



SANCO TRANS LIMITED
"Service And Trust - Part Of Our Tradition"

Annual Report 2016



K.SANTHANAM
(1929 - 1981)
FOUNDER - SANCO GROUP

“Business is religion and religion is business; the man who does not make a business of his religion, has a religion of no force, and the man who does not make a religion of his business, has a business life of no character.”



SANCO TRANS LIMITED

AWARDS RECEIVED

2016 Port Services Provider of the year - Cargo & Logistics Sector Award - (South East India)

2015 Top Container Maintenance & Repair Award - (South East India)

2014 Lifetime Achievement Award presented to Mr. V.Upendran
Award for Excellence in Cargo & Logistics Sector (South East India)

2014 SICCI & Times of India Award

2014 & 2011 Top Container Maintenance & Repair Award - (South East India)

2013 Young Logistics Entrepreneur
Award to S.Sathyanarayanan (South East India)

2012 - Logistics Company of the year Award (South East)

2011 Top Customs Duty paid Award
(The Tamil Chamber of Commerce)
Awarded by: His Excellency Dr.Mr. Rosaiah-Governor of Tamilnadu

2011 Top CFS Award
(The Tamil Chamber of Commerce)
Awarded by: His Excellency Dr.Mr. Rosaiah-Governor of Tamilnadu

2010 Top Customs Duty Paid Award
(The Tamil Chamber of Commerce)
Awarded by: His Excellency Mr.Surjit Singh Barnala-Governor of Tamilnadu

2008 Top CFS of the year Award
(DP World Port)

2005 Top Concor Railway Service Award (Concor)



CONTENTS

	Page. No
Corporate Information	1
Directors' Report and Annexures	3
Standalone Financial Statements	
Independent Auditor's Report	49
Balance Sheet	58
Statement of Profit and Loss	59
Cash Flow Statement	60
Statement on Significant Accounting Policies	62
Notes to the Financial Statements	65
Consolidated Financial Statements	
Independent Auditor's Report	80
Balance Sheet	86
Statement of Profit and Loss	87
Cash Flow Statement	88
Statement on Significant Accounting Policies	90
Notes to the Financial Statements	93



CORPORATE INFORMATION

Corporate Identification No. : L60220TN1979PLC007970

Board of Directors

V Upendran	- Chairman & Managing Director
S Sathyanarayanan	- Deputy Managing Director
U Udayabhaskar Reddy	- Wholetime Director
S R Srinivasan	- Director-Finance & Chief Financial Officer
S Devaki	
T Ananthanarayanan	
(upto Feb 15, 2016)	
R Vijayaraghavan	
V Govind	
V Shankar	
R Raghavan	
T R Chandrasekaran	

Registered Office

S.T. Tower, New No. 24 & 25, II Floor,
Second Line Beach Road, Chennai - 600 001.
Tel.: 91-44-66449000
Fax: 91-44-66449009
Website : www.sancotrans.com
Email ID : shareholder@sancotrans.com

Auditors

M/s M. S. Krishnaswami and Rajan
Chartered Accountants
GB, Anand Apartments
JP Avenue, 6th Street,
Dr Radhakrishnan Salai,
Mylapore, Chennai 600004.

Branch Offices

Bangalore, Chennai (Container Freight Station),
Mumbai, Ranipet, Trichy, Tuticorin.

Bankers

IDBI Bank
HDFC Bank
Indian Bank

Registrars & Share Transfer Agents

M/s. Cameo Corporate Services Limited
Subramanian Building, No.1, Club Road
Chennai – 600 002.
Telephone No.2846 0390 (6 Lines)

Company Secretary

B. Lakshmi Sowjanya

Listing of Equity Shares

BSE Limited, Mumbai.

Annual General Meeting

15th September 2016, 10.15 am
Narada Gana Sabha, Mini Hall, 314, T.T.K Road,
Alwarpet, Chennai 600018

The Attendance Slip / Proxy form and AGM Notice are being sent by registered post / email separately

This Page is Intentionally Left blank



DIRECTORS' REPORT

Dear Members,

The Directors are pleased to present their 36th Annual Report of the Company, together with the Audited Financial Statements for the year ended March 31, 2016.

1. Financial highlights (Rs. Lakhs)

	For the year 2015-16	For the year 2014-15
Income from Operations	7528.45	7544.99
Other Income	195.65	132.94
Gross Income	7724.10	7677.93
Expenses		
Operating expense	4765.75	4801.07
Employee benefit expense	980.45	974.14
Finance costs	321.03	298.62
Depreciation and amortisation	420.42	358.25
Other expenses	1119.46	1018.07
Total Expenses	7607.11	7450.15
Profit before extraordinary item	116.99	227.78
Extraordinary item	--	--
Profit before tax	116.99	227.78
Tax expense	9.63	(7.89)
Profit after tax	107.36	235.67

2. Management Discussion & Analysis

A detailed analysis on the performance of the industry, the company, internal control systems, risk management are enumerated in the Management Discussion and Analysis report forming part of this report and annexed as 'Annexure A'.

3. Dividend

The Directors have recommended a dividend of Rs. 1.80 per Equity share of Rs. 10/- each (18%) for the financial year ended March 31, 2016. Payment of Dividend is subject to the approval of shareholders at the ensuing Annual General Meeting. An amount of Rs.65,00,000/- (Rupees Sixty Five Lakhs Only) is being transferred to the General reserves of the Company.

4. Unclaimed Dividends

There are no unclaimed dividends to be transferred to the credit of Investor Education and Protection Fund as on March 31, 2016.



DIRECTORS' REPORT

5. Directors

i. Appointment/Re-appointment of Directors:

Mrs. Devaki Santhanam, Director, retires by rotation at the forthcoming Annual General Meeting and is eligible for reappointment.

Pursuant to the recommendation of Nomination and Remuneration Committee, Mr. S. Sathyanarayanan has been re-appointed as Deputy Managing Director for a further period of 3 years w.e.f. April 01, 2016 by the Board of Directors at its meeting held on March 12, 2016, subject to the approval of shareholders.

Pursuant to the recommendation of Nomination and Remuneration Committee, Mr. S. R. Srinivasan has been re-appointed as Director - Finance for a further period of 3 years w.e.f. June 01, 2016 by the Board of Directors at its meeting held on May 30, 2016, subject to the approval of shareholders.

Pursuant to the recommendation of Nomination and Remuneration Committee, Mr. U. Udayabhaskar Reddy has been re-appointed as Whole Time Director for a further period of 3 years w.e.f. August 01, 2016 by the Board of Directors at its meeting held on May 30, 2016, subject to the approval of shareholders.

The Board of Directors has appointed Mr. T. R. Chandrasekaran as an Additional/Independent Director of the Company with effect from May 23, 2016 by passing of resolution through circulation based on the recommendation of the Nomination and Remuneration Committee. We seek your confirmation for appointment of Mr. T. R. Chandrasekaran as Independent Director for a term of five consecutive years commencing from September 15, 2016.

The resolutions seeking approval of the members of the Company for the appointment of (i) Mrs. Devaki Santhanam & (ii) Mr. T. R. Chandrasekaran, Directors and re-appointment of (i) Mr. S. Sathyanarayanan, Deputy Managing Director, (ii) Mr. S. R. Srinivasan, Director – Finance and (iii) Mr. U. Udayabhaskar Reddy, Whole Time Director have been incorporated in the Notice of the Thirty Sixth Annual General Meeting of the Company along with details about them.

ii. Cessation of Director:

Mr. T. Ananthanarayanan, Non-Executive Independent Director, has resigned from the position with effect from February 15, 2016.

iii. Key managerial Personnel

Mrs. B. Lakshmi Sowjanya, Company Secretary was appointed as Whole Time Secretary of the Company effective from July 03, 2015 pursuant to Section 203 of the Companies Act, 2013.

iv. Statement on Declaration by the Independent Directors of the Company:

All the Independent Directors of the Company have given declarations under Section 149(7) of the Companies Act, 2013 that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015. The terms and conditions of appointment of the Independent Directors are posted on the website of the Company under the web link <http://www.sancotrans.com/stl.html>.



DIRECTORS' REPORT

6. Auditors

M/s. M. S. Krishnaswami & Rajan, Chartered Accountants, Chennai (FRN: 001554S), Statutory Auditors of the company, was appointed in the 34th Annual General Meeting of the Company held on 15.09.2014 for a term of three years from the conclusion of the said Annual General Meeting as per the provisions of Companies Act, 2013 subject to ratification by shareholders in the Annual General Meeting every year. The Board of Directors recommends the Shareholders to ratify the appointment of Statutory Auditors.

The Company has received confirmation regarding their consent and eligibility for appointment as the Auditors of the Company. As required under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

The necessary resolution is being placed before the shareholders for approval.

7. Corporate Governance

The Company is in full compliance with the Corporate Governance guidelines as laid out in the Listing Agreement & SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. As required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a detailed report on Corporate Governance is attached as 'Annexure B' to this Report.

The Auditors' Certificate of the Compliance with the Corporate Governance requirements by the Company is attached as 'Annexure C' to this Report.

The Managing Director and Chief Financial Officer (CFO) certification as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached as 'Annexure D' to this Report.

8. Consolidated Financial Statements

The Audited Consolidated Financial Statements provided in the Annual Report pursuant to Section 129(3) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is in accordance with AS 21 prescribed by Institute of Chartered Accountants of India.

9. Subsidiaries, Associates and Joint Ventures

Pursuant to Section 129(3) of the Companies Act, 2013, read with Rule 5 of the Companies (Accounts) Rules, 2014, the statement containing salient features of the financial statements of the Company's Subsidiaries' (in Form AOC-1) is attached as 'Annexure E' to this Report.

10. Extract of Annual Return

An extract of Annual Return in Form MGT-9 as on March 31, 2016 is attached as 'Annexure F' to this Report.

11. Board Meetings held during the year

During the year, 6(six) meetings of the Board of Directors were held. The details of the meetings are furnished in the Corporate Governance Report which is attached to this Report.



