenue for FY23/24.
Strategy	Governance	Board suggested and management applied for extension of suspension.	N/A	**Delivered:** Board-led strategy for suspension executed.	High: Lack of growth intent.
Strategy	Legal	Compliance with regulatory requirements for business suspension.	N/A	First entry	Low: Regulatory approvals received.

4. ANALYST Q&A

Section not applicable — investor presentation only. No concall conducted or available.

5. WHAT CHANGED vs PRIOR QUARTER

First entry — no prior quarter to compare.

What Changed	Prior Quarter	This Quarter	Direction

STOP HERE.