DIRECTORS' REPORT

12. Directors' responsibility statement

To the best of our knowledge and belief and according to the information and explanations obtained by us, your Directors make the following statements in terms of Section 134(3)(c) and 134(5) of the Companies Act, 2013:

- a. in the preparation of the annual financial statements for the year ended March 31, 2016, the applicable Accounting Standards had been followed along with proper explanation relating to material departures.
- b. for the financial year ended March 31, 2016, such accounting policies as mentioned in the Notes to the financial statements have been applied consistently and judgments and estimates that are reasonable and prudent have been made so as to give a true and fair view of the state of affairs of the Company and of the Profit and Loss of the Company for the year ended March 31, 2016.
- c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d. the annual financial statements have been prepared on a going concern basis.
- e. that proper internal financial controls were followed by the Company and that such internal financial controls are adequate and were operating effectively.
- f. that proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

13. Remuneration Policy of the Company

The Remuneration policy of the Company comprising the appointment and remuneration of the Directors, Key Managerial Personnel and Senior Executives of the Company including criteria for determining qualifications, positive attributes, independence of a Director and other related matters has been provided in the Corporate Governance Report which is attached to this Report.

14. Particulars of loans, guarantees or investments under Section 186 of the Companies Act, 2013

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the financial year under review.

15. Secretarial Audit

Pursuant to provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, your Company engaged the services of Ms. A.K. Jain & Associates, Company Secretary in Practice, Chennai to conduct the Secretarial Audit of the Company for the financial year ended March 31, 2016. The Secretarial Audit Report (in Form MR-3) is attached as 'Annexure G' to this Report.

Reply to point no. 1 in Para 6 of the Secretarial Audit Report:

The Company has appointed Company Secretary on July 03, 2015.



DIRECTORS' REPORT

16. Related Party Transactions

All transactions entered by the company with Related Parties were in the ordinary course of business and at arm's length pricing basis.

There were no materially significant transactions with Related Parties during the financial year 2015-16 which were in conflict with the interest of the Company. Suitable disclosures as required under AS-18 have been made in Note 3.12 of the Notes to the financial statements.

Details of the transactions are provided in Form AOC-2 which is attached as 'Annexure H' to this Report. The Board has approved policies on Related Party Transactions and Material Subsidiary and has posted in the website under the web link <http://www.sancotrans.com/stl.html>.

17. Risk Management Policy

The Company has a proper Risk Management policy towards operations and administrative affairs of the Company formulated by the Risk Management Committee.

The Risk Management Committee reviews the Policy at regular intervals of time and ensures proper implementation of the policy formulated.

18. Corporate Social Responsibility (CSR) initiatives

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in 'Annexure I' of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. The CSR policy is available on the website of the Company.

19. Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Independent Directors at their meeting without the participation of the Non-independent Directors and Management, considered/evaluated the Boards' performance, performance of the Chairman and other Non-independent Directors.

The Board subsequently evaluated its own performance, the working of its Committees (Audit, Nomination & Remuneration and Stakeholders Relationship Committee) and the Independent Directors (without participation of the relevant Director).

20. Vigil Mechanism/Whistle Blower Policy

Pursuant to Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, Clause 49 of the Listing Agreement and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors had approved the Whistle Blower Policy and posted in the website under the web link <http://www.sancotrans.com/stl.html>. This Policy inter-alia provides a direct access to the Chairman of the Audit Committee. Your Company hereby affirms that no Director/employee has been denied access to the Chairman of the Audit Committee and that no complaints were received during the year.

21. Public Deposits

During the financial year under review, your Company did not accept any deposits within the meaning of provisions of Chapter V – Acceptance of Deposits by Companies of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.



DIRECTORS' REPORT

22. Material changes and commitments affecting the financial position of the Company which have occurred between March 31, 2016 and August 08, 2016 (date of the Report)

There were no material changes and commitments affecting the financial position of the company between the end of financial year (March 31, 2016) and the date of the Report (August 08, 2016).

23. Significant and Material Orders Passed by the Regulators or Courts or Tribunals impacting the Going Concern status of the Company

There are no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company.

24. Conservation of energy, technology absorption

Disclosure of information regarding conservation of energy and technology absorption is not applicable to the Company.

25. Foreign exchange earnings and outgo

During the year your company earned foreign exchange to an extent of Rs. 28.14 Lakhs (2014-15 Rs. 15.24 Lakhs) and expended foreign currency to an extent of Rs. 7.65 Lakhs (2014-15 Rs. 15.06 Lakhs).

26. Particulars regarding employees

There are no employees whose details are required to be furnished in terms of Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Having regard to the provisions of Section 136(1) read with its relevant proviso of the Companies Act, 2013, the disclosure pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, forming part of the Annual Report, is available for inspection at the registered office of the company during working hours. Any member interested in obtaining such information may write to the Company Secretary and the same will be furnished without any fee and free of cost.

27. Industrial relations

Industrial relations remained cordial and harmonious throughout the year.

28. Acknowledgements

The Directors wish to thank all the employees, shareholders, bankers, customers, suppliers and Government Authorities for their continued co-operation throughout the year.

For and on behalf of the Board of Directors

Place : Chennai
Dated : August 08, 2016

V Upendran
Chairman & Managing Director
(DIN: 00557511)



ANNEXURE A TO DIRECTORS' REPORT

Management Discussion and Analysis Report

A. About the Company

The Company was incorporated by late Sri K Santhanam Reddiar in the year 1979 as a Private Limited Company with a paid up share capital of Rs. 5 Lakhs which took over his proprietary business carried on in that name and was converted into a Public Limited Company in the year 1986.

The key performance indicators of the company for 10 years are given below:

Year ended 31st March	Revenue (Rs Lakhs)	Profit before tax (Rs Lakhs)	Profit after tax (Rs Lakhs)	Net worth (Rs Lakhs)	Fixed Assets-net (Rs Lakhs)	Dividend %	Earnings per share (Rupees)
2007	3300.55	410.89	276.06	723.61	1224.34	27	15.34
2008	4302.57	735.57	467.23	1051.87	2451.93	31.5	25.96
2009	6171.76	1654.99	1060.58	6761.59	7828.18	45	58.92
2010	5053.50	935.61	610.90	7396.77	7930.92	27	33.94
2011	6311.87	752.25	828.45	8202.73	7905.22	27	46.03
2012	7807.43	985.82	766.04	8733.33	8473.33	27	42.56
2013	7770.26	925.33	636.58	9316.45	10597.43	27	35.37
2014	7500.75	489.72	416.27	9673.43	11472.48	27	23.13
2015	7677.93	227.78	235.67	9844.53	11460.48	27	13.09
2016	7724.10	116.99	107.36	9951.89	11702.08	18	5.96

Note: Net worth includes revaluation reserves from year 2009

B. Industry Progress and outlook:

Intra-Asia freight rates have hit rock bottom, with overcapacity and carrier concessions. Rates in many corridors have been falling quite dramatically, sometimes plunging as much as 30% on some of the head-haul corridors from North Asia to South-east Asia. The rates from South-east Asia to North Asia are not faring any better, with some of the main corridors now selling for single-digit freight rates. Weak demand and overcapacity meant depressed rates.

Coming to our position in Chennai, imports have really kept up the volume of boxes coming in purely due to addition of new business houses in and around Chennai. Exports have been very sluggish and there are some signs of recovery during the month of June 2016 by 1.27%.

With the ADANI terminals taking over the L&T facility at Kattuppali on lease since last year end, the business has seen a marginal growth in the third container terminal serving Chennai, other than Dubai Ports and Port of Singapore's terminals which are contributing to the 90% of the trade requirements. Together all the terminals are handling almost 1.40 lacs boxes every month.

We are working with few new projects and hope the same will materialise which will add to the company's contribution.



ANNEXURE A TO DIRECTORS' REPORT

C. Financial Review

The revenue of the company though increased marginally by Rs. 46 Lakhs in the current year compared to previous financial year 2014-15, the profit has declined by Rs. 110 Lakhs mainly on account of increase in finance costs, depreciation and other expenses viz. warehouse rent (Rs. 39 Lakhs) and maintenance of vehicles (Rs. 25 Lakhs). The company has capitalised the warehouse and all connected facilities at the new Container Freight Station at Andarkuppam which has become operational w.e.f 16th December 2015, resulting in higher depreciation. Finance costs has registered a net increase of Rs.22 Lakhs mainly on account of utilisation of higher working capital levels and reckoning of interest for the year on borrowings for construction of warehouse during the year 2015-16 as against three months during 2014-15.

D. Internal Control Systems and their adequacy

The company's internal control system has been developed taking into account the size of operations to make sure that it would provide for accurate recording of transactions which in turn provides for safe guarding of assets and for compliance to mandatory accounting standards.

Consequent to the implementation of Companies Act, 2013 (Act), the Company has complied with the specific requirements in terms of Section 134(5)(e) of the said Act calling for establishment and implementation of an Internal Financial Control framework that supports compliance with requirements of the Act in relation to the Directors' responsibility statement.

The Internal Auditor of the company carried out periodical verifications at all locations and all divisions as per the audit plan approved by Audit Committee. The observations are discussed with management and actions wherever required to strengthen the controls are taken. Significant observations are placed and discussed in Audit Committee every quarter.

Further, MD and CFO certification are provided in the Annual Report confirming the existence on adequacy of our internal financial control systems and procedures.

E. Opportunities and Threats

We believe that our strengths includes

- Facilities to handle a total capacity of 12500 TEUs per month.
- 6 million sq ft dedicated empty container terminal and maintenance and repair service.
- Availability of sufficient number of operating equipments like Reach Stackers to handle the containers without delay.
- Professionally engineered yard for economical stacking and delivery.
- Warehouse space availability (bonded, general warehouse, export and import) 4,00,000 sq.ft
- Location Advantage: Container closest to Chennai port and containers can reach to/from port gate within 40 minutes.
- Online Container Tracking.
- Domain expertise.
- Serving 17 major shipping line customers.



ANNEXURE A TO DIRECTORS' REPORT

Despite the above strengths, the company's business volume depends on the total volume handled at Chennai port. Currently movements at Chennai port was hampered due to lack of road connectivity and certain infra structure facilities not taken up or stalled. Consequently the revenues of the company are also difficult to predict and in turn puts pressure on our margin also. Our increasing work with governmental agencies may expose us to additional risks.

F. Risk Management

The company has formed a Risk Management Committee during November 2014 and formulated the policy. The Committee discusses with Heads of Divisions for assessment of risks and will put risk mitigation plans wherever required.

G. Human Resources

During the year under review, the total number of people on the rolls of the company is 224. The company sustained harmonious and cordial relations all through the year.

H. Cautionary note

Statements in this report discloses forward looking information that set our anticipated results based on the management's plans and assumptions to enable investors to fully appreciate our prospects and take informed investment decisions. The company cannot, of course, guarantee that these forward looking statements will be realized, although the company believes it has been prudent in its assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize or should the underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected.



ANNEXURE B TO DIRECTORS' REPORT

Report on Corporate Governance

1. Philosophy on Corporate Governance

The Board of Directors and the Management of Sanco Trans Limited commit themselves to

- Strive towards enhancement of shareholder value through
 - sound business decisions
 - prudent financial management and
 - high standards of ethics throughout the organization
- Ensure transparency and professionalism in all decisions and transactions of the company; and
- Achieve excellence in Corporate Governance through
 - conforming to and exceeding wherever possible; the prevalent mandatory guidelines on Corporate Governance
 - regular review of the Board processes and the management systems for further improvement
- Apart from the above stated objectives the Board and the Management have been following scrupulously the abiding philosophy of the Founder of the Company Late Sri K Santhanam Reddiar which is reflected in the below mentioned words-

"Business is religion and religion is business; the man who does not make a business of his religion, has a religion of no force, and the man who does not make a religion of his business, has a business life of no character."

Following the above stated philosophy, Sanco Trans Limited, as a freight facilitator is Committed-

- to provide comprehensive and fully integrated service through extensive network, deploying modern equipment, engaging efficient professionals to cater to the needs of customers
- to build up transparent working environment to facilitate cost effective service and to provide more than reasonable return for the share holders.

2. Board of Directors

The Board comprises of five Independent Directors, one Non-independent Director and four Executive Directors.

a. Composition

i) Independent Directors

1. Mr. R. Vijayaraghavan
2. Mr. V. Govind
3. Mr. V. Shankar
4. Mr. R. Raghavan
5. Mr. T. R. Chandrasekaran



ANNEXURE B TO DIRECTORS' REPORT

ii) Non-Independent Director

1. Mrs. S. Devaki

iii) Executive Directors

1. Mr. V. Upendran - Chairman and Managing Director
2. Mr. S. Sathyanarayanan - Deputy Managing Director
3. Mr. U. Udayabhaskar Reddy - Whole Time Director
4. Mr. S. R. Srinivasan - Director Finance

None of the Independent Directors are related to each other and to other Directors.

b. Attendance at Board meetings and last Annual General Meeting (AGM) and details of memberships of Directors in other Boards and Board Committees.

Name of Director	No of Board meetings attended during the year 2015-16	Whether attended last AGM held on Aug 19, 2015	No. of Directorship in other Public Companies under Companies Act		No. of Committee position in other Public Companies registered under Companies Act ¹	
			As member	As chairman	As member	As chairman
Mr. V Upendran	6	Yes	2	1	1	Nil
Mr. S Sathyanarayanan	6	Yes	2	Nil	Nil	Nil
Mr. U Udayabhaskar Reddy	6	Yes	2	Nil	Nil	Nil
Mrs. S Devaki	4	Yes	Nil	Nil	Nil	Nil
Mr. S R Srinivasan	6	Yes	Nil	Nil	Nil	Nil
Mr.T Ananthanarayanan ²	5	Yes	2	1	5	2
Mr. V Govind	1	No	2	Nil	1	1
Mr. R Vijayaraghavan	6	Yes	8	Nil	7	4
Mr. V Shankar	6	Yes	Nil	Nil	Nil	Nil
Mr. R Raghavan	6	Yes	Nil	Nil	Nil	Nil
Mr.T.R. Chandrasekaran ³	0	No	1	Nil	2	Nil

1. Represents memberships in Audit committee, Nomination & Remuneration Committee and Shareholders/Investors Grievance Committee of Public Companies governed by the Companies Act, 2013.
2. Ceased to be director w.e.f February 15, 2016 due to resignation.
3. Appointed as an Additional / Independent Director w.e.f May 23, 2016.

Details of Directors seeking re-appointment at the ensuing Annual general meeting have been furnished in the Notice convening the meeting of the Shareholders.



ANNEXURE B TO DIRECTORS' REPORT

The details of shares held by the Directors of the Company are furnished below:

Name of the Director	No of equity shares
Mr. V. Upendran	79900
Mrs. S. Devaki	212750
Mr. S. Sathyanarayanan	197600
Mr. R. Raghavan	300

There are no shares or convertible instruments held by any other Directors.

Board meetings held during the year 2015-16 and attendance details:

Date of meeting	Total no. of Directors	No of Directors present
May 30,2014	10	10
July 07, 2015	10	9
August 11,2015	10	9
November 13,2015	10	8
February 09,2016	10	8
March 25,2016	9	8

- The time gap between any two meetings did not exceed 120 days.
- The last Annual General Meeting was held on August 19, 2015.

Secretarial Standards

The Institute of Company Secretaries of India (ICSI) has published Standards on secretarial practices relating to meetings of the Board/Committees, General meetings, Dividends, etc. The Secretarial and the operating practices of the Company are in line with the above Secretarial Standards. Information required as per Part A of Schedule II to SEBI Listing Regulations is provided to the Board at every meeting.

The company has put in place a system to familiarize the Independent Directors about the company's operations and business. In addition, the company also undertakes various measures to update the Independent Directors about the ongoing events and developments relating to the company. The company has disclosed the familiarization programme on its website under the web link <http://www.sancotrans.com/stl.html>.

3. Audit Committee

- a) Composition, Names of Members and Chairman:

The Audit Committee comprises of Independent Directors, with Mr. R Vijayaraghavan as Chairman, Mr. V Govind, as Member and Mr. V Shankar as Member.

All the members of the Audit Committee have the expertise in finance and in general management. Mr. R Vijayaraghavan is Partner of a renowned firm of Advocates, specialized



ANNEXURE B TO DIRECTORS' REPORT

in Taxation matters and corporate law. Mr. V Govind is Managing Director of Lotus group of companies. Mr. V Shankar is a Chartered Accountant and Company Secretary & specialist in Company law matters.

b) Terms of reference in brief:

The Audit Committee reviews the quarterly / half yearly / annual financial statements and holds discussions with statutory auditors on the “Limited Review” of the quarterly / half-yearly accounts and review of annual accounts, matters relating to compliance with Accounting Standards, the Auditors’ observations arising from the audit, areas of concern and other related matters.

The Committee also reviews at every meeting audit plan, significant observations arising from the reports of the Internal Auditor, areas of concern, adequacy of the follow up action taken by the management and adequacy of internal control systems.

The terms of reference have been reviewed from time to time and the committee has been mandated to review on compliance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

c) Meetings and Attendance:

Audit committee meetings held and its attendance during the year 2015-16:

Date of meeting	No. of members present
May 30,2015	3
August 14,2015	3
November 13,2015	3
February 09,2016	2

The Statutory Auditors of the Company and the Internal Auditors have been invited to attend the Audit Committee meetings.

4. Nomination & Remuneration Committee

a) Composition, Names of Members and Chairman:

The Nomination & Remuneration committee comprises of the following independent Directors viz Mr. Mr. R Vijayaraghavan as the Chairman and Mr. V. Shankar and Mr. R. Raghavan as members.

Nomination & Remuneration committee was reconstituted during the year with the appointment of Mr. R. Vijayaraghavan as Chairman and Mr. R. Raghavan as member subsequent to the resignation of Mr. T. Ananthanarayanan who was the chairman of Nomination & Remuneration Committee.

b) Terms of Reference in brief:

- Formulate Remuneration Policy which includes the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy,



ANNEXURE B TO DIRECTORS' REPORT

relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

- Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance.

c) Meetings and Attendance:

Date of meeting	No. of members present
July 03, 2015	3
March 12, 2016	3

d) Performance Evaluation:

The Board has carried out the performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its committees. The exercise was carried out through a structured evaluation process covering various aspects of the functioning of the Board and its committees, number of committees and their roles, frequency of meetings, level of participation, independence of judgement, performance of their duties and obligations and implementation of good corporate governance practices.

Independent Directors at their meeting without the participation of the Non-independent Directors and Management, considered/evaluated the Boards' performance, performance of the Chairman and other Non-independent Directors. The Independent Directors expressed their satisfaction on the performance and effectiveness of the Board, individual Non-Independent Board Members, Independent Directors and the Chairman.

e) Remuneration Policy:

1. Objective

The objective of the policy is to attract, retain and motivate the individuals that the company needs to achieve its goals.

2. Nomination and Remuneration Committee:

The committee is responsible for formulating and making amendments to the policy for the Directors, and Key Managerial Personnel (KMP) and Senior Executives of Sanco Trans Limited.

3. Remuneration to Non – Executive Directors:

Sitting Fees:

The Non-Executive / Independent Director are remunerated by way of sitting fees for attending meetings of the Board or Committee thereof as decided collectively by the members of the Board of Directors. The amount of such fees shall not exceed Rs.1,00,000/- (Rupees One Lakh Only) per meeting of the Board or Committee or such other amount as may be prescribed by the Central Government from time to time.



ANNEXURE B TO DIRECTORS' REPORT

4. Remuneration for the Managing Director, Whole-Time Director, KMP and Senior Management Personnel:

- a. The remuneration / compensation / commission etc. to the Whole-Time / Managing Director, will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior / post approval of the shareholders/Central Government, wherever required.

The remuneration / compensation / commission etc. to the KMP and Senior Management Personnel, will be determined by the Managing Director which will be ratified by the Committee and the Board.

- b. Minimum remuneration:

If, in any financial year, the company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-Time/ Managing Director in accordance with the provisions of the Companies Act.

5. Remuneration for other employees:

The company reviews the performance of other employees annually and the remuneration is fixed. The remuneration consists of fixed pay, applicable DA and other allowances.

6. Remuneration for Workmen:

Remuneration for workmen is negotiated and agreed upon on periodical basis. Increase in remuneration of workmen is affected based on a review of performance of the company and increase in cost of living index.

7. Term of Appointment:

Term of Managing Director / Whole Time Director is generally for a period of 3 years and renewed for periods decided from time to time. Term of other employees generally is upto the age of superannuation. However the company also employs conditional employees as consultants on need basis.

8. Post Retirement Benefits:

All employees are entitled for retirement benefits such as provident fund and gratuity.

9. Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

f) Criteria of making payments to Non-Executive Directors:

The Non-Executive Directors of the company are paid remuneration by way of sitting fees based on the Remuneration policy framed by the Nomination & Remuneration Committee. The payment is made based on the Member's attendance in the meetings.



ANNEXURE B TO DIRECTORS' REPORT

Non-Executive Directors are entitled to a Sitting Fee as detailed below:

Particulars	Sitting Fees
Board Meeting & Audit Committee meeting	Rs. 10,000/-
Other Committee Meetings	Rs. 5,000/-

- g) The details of remuneration paid/payable to the Directors during 2015-16 are:
- i) Non-executive Directors- Sitting Fees (excluding reimbursement of travel and other expenses incurred for the Company's business).
1. Mrs. S Devaki - Rs. 40,000/-
 2. Mr. T. Ananthanarayanan - Rs. 55,000/-
 3. Mr. V. Govind - Rs. 20,000/-
 4. Mr. V. Shankar - Rs. 175,000/-
 5. Mr. R. Vijayaraghavan - Rs. 120,000/-
 6. Mr. R. Raghavan - Rs. 80,000/-
- ii) Managing Director/Whole time Directors

	Managing Director (Rs)	Deputy Managing Director (Rs)	Whole time Director (Rs)	Director Finance & CFO (Rs)
Salary	36,00,000	27,00,000	14,40,000	18,00,000
Allowances	--	8,10,000	4,20,000	3,00,000
Employer Contribution to PF	4,32,000	3,24,000	1,72,800	2,16,000
Perquisites	--	--	--	--

The Company has no Employee Stock options scheme in force at present.

5. Stakeholders Relationship Committee

- a. The Stakeholders Relationship Committee consists of Mr. V. Shankar, Independent Non – Executive Director as Chairman, Mr. U. Udayabhaskar Reddy, Whole-time Director and Mr. S. R. Srinivasan, Director as members.
- b. The name and designation of Compliance Officer: Mrs. B Lakshmi Sowjanya, Company Secretary.
- c. The number of investor complaints received during the year is 4 (four).
- d. The number of investor complaints not solved to the satisfaction of Shareholders is nil.
- e. The number of pending complaints as on date is nil.



ANNEXURE B TO DIRECTORS' REPORT

6. Corporate Social Responsibility Committee

The company has constituted Corporate Social Responsibility Committee pursuant to Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility) Rules, 2014 comprising of Mr. S. Sathyanarayanan as Chairman, Mr. V. Upendran and Mr. V. Govind as members. The Committee met once during the year on March 09, 2016.

7. Other Committee

The Company has constituted Finance and Investment Committee comprising of Mr. V. Upendran as Chairman and Mr. S. Sathyanarayanan, Mr. U. Udayabhaskar Reddy, Mr. S. R. Srinivasan & Mr. R. Raghavan as members. The Committee met once during the year on January 13, 2016.

8. General Body meetings

a) Details of location and time of holding the last three AGMs:

Year	Location	Date & Time
33 rd AGM - 2013	M A Chidambaram conference Hall, The Southern India Chamber of Commerce and Industry, Esplanade, Chennai 600108.	August 12, 2013 10.15 am
34 th AGM - 2014	Narada Gana Sabha Mini Hall, 314, TTK Road, Alwarpet, Chennai 600018	September 15, 2014 10.15 am
35 th AGM - 2015	Narada Gana Sabha Mini Hall, 314, TTK Road, Alwarpet, Chennai 600018	August 19, 2015 10.15 am

- b) Special Resolutions have been passed in the previous three Annual General Meetings.
- c) No special Resolution was passed through postal ballot during the financial year 2015-2016.
- d) No Extra Ordinary General Meeting was held in the last three years.
- e) No special resolution is proposed to be conducted through postal ballot.

9. Other Disclosures

a. Related Party Transactions:

There have been no materially significant related party transactions with the Company Promoters, Directors, and the Management, their subsidiaries or relatives which may have potential conflict with the interest of the Company. The necessary disclosures regarding the transactions with the related parties are given in the notes to the Annual Accounts for the year 2015-16.

The company has formulated a policy on related party transactions as required under Listing Agreement / Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the policy is hosted in the website under the web link <http://www.sancostrans.com/stl.html>.



ANNEXURE B TO DIRECTORS' REPORT

- b. There have been no instances of non-compliance by the Company on any matters related to the capital markets, nor have any penalty / strictures been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on such matters during the last three years.
- c. **Whistle Blower Policy:**
Pursuant to Clause 49 of the Listing Agreement / SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors had approved the Whistle Blower Policy and has posted in the website under the web link <http://www.sancotrans.com/stl.html>. This Policy inter-alia provides a direct access to the Chairman of the Audit Committee. Your Company hereby affirms that no Director/employee has been denied access to the Chairman of the Audit Committee and that no complaints were received during the year.
- d. **Subsidiary Companies:**
The company has formulated a policy for determining Material Subsidiary as required under Clause 49 of Listing Agreement / Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the policy is hosted in the website under the web link <http://www.sancotrans.com/stl.html>.

The company does not have any material unlisted Indian subsidiary. The minutes of the meetings of the Board of Directors of the subsidiary companies are placed in the meetings of the Board of Directors of the Company.
- e. **Reconciliation of share capital audit:**
The Company has engaged a qualified practicing Company Secretary to carry out a share capital audit to reconcile the total admitted equity share capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity share capital. The audit report confirms that the total issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.
- f. **Disclosure of Accounting Treatment:**
Your Company has not adopted any alternative accounting treatment prescribed differently from the Accounting Standards.
- g. **Code of Conduct:**
Your Company has adopted a Code of Conduct for members of the Board and the Senior Management personnel. The Code has been hosted on the Company's website under the web link <http://www.sancotrans.com/stl.html>.
- h. **Code of Conduct for prohibition of insider trading:**
Your Company has adopted a Code of Conduct as per Securities and Exchange Board of India (SEBI) (Prohibition of Insider Trading) Regulations, 2015. All Directors, Designated Employees who could have access to the Unpublished Price Sensitive Information of the



ANNEXURE B TO DIRECTORS' REPORT

Company are governed by the Code. The Code has been hosted on the Company's website under the web link <http://www.sancotrans.com/stl.html>.

- i. The Company has complied with all other mandatory requirements in terms of Clause 49 of the Listing agreement/Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

10. Means of communication

- a. The quarterly/half yearly results have been published in one English national Newspaper (Trinity Mirror) and in one Tamil Newspaper (Makkal Kural).
- b. The Company's website (www.sancotrans.com) also displays several other details/information of interest to various stakeholders.
- c. A Management discussion and Analysis Report is being presented as 'Annexure A' to the Directors' Report.

11. General shareholder information

a. 36th Annual General Meeting

Day : Thursday
 Date and Time : 15th September, 2016 at 10.15 AM
 Venue : Narada Gana Sabha, Mini Hall, 314,
 T.T.K Road, Alwarpet, Chennai 600018

b. Financial Calendar

First quarter results	Second week of August 2015
Second quarter results	Second week of November 2015
Third quarter results	Second week of February 2016
Audited Results for the year 2016-17	Before end of May 2016

- c. **Book Closure dates** : 09.09.2016 to 15.09.2016
- d. **Dividend payment date** : Commencing on September 20, 2016 –
 To be completed within the statutory time limit

e. Listing/Stock Code of equity shares:

Name of exchange	Stock code
BSE Limited	523116



ANNEXURE B TO DIRECTORS' REPORT

f. Market price data

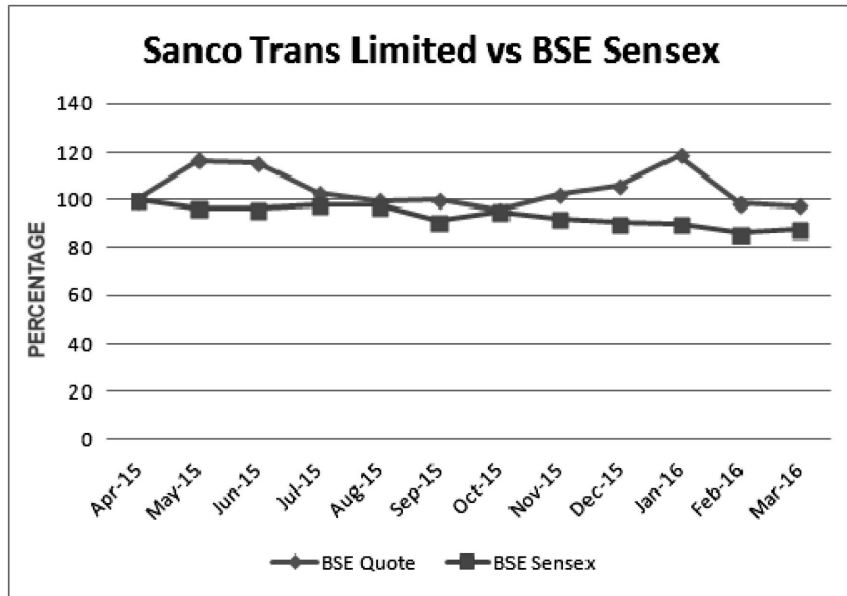
Month & Year	BSE LIMITED			
	Share Price (Rs)		Sensex	
	High	Low	High	Low
April-15	316.00	265.00	29094.61	26897.54
May-15	368.40	281.10	28071.16	26423.99
June-15	364.90	250.30	27968.75	26307.07
July-15	324.90	265.00	28578.33	27416.39
August-15	315.00	265.10	28417.59	25298.42
September-15	317.00	260.00	26471.82	24833.54
October-15	301.80	245.10	27618.14	26168.71
November-15	324.00	258.40	26824.30	25451.42
December-15	335.00	260.10	26256.42	24867.73
January-16	375.00	240.00	26197.27	23839.76
February-16	312.00	208.00	25002.32	22494.61
March -16	307.90	210.00	25479.62	23133.18

g. Performance in comparison to BSE Sensex

STOCK PERFORMANCE VS BSE SENSEX				
Month	BSE Quote	% to base	BSE Sensex	% to base
	(High)		(High)	
April-15	316.00	100.00	29094.61	100.00
May-15	368.40	116.58	28071.16	96.48
June-15	364.90	115.47	27968.75	96.13
July-15	324.90	102.82	28578.33	98.23
August-15	315.00	99.68	28417.59	97.67
September-15	317.00	100.32	26471.82	90.99
October-15	301.80	95.51	27618.14	94.93
November-15	324.00	102.53	26824.3	92.20
December-15	335.00	106.01	26256.42	90.24
January-16	375.00	118.67	26197.27	90.04
February-16	312.00	98.73	25002.32	85.93
March -16	307.90	97.44	25479.62	87.58



ANNEXURE B TO DIRECTORS' REPORT



h. Registrar and Transfer Agents

All share registry work in respect of both physical and demat segments are handled by a single agency viz. M/s Cameo Corporate Services Limited, Subramanian Building, No. 1, Club House Road, Anna Salai, Chennai - 600002 as the Registrar and Transfer Agent (RTA) of the Company for all aspects of investor servicing relating to shares.

i. Share transfer system

The share transfers, transmission & requests for dematerialization were approved in the Stakeholders' Relationship Committee meetings within the statutory time limit.

j. Distribution of shareholding as on March 31, 2016:

Range	Shareholders		Shares	
	Number	%	Number	%
1 - 100	1715	70.4312	94773	5.2651
101 - 500	556	22.8336	145979	8.1099
501 - 1000	83	3.4086	65619	3.6455
1001 - 2000	45	1.8480	67645	3.7580
2001 - 3000	14	0.5749	34041	1.8911
3001 - 4000	3	0.1232	10444	0.5802
4001 - 5000	1	0.0410	4035	0.2241
5001 - 10000	7	0.2874	49197	2.7331
10001 - And above	11	0.4517	1328267	73.7926
TOTAL	2435	100.0000	1800000	100.0000



ANNEXURE B TO DIRECTORS' REPORT

k. Shareholding pattern as on March 31, 2016:

Sl No	Category	No. of holders	No. of Shares	%
1	Promoters	9	1296733	72.04
2	Resident individuals	2302	419353	23.30
3	Bodies corporate	40	42442	2.36
4	Clearing members	2	18	0.00
5	Hindu undivided families	61	33303	1.85
6	Non Resident Indians	21	8151	0.45
	TOTAL	2435	1800000	100.00

l. Dematerialization of shares and liquidity

Shares of the company can be held and traded in dematerialized form. The pattern of shareholding in physical and dematerialized form as on March 31, 2016 is given below:

Category	No. of holders	No. of Shares
Physical	832	147677
Demat	1603	1652323
Total	2435	1800000

m. Branches: Bangalore, Chennai (Container Freight Station), Mumbai, Ranipet, Trichy, Tuticorin.

n. Address for correspondence

Investors may contact the Registrar and Transfer Agents (RTA) for matters relating to shares, dividends, annual reports and related issues at the following address:

M/s. Cameo Corporate Services Limited
 Subramanian Building, No. 1, Club House Road, Anna Salai, Chennai - 600 002
 Tel: 044-28461073 Fax: 044-28460129 E Mail: kanthimathi@cameoindia.com

For other general matters or in case of any difficulties/grievances investors may contact:

Mrs. B. Lakshmi Sowjanya
 Company Secretary & Compliance Officer,
 Sanco Trans Limited,
 S. T. Tower, New No. 24 & 25, II Floor, Second Line Beach Road,
 Chennai - 600 001 Tel: 044-6644 9000
 E-Mail: shareholder@sancotrans.com



ANNEXURE C TO DIRECTORS' REPORT

Auditors' certificate on compliance with the conditions of Corporate Governance under Clause – 49 of the Listing Agreement / SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the members of Sanco Trans Limited

1. We have examined the compliance of conditions of Corporate Governance by SANCO TRANS LIMITED ("the Company"), for the year ended on March 31, 2016, as stipulated in:
 - Clause 49 (excluding clause 49(VII)(E)) of the Listing Agreements of the Company with stock exchange(s) for the period from April 01, 2015 to November 30, 2015.
 - Clause 49(VII)(E) of the Listing Agreements of the Company with the stock exchange(s) for the period from April 01, 2015 to September 01, 2015.
 - Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) for the period from September 02, 2015 to March 31, 2016 and
 - Regulations 17 to 27 (excluding regulation 23(4)) and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the Listing Regulations for the period from December 01, 2015 to March 31, 2016.
2. The compliance of 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 with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. We have examined the relevant records of the Company in accordance with the Generally Accepted Auditing Standards in India, to the extent relevant, and as per the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India.
4. In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement and regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the Listing Regulations for the respective periods of applicability as specified under paragraph 1 above, during the year ended March 31, 2016.
5. We 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.

For M S Krishnaswami & Rajan
Chartered Accountants
Registration No. 001554S

Dated : August 08, 2016
Place : Chennai

M S Murali- Partner
Membership No.26453



ANNEXURE D TO DIRECTORS' REPORT

Certification by Managing Director and Chief Financial Officer

We, V Upendran, Managing Director and S R Srinivasan, Chief Financial Officer of Sanco Trans Limited, certify that:

1. We have reviewed the financial statements for the year 2015-16 and that to the best of our knowledge and belief:
 - a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b. these statements present a true and fair view of the state of affairs of the Company and of the results of operations and cash flows. The financial statements have been prepared in conformity, in all material respects, with the existing generally accepted accounting principles including Accounting Standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
3. We accept overall responsibility for establishing and monitoring the Company's Internal Control System for financial reporting and evaluating its effectiveness. Internal audit function monitors the internal control system for financial reporting, which encompasses the examination and evaluation of the adequacy and effectiveness. Internal audit works with all levels of management and statutory auditors, and reports significant issues to the Audit committee of the Board. The auditors and audit committee are apprised of any corrective action taken or proposed to be taken with regard to significant deficiencies and material weaknesses.
4. We have indicated to the auditors and to the Audit Committee:
 - a. significant changes, if any, in internal control over financial reporting during the year;
 - b. significant changes, if any, in accounting policies during the year;
 - c. instances of significant fraud, if any, of which we have become aware of and which involve management or other employees who have significant role in the Company's internal control system over financial reporting. However, there was no such instance..

V. Upendran

Chairman & Managing Director
(DIN: 00557511)

August 08, 2016
Chennai

S. R. Srinivasan

Director-Finance/Chief Financial Officer
(DIN: 03559408)

Declaration on Compliance with Code of Conduct

Pursuant to Clause 1(D) of Clause 49 of the Listing Agreement / SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is hereby affirmed that for the financial year ended March 31, 2016, all the Board members and Senior Management personnel have affirmed compliance with the Code of Conduct adopted by the Company.

August 08, 2016
Chennai

V. Upendran

Chairman & Managing Director
(DIN: 00557511)



ANNEXURE E TO DIRECTORS' REPORT

Form AOC – 1

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries / associate companies / joint venture

Part "A" Subsidiaries

1.	Sl. No. 1	
2.	Name of the subsidiary	: M/s. Sanco Transport Limited
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	: N.A.
4.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	: N.A.
5.	Share capital	: Rs. 500,000.00
6.	Reserves & surplus	: (Rs. 16,308,889.42)
7.	Total assets	: Rs. 70,276,987.95
8.	Total Liabilities	: Rs. 70,276,987.95
9.	Investments	: Nil
10.	Turnover	: Rs. 83,699,106.00
11.	Profit before taxation	: (Rs. 16,318,405.42)
12.	Provision for taxation	: Nil
13.	Profit after taxation	: (Rs. 16,320,645.42)
14.	Proposed Dividend	: Nil
15.	% of shareholding	: 100%



ANNEXURE E TO DIRECTORS' REPORT

1.	Sl. No. 2	
2.	Name of the subsidiary	: M/s. Sanco Clearance Limited
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	: N.A.
4.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	: N.A.
5.	Share capital	: Rs. 500,000.00
6.	Reserves & surplus	: (Rs. 218,772.00)
7.	Total assets	: Rs. 321,953.00
8.	Total Liabilities	: Rs. 321,953.00
9.	Investments	: Nil
10.	Turnover	: Nil
11.	Profit before taxation	: (Rs. 155,381.00)
12.	Provision for taxation	: Nil
13.	Profit after taxation	: (Rs. 155,381.00)
14.	Proposed Dividend	: Nil
15.	% of shareholding	: 100%

Notes:

1. Names of subsidiaries which are yet to commence operations: M/s. Sanco Clearance Limited
2. Names of subsidiaries which have been liquidated or sold during the year: Nil
3. The Company has no Associates and Joint Ventures. Hence Part B of Form AOC-1 is not applicable to the company.

August 08, 2016
Chennai

V. Upendran
Chairman & Managing Director
(DIN: 00557511)



ANNEXURE F TO DIRECTORS' REPORT

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2016

(Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014)

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L60220TN1979PLC007970
2.	Registration Date	12.10.1979
3.	Name of the Company	M/s. Sanco Trans Limited
4.	Category/Sub-category of the Company	Company Limited by Shares / Indian Non Government Company
5.	Address of the Registered office & contact details	S.T. Tower, New No. 24 & 25, II Floor, Second Line Beach Road, Chennai - 600 001.
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent	M/s. Cameo Corporate Services Limited Subramanian Building, No. 1, Club House Road, Anna Salai, Chennai – 600 001

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Supporting transport services	552	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

S. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Appropriate Section
1.	Sanco Transport Limited II Floor, No. 24 & 25, ST Tower, Second Line Beach Road, Chennai - 600001	U74999TN2015PLC099736	Subsidiary	100%	2(87)
2.	Sanco Clearance Limited II Floor, No. 24 & 25, ST Tower, Second Line Beach Road, Chennai - 600001	U74999TN2015PLC099734	Subsidiary	100%	2(87)



ANNEXURE F TO DIRECTORS' REPORT

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

1. Category-wise Share Holding

Cat-egory code	Category of Shareholder	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	SHAREHOLDING OF PROMOTER AND PROMOTER GROUP									
1.	INDIAN									
a.	INDIVIDUALS/HINDU UNDIVIDED FAMILY	0	0	0	0.0000	0	0	0	0.0000	0.0000
b.	CENTRAL GOVERNMENT/ STATE GOVERNMENT(S)	0	0	0	0.0000	0	0	0	0.0000	0.0000
c.	BODIES CORPORATE	0	0	0	0.0000	0	0	0	0.0000	0.0000
d.	FINANCIAL INSTITUTIONS/ BANKS	0	0	0	0.0000	0	0	0	0.0000	0.0000
e.	ANY OTHER									
	DIRECTORS AND THEIR RELATIVES	1294233	2500	1296733	72.0407	1296733	0	1296733	72.0407	0.0000
		1294233	2500	1296733	72.0407	1296733	0	1296733	72.0407	0.0000
	SUB - TOTAL (A)(1)	1294233	2500	1296733	72.0407	1296733	0	1296733	72.0407	0.0000
2.	FOREIGN									
a.	INDIVIDUALS (NON- RESIDENT INDIVIDUALS/ FOREIGN INDIVIDUALS)	0	0	0	0.0000	0	0	0	0.0000	0.0000
b.	BODIES CORPORATE	0	0	0	0.0000	0	0	0	0.0000	0.0000
c.	INSTITUTIONS	0	0	0	0.0000	0	0	0	0.0000	0.0000
d.	QUALIFIED FOREIGN INVESTOR	0	0	0	0.0000	0	0	0	0.0000	0.0000



ANNEXURE F TO DIRECTORS' REPORT

Cat-egory code	Category of Shareholder	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
e.	ANY OTHER									
	SUB - TOTAL (A)(2)	0	0	0	0.0000	0	0	0	0.0000	0.0000
	TOTAL SHARE HOLDING OF PROMOTER AND PROMOTER GROUP (A) = (A)(1)+(A)(2)	1294233	2500	1296733	72.0407	1296733	0	1296733	72.0407	0.0000
B.	PUBLIC SHAREHOLDING									
1.	INSTITUTIONS									
a.	MUTUAL FUNDS/UTI	0	0	0	0.0000	0	0	0	0.0000	0.0000
b.	FINANCIAL INSTITUTIONS/ BANKS	0	0	0	0.0000	0	0	0	0.0000	0.0000
c.	CENTRAL GOVERNMENT/ STATE GOVERNMENT(S)	0	0	0	0.0000	0	0	0	0.0000	0.0000
d.	VENTURE CAPITAL FUNDS	0	0	0	0.0000	0	0	0	0.0000	0.0000
e.	INSURANCE COMPANIES	0	0	0	0.0000	0	0	0	0.0000	0.0000
f.	FOREIGN INSTITUTIONAL INVESTORS	0	0	0	0.0000	0	0	0	0.0000	0.0000
g.	FOREIGN VENTURE CAPITAL INVESTORS	0	0	0	0.0000	0	0	0	0.0000	0.0000
h.	QUALIFIED FOREIGN INVESTOR	0	0	0	0.0000	0	0	0	0.0000	0.0000
i.	ANY OTHER									
	SUB - TOTAL (B)(1)	0	0	0	0.0000	0	0	0	0.0000	0.0000
2.	NON-INSTITUTIONS									
a.	BODIES CORPORATE	36224	400	36624	2.0346	42042	400	42442	2.3578	0.3232



ANNEXURE F TO DIRECTORS' REPORT

Category code	Category of Shareholder	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
b.	INDIVIDUALS -									
	I INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL SHARE CAPITAL UPTO RS. 1 LAKH	277706	150825	428531	23.8072	272078	147275	419353	23.2973	-0.5098
	II INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL SHARE CAPITAL IN EXCESS OF RS. 1 LAKH	0	0	0	0.0000	0	0	0	0.0000	0.0000
c.	QUALIFIED FOREIGN INVESTOR	0	0	0	0.0000	0	0	0	0.0000	0.0000
d.	ANY OTHER									
	CLEARING MEMBERS	151	0	151	0.0083	18	0	18	0.0010	-0.0073
	HINDU UNDIVIDED FAMILIES	31732	2	31734	1.7630	33301	2	33303	1.8501	0.0871
	NON RESIDENT INDIANS	6227	0	6227	0.3459	8151	0	8151	0.4528	0.1068
		38110	2	38112	2.1173	41470	2	41472	2.3040	0.1866
	SUB - TOTAL (B)(2)	352040	151227	503267	27.9592	355590	147677	503267	27.9592	0.0000
	TOTAL PUBLIC SHAREHOLDING (B) = (B)(1)+(B)(2)	352040	151227	503267	27.9592	355590	147677	503267	27.9592	0.0000
	TOTAL (A)+(B)	1646273	153727	1800000	100.0000	1652323	147677	1800000	100.0000	0.0000
C.	SHARES HELD BY CUSTODIANS AND AGAINST WHICH DEPOSITORY RECEIPTS HAVE BEEN ISSUED									
	Promoter and Promoter Group	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Public	0	0	0	0.0000	0	0	0	0.0000	0.0000
	TOTAL CUSTODIAN (C)	0	0	0	0.0000	0	0	0	0.0000	0.0000
	GRAND TOTAL (A)+(B)+(C)	1646273	153727	1800000	100.0000	1652323	147677	1800000	100.0000	0.0000



ANNEXURE F TO DIRECTORS' REPORT

2. Shareholding of Promoters:

SI No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	
1	SUDHARSAN LOGISTICS PRIVATE LIMITED	496883	27.6046	0.0000	496883	27.6046	0.0000	0.0000
2	DEVAKI S	212750	11.8194	0.0000	212750	11.8194	0.0000	0.0000
3	SATHYANARAYANAN S	197600	10.9777	0.0000	197600	10.9777	0.0000	0.0000
4	SANCO ESTATES AND FARMS PRIVATE LIMITED	150100	8.3388	0.0000	150100	8.3388	0.0000	0.0000
5	UPENDRAN V	79900	4.4388	0.0000	79900	4.4388	0.0000	0.0000
6	SATHYAVATHI P	40000	2.2222	0.0000	40000	2.2222	0.0000	0.0000
7	GAJALAKSHMI S	40000	2.2222	0.0000	40000	2.2222	0.0000	0.0000
8	GUNAVATHI D	40000	2.2222	0.0000	40000	2.2222	0.0000	0.0000
9	MEERA M	39500	2.1944	0.0000	39500	2.1944	0.0000	0.0000



ANNEXURE F TO DIRECTORS' REPORT

3 Change in Promoter's Shareholding:

SI No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
1	SUDHARSAN LOGISTICS PRIVATE LIMITED				
	At the beginning of the year 01-Apr-2015	496883	27.6046	496883	27.6046
	At the end of the Year 31-Mar-2016	496883	27.6046	496883	27.6046
2	DEVAKI S				
	At the beginning of the year 01-Apr-2015	212750	11.8194	212750	11.8194
	At the end of the Year 31-Mar-2016	212750	11.8194	212750	11.8194
3	SATHYANARAYANAN S				
	At the beginning of the year 01-Apr-2015	197600	10.9777	197600	10.9777
	At the end of the Year 31-Mar-2016	197600	10.9777	197600	10.9777
4	SANCO ESTATES AND FARMS PRIVATE LIMITED				
	At the beginning of the year 01-Apr-2015	150100	8.3388	150100	8.3388
	At the end of the Year 31-Mar-2016	150100	8.3388	150100	8.3388
5	UPENDRAN V				
	At the beginning of the year 01-Apr-2015	79900	4.4388	79900	4.4388
	At the end of the Year 31-Mar-2016	79900	4.4388	79900	4.4388
6	SATHYAVATHI P				
	At the beginning of the year 01-Apr-2015	40000	2.2222	40000	2.2222
	At the end of the Year 31-Mar-2016	40000	2.2222	40000	2.2222
7	GAJALAKSHMI S				
	At the beginning of the year 01-Apr-2015	40000	2.2222	40000	2.2222
	At the end of the Year 31-Mar-2016	40000	2.2222	40000	2.2222



ANNEXURE F TO DIRECTORS' REPORT

SI No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
8	GUNAVATHI D				
	At the beginning of the year 01-Apr-2015	40000	2.2222	40000	2.2222
	At the end of the Year 31-Mar-2016	40000	2.2222	40000	2.2222
9	MEERA M				
	At the beginning of the year 01-Apr-2015	39500	2.1944	39500	2.1944
	At the end of the Year 31-Mar-2016	39500	2.1944	39500	2.1944

4. Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

SI No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
1	RAJ KUMAR LOHIA				
	At the beginning of the year 01-Apr-2015	21209	1.1782	21209	1.1782
	At the end of the Year 31-Mar-2016	21209	1.1782	21209	1.1782
2	SREY FINANCIAL SERVICE PVT. LTD				
	At the beginning of the year 01-Apr-2015	10000	0.5555	10000	0.5555
	At the end of the Year 31-Mar-2016	10000	0.5555	10000	0.5555
3	HITESH RAMJI JAVERI JT1 : RADHABAI RAMJI JAVERI JT2 : HARSHA HITESH JAVERI				
	At the beginning of the year 01-Apr-2015	6500	0.3611	6500	0.3611
	At the end of the Year 31-Mar-2016	6500	0.3611	6500	0.3611
	HAVING SAME PAN				



ANNEXURE F TO DIRECTORS' REPORT

SI No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
3	HITESH RAMJI JAVERI JT1 : RADHABAI RAMJI JAVERI JT2 : HARSHA HITESH JAVERI				
	At the beginning of the year 01-Apr-2015	815	0.0452	815	0.0452
	At the end of the Year 31-Mar-2016	815	0.0452	815	0.0452
4	SUDHEER MAHAJAN JT1 : NAMRATA MAHAJAN				
	At the beginning of the year 01-Apr-2015	6212	0.3451	6212	0.3451
	Purchase 15-Jan-2016	1	0.0000	6213	0.3451
	At the end of the Year 31-Mar-2016	6213	0.3451	6213	0.3451
5	CAMEL FOODS PVT LTD.				
	At the beginning of the year 01-Apr-2015	6000	0.3333	6000	0.3333
	Sale 01-May-2015	-2000	0.1111	4000	0.2222
	Sale 17-Jul-2015	-1115	0.0619	2885	0.1602
	Sale 24-Jul-2015	-2284	0.1268	601	0.0333
	Sale 31-Jul-2015	-601	0.0333	0	0.0000
	At the end of the Year 31-Mar-2016	0	0.0000	0	0.0000
6	HARSHA HITESH JAVERI JT1 : HITESH RAMJI JAVERI				
	At the beginning of the year 01-Apr-2015	5700	0.3166	5700	0.3166
	At the end of the Year 31-Mar-2016	5700	0.3166	5700	0.3166
7	MANOJ DUA				
	At the beginning of the year 01-Apr-2015	4659	0.2588	4659	0.2588
	Sale 13-Nov-2015	-557	0.0309	4102	0.2278
	Sale 20-Nov-2015	-793	0.0440	3309	0.1838
	Sale 27-Nov-2015	-1620	0.0900	1689	0.0938
	Sale 31-Dec-2015	-1689	0.0938	0	0.0000
	At the end of the Year 31-Mar-2016	0	0.0000	0	0.0000



ANNEXURE F TO DIRECTORS' REPORT

SI No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
8	RAJASTHAN GLOBAL SECURITIES LIMITED				
	At the beginning of the year 01-Apr-2015	4077	0.2265	4077	0.2265
	Sale 12-Feb-2016	-4077	0.2265	0	0.0000
	At the end of the Year 31-Mar-2016	0	0.0000	0	0.0000
	HAVING SAME PAN				
8	RAJASTHAN GLOBAL SECURITIES LIMITED				
	At the beginning of the year 01-Apr-2015	2592	0.1440	2592	0.1440
	Purchase 31-Dec-2015	1035	0.0575	3627	0.2015
	Purchase 12-Feb-2016	4077	0.2265	7704	0.4280
	At the end of the Year 31-Mar-2016	7704	0.4280	7704	0.4280
9	RAJ KUMAR LOHIA				
	At the beginning of the year 01-Apr-2015	4035	0.2241	4035	0.2241
	At the end of the Year 31-Mar-2016	4035	0.2241	4035	0.2241
10	SUHASINI KRISHNANANDA NAYAK . JT1 : NAGAR KRISHNANANDA NAYAK .				
	At the beginning of the year 01-Apr-2015	4000	0.2222	4000	0.2222
	Sale 04-Mar-2016	-4000	0.2222	0	0.0000
	At the end of the Year 31-Mar-2016	0	0.0000	0	0.0000
	HAVING SAME PAN				
10	SUHASINI KRISHNANANDA NAYAK . JT1 : NAGAR KRISHNANANDA NAYAK .				
	At the beginning of the year 01-Apr-2015	0	0.0000	0	0.0000
	Purchase 04-Mar-2016	4000	0.2222	4000	0.2222
	At the end of the Year 31-Mar-2016	4000	0.2222	4000	0.2222



ANNEXURE F TO DIRECTORS' REPORT

SI No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
	NEW TOP 10 AS ON (31-Mar-2016)				
11	AEQUITAS INVESTMENT CONSULTANCY PRIVATE LIMITED				
	At the beginning of the year 01-Apr-2015	0	0.0000	0	0.0000
	Purchase 24-Apr-2015	6071	0.3372	6071	0.3372
	Purchase 01-May-2015	2055	0.1141	8126	0.4514
	Purchase 08-May-2015	1874	0.1041	10000	0.5555
	Purchase 10-Jul-2015	325	0.0180	10325	0.5736
	At the end of the Year 31-Mar-2016	10325	0.5736	10325	0.5736
12	SAMIR NARENDRA SHAH				
	At the beginning of the year 01-Apr-2015	0	0.0000	0	0.0000
	Purchase 18-Mar-2016	3000	0.1666	3000	0.1666
	Purchase 25-Mar-2016	5000	0.2777	8000	0.4444
	At the end of the Year 31-Mar-2016	8000	0.4444	8000	0.4444
13	S N RAJAN JT1 : ANURADHA RAJAN				
	At the beginning of the year 01-Apr-2015	0	0.0000	0	0.0000
	Purchase 30-Jun-2015	531	0.0295	531	0.0295
	Sale 03-Jul-2015	-531	0.0295	0	0.0000
	Purchase 21-Aug-2015	2057	0.1142	2057	0.1142
	Purchase 04-Sep-2015	120	0.0066	2177	0.1209
	Purchase 11-Sep-2015	80	0.0044	2257	0.1253
	Purchase 09-Oct-2015	256	0.0142	2513	0.1396
	Purchase 23-Oct-2015	547	0.0303	3060	0.1700
	Purchase 30-Oct-2015	700	0.0388	3760	0.2088
	Purchase 13-Nov-2015	1570	0.0872	5330	0.2961
	Purchase 20-Nov-2015	5	0.0002	5335	0.2963
	Purchase 27-Nov-2015	380	0.0211	5715	0.3175
	Purchase 04-Dec-2015	772	0.0428	6487	0.3603



ANNEXURE F TO DIRECTORS' REPORT

SI No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
	Purchase 11-Dec-2015	793	0.0440	7280	0.4044
	Purchase 18-Dec-2015	7	0.0003	7287	0.4048
	Purchase 31-Dec-2015	3438	0.1910	10725	0.5958
	Sale 08-Jan-2016	-2908	0.1615	7817	0.4342
	Sale 22-Jan-2016	-2532	0.1406	5285	0.2936
	Sale 29-Jan-2016	-240	0.0133	5045	0.2802
	Purchase 04-Mar-2016	35	0.0019	5080	0.2822
	At the end of the Year 31-Mar-2016	5080	0.2822	5080	0.2822

5. Shareholding of Directors and Key Managerial Personnel:

SI No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
1	DEVAKI S				
	At the beginning of the year 01-Apr-2015	212750	11.8194	212750	11.8194
	At the end of the Year 31-Mar-2016	212750	11.8194	212750	11.8194
2	SATHYANARAYANAN S				
	At the beginning of the year 01-Apr-2015	197600	10.9777	197600	10.9777
	At the end of the Year 31-Mar-2016	197600	10.9777	197600	10.9777
3	UPENDRAN V				
	At the beginning of the year 01-Apr-2015	79900	4.4388	79900	4.4388
	At the end of the Year 31-Mar-2016	79900	4.4388	79900	4.4388
3	RAGHAVAN R				
	At the beginning of the year 01-Apr-2015	300	0.0167	300	0.0167
	At the end of the Year 31-Mar-2016	300	0.0167	300	0.0167



ANNEXURE F TO DIRECTORS' REPORT

V) INDEBTEDNESS - Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Rs. Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2985.21	--	--	2985.21
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	13.29	--	--	13.29
Total (i+ii+iii)	2998.50	--	--	2998.50
Change in Indebtedness during the financial year				
* Addition	803.07	--	--	803.07
* Reduction	(521.75)	--	--	(521.75)
Net Change	281.32	--	--	281.32
Indebtedness at the end of the financial year				
i) Principal Amount	3261.53	--	--	3261.53
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	18.29	--	--	18.29
Total (i+ii+iii)	3279.82	--	--	3279.82



ANNEXURE F TO DIRECTORS' REPORT

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

In Rupees

S No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		Mr. V. Upendran Managing Director	Mr. S. Sathyanarayanan Deputy Managing Director	Mr. U. Udayabhaskar Reddy Whole Time Director	Mr. S.R. Srinivasan Director- Finance & CFO	
	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	36,00,000	35,10,000	18,60,000	21,00,000	1,10,70,000
1	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	--	--	--	--	--
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	--	--	--	--	--
2	Stock Option	--	--	--	--	--
3	Sweat Equity	--	--	--	--	--
4	Commission - as % of profit - others, specify...	--	--	--	--	--
5	Others, please specify	--	--	--	--	--
	Total (A)	36,00,000	35,10,000	18,60,000	21,00,000	1,10,70,000
	Ceiling as per the Act	As per section II of Part II of Schedule V to the Companies Act, 2013				

B. Remuneration to other directors

S No.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. V. Shankar	Mr. T. Ananthanarayanan	Mr. R. Vijayaraghavan	Mr. V. Govind	
1	Independent Directors					
	Fee for attending board committee meetings	1,75,000	55,000	1,20,000	20,000	4,50,000
	Commission	--	--	--	--	--
	Others, please specify	--	--	--	--	--
	Total (1)	1,75,000	55,000	1,20,000	20,000	4,50,000



ANNEXURE F TO DIRECTORS' REPORT

2	Other Non-Executive Directors	Mrs. S Devaki	Total Amount
	Fee for attending board committee meetings	40,000	40,000
	Commission	--	--
	Others, please specify	--	--
Total (2)		40,000	40,000
Total (B)=(1+2)			4,90,000
Total Managerial Remuneration			
Overall Ceiling as per the Act		As per Section 197 of the Companies Act, 2013	

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

SN	Particulars of Remuneration	Key Managerial Personnel	
		Company Secretary	Total
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,97,283	1,97,283
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	--	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	--	--
2	Stock Option	--	--
3	Sweat Equity	--	--
4	Commission	--	--
	- as % of profit	--	--
	others, specify...	--	--
5	Others, please specify	--	--
	Total	1,97,283	1,97,283

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty			NIL		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NIL		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			NIL		
Punishment					
Compounding					



ANNEXURE G TO DIRECTORS' REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2016

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
M/s. SANCO TRANS LIMITED

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Sanco Trans Limited. (hereinafter called as "the Company"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Sanco Trans Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2016, complied with the statutory provisions and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Sanco Trans Limited ("the Company") for the financial year ended on March 31, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 and rules made thereunder;
- (iii) The Depositories Act, 1996 and regulations and bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct and External Commercial Borrowings; (Not Applicable to the company during the audit period)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (upto 14th May, 2015) and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (effective 15th May, 2015) ;



ANNEXURE G TO DIRECTORS' REPORT

- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not Applicable to the company during the audit period)
- (d) The Securities and Exchange Board of India (Employees Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not Applicable to the company during the audit period)
- (e) The Securities and Exchange Board of India (Issue and Listing of debt securities) Regulations, 2008;(Not Applicable to the company during the audit period)
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998(Not Applicable to the company during the audit period)
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 (effective 1st December, 2015).

We further report that with respect to the other laws specifically applicable to the Company as furnished below, based on the written representations received from the officials/executives of the Company, we state that there are adequate systems and processes commensurate with the size and operations of the company to monitor and ensure compliance of such applicable laws, rules, regulations and guidelines:

1. Customs Act 1962.
2. Handling of Cargo in Customs Area Regulations,2009
3. The Multimodal Transport of Goods Act, 1993
4. Transport of Dangerous Goods Act,1992
5. IATA Act,1945
6. The Madras Port Trust (Licensing of Stevedores) Regulations, 1987

We have also examined the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange (effective upto November 30, 2015) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (effective from December 1, 2015)

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc., subject to the following:

1. The Company has not complied with the provisions of sub-section 1 of Section 203 of the Companies Act, 2013, read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 w.r.t appointment of Company Secretary up to 02.07.2015.



ANNEXURE G TO DIRECTORS' REPORT

We further report that the applicable financial laws, such as the Direct and Indirect Tax Laws, have not been reviewed under our audit as the same falls under the review of statutory audit and by other designated professionals.

We further report that:

- i) the board of directors of the Company is duly constituted with proper balance of executive directors, non-executive directors and Independent directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- ii) adequate notice is given to all directors to schedule the Board Meetings, Agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting and other business which are not included in the Agenda are considered vide supplementary agenda subject to consent of the Board of Directors.
- iii) all the decisions at Board meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.
- iv) there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- v) the shareholders of the company have given their consent to borrow money in excess of paid up capital and free reserves and to create charge or mortgage the assets of the Company to an extent of Rs. 75 Crores in the Annual General meeting held on 15.09.2014.

We further report that during the audit period, there were no instances of:

- (i) Public/Right/Preferential issue of shares / debentures/sweat equity, etc.
- (ii) Redemption / buy-back of securities.
- (iii) Foreign technical collaborations.

Place : Chennai
Date : 30.05.2016

For A.K Jain & Associates
Company Secretaries

Balu Sridhar
Partner
FCS No. 5869
C. P. No. 3550



ANNEXURE H TO DIRECTORS' REPORT

Form AOC – 2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis

- (a) Name(s) of the related party and nature of relationship : Nil
- (b) Nature of contracts / arrangements / transactions : Nil
- (c) Duration of the contracts / arrangements/transactions : Nil
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any : Nil
- (e) Justification for entering into such contracts or arrangements or transactions : Nil
- (f) Date(s) of approval by the Board : Nil
- (g) Amount paid as advances, if any : Nil
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188 : Nil

2. Details of material contracts or arrangement or transactions at arm's length basis

- (a) Name of the related party and nature of relationship:
SUDHARSAN LOGISTICS PRIVATE LIMITED
Enterprise where significant influence is exercised
- (b) Nature of contracts/arrangements/transactions:
For taking on lease/hire vehicles
- (c) Duration of the contracts / arrangements / transactions : 4 months
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any:
Rs. 50,000/- per month per vehicle
- (e) Date(s) of approval by the Board, if any:
Audit Committee approval on 13.11.2015
- (f) Amount paid as advances, if any:
Nil

For and on behalf of the Board of Directors

Place : Chennai
Dated : August 08, 2016

V Upendran
Chairman & Managing Director
(DIN: 00557511)



ANNEXURE I TO DIRECTORS' REPORT

Annual Report on Corporate Social Responsibilities (CSR) Activities:

Brief outline of the Company's CSR policy including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

The CSR Policy of the company includes contribution and adoption of the projects in the areas defined in the Schedule VII of the Companies Act, 2013.

The Company's CSR Policy has been uploaded in the website of the company under the web-link <http://www.sancotrans.com/stl.html>.

Composition of the CSR Committee

1. Mr. S. Sathyanarayanan - Chairman
2. Mr. V. Upendran - Member
3. Mr. V. Govind - Member

Average net profit of the Company for the last three financial years

Average net profit: Rs. 687.09 Lakhs

Prescribed CSR expenditure (2% of the average net profit of the last three financial years)

The Company during the financial year 2015-16 is required to spend Rs. 13.74 Lakhs towards CSR.

Details of CSR spent during the financial year:

- a) Total amount spent for the financial year: Rs. 13.75 Lakhs
- b) Amount unspent: Nil

Manner in which amount spent during the financial year is detailed below:

S. No.	CSR Project or activity identified	Sector in which Project/Trust is covered	Locations	Amount Spent on the projects or programs	Cumulative Expenditure upto reporting period	Amount spent: Direct or through implementing agency
1.	Healthcare	Promoting Healthcare	Chennai	2,00,000/-	2,00,000/-	Hindu Mission Hospital
2.	Support complicated major eye surgeries performed on indigent patients	Promoting Healthcare	Chennai	2,00,000/-	4,00,000/-	Sankara Nethralaya 'Medical Research Foundation'
3.	Swachh Bharat Kosh	Promotion of Sanitation	Remitted to Swachh Bharat Kosh Fund in Delhi	1,25,000/-	2,25,000/-	Central Government



ANNEXURE I TO DIRECTORS' REPORT

S. No.	CSR Project or activity identified	Sector in which Project/Trust is covered	Locations	Amount Spent on the projects or programs	Cumulative Expenditure upto reporting period	Amount spent: Direct or through implementing agency
4.	Clean Ganga Fund	Protection of water	Remitted to Clean Ganga Fund in Delhi	1,00,000/-	2,00,000/-	Central Government
5.	Education	Promoting Education	Chennai	1,00,000/-	1,00,000/-	Vidyadhana and Annadhana Trust
6.	Education	Promoting Education	Trichy	3,00,000/-	7,00,000/-	Srimad Andavan Arts & Science College
7.	Education	Promoting Education	Trichy	3,50,000/-	5,50,000/-	Sri Ranganatha Paduka Vidyalaya Trust

Reason for the amount unspent: Not Applicable

Responsibility Statement by the Corporate Social Responsibility Committee:

The implementation and monitoring of CSR Policy, is in compliance with CSR objectives and policy of the Company.

For and on behalf of the Board of Directors

Place : Chennai
Dated : August 08, 2016

V Upendran
Chairman & Managing Director
(DIN: 00557511)



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SANCO TRANS LIMITED

Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of **SANCO TRANS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order under section 143(11) of the Act.

4. We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, 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 statements that give a true and fair



INDEPENDENT AUDITOR'S REPORT

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 statements.

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

Opinion

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

8. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has, in accordance with the generally accepted accounting practice, disclosed the impact of pending litigations on its financial position in its financial statements – Also Refer Note 3.4 to the financial statements.



INDEPENDENT AUDITOR'S REPORT

- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
9. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For M.S. Krishnaswami & Rajan
Chartered Accountants
Registration No. 01554S

May 30, 2016
Chennai

M.S. Murali -Partner
Membership No. 26453



INDEPENDENT AUDITOR'S REPORT

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 8 under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. We have audited the internal financial controls over financial reporting of **SANCO TRANS LIMITED** ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



INDEPENDENT AUDITOR'S REPORT

Meaning of Internal Financial Controls over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For M.S. Krishnaswami & Rajan

Chartered Accountants
Registration No. 01554S

May 30, 2016
Chennai

M.S. Murali -Partner
Membership No. 26453



INDEPENDENT AUDITOR'S REPORT

Annexure "B" to the Independent Auditor's Report

(Referred to in paragraph 9 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date on the accounts of **SANCO TRANS LIMITED** ("the Company") for the year ended March 31, 2016)

- (i) In respect of its fixed assets:
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
 - b) The fixed assets were physically verified during the year by the Management in accordance with a phased programme of verification, which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals having regard to the size of the Company, nature and value of its assets. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
 - c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deeds/ transfer deeds/ conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings, are held in the name of the Company as at the balance sheet date.
- (ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
- (iii) The Company has granted loan to one of its subsidiary companies covered in the Register maintained under Section 189 of the Companies Act, 2013. In our opinion and based on the information and explanations furnished to us, we report that,
 - a. The terms and conditions of the grant of such loans are not prejudicial to the Companies interest;
 - b. The schedule of repayment of principal and repayment of interest has been stipulated and the repayments/receipts are regular; and
 - c. There is no amount overdue for more than 90 days.
- (iv) The company has not granted any loans secured or unsecured to firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (v) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.



INDEPENDENT AUDITOR'S REPORT

- (vi) According to information and explanations given to us, the Company has not accepted any deposits during the year and accordingly, the provisions of Clause 5 of paragraph 3 of the Order are not applicable to the Company.
- (vii) In our opinion and according to the information and explanations given to us, the requirement for maintenance of cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014 specified by the Central Government of India under section 148 of the Companies Act, 2013 are not applicable to the Company.
- (viii) According to the information and explanations given to us and the books of account examined by us, in respect of statutory dues:
- The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities during the year. There were no undisputed amounts payable in respect of the aforesaid statutory dues in arrears as at March 31, 2016 for a period of more than six months from the date they became payable.
 - According to the information and explanations given to us, there are no dues of Sales Tax, Excise Duty and Cess which has not been deposited on account of any dispute with the relevant authorities. Details of dues (including interest, penalty etc.) of Income-tax, Service Tax, and Customs Duty which have not been deposited as at March 31, 2016 on account of disputes are as stated below:

SI No	Name of the statute	Nature of dues	Period to which the amount relates	Disputed dues not deposited Rs	Forum where the dispute is pending
1	The Income tax Act, 1961	Tax Deducted at Source	Financial Year 2007	11,89,280	CIT(A)
2	The Income tax Act, 1961	Tax Deducted at Source	Financial Year 2008	4,13,480	CIT(A)
3	The Income tax Act, 1961	Tax Deducted at Source	Financial Year 2009	1,09,000	CIT(A)
4	The Income tax Act, 1961	Tax Deducted at Source	Financial Year 2009	2,68,820	CIT(A)



INDEPENDENT AUDITOR’S REPORT

SI No	Name of the statute	Nature of dues	Period to which the amount relates	Disputed dues not deposited Rs	Forum where the dispute is pending
5	The Income tax Act, 1961	Income Tax	Assessment Year 2006-07	88,670	A.O
6	The Income tax Act, 1961	Income Tax	Assessment Year 2013-14	1,41,82,090	A.O
7	Central Excise Act, 1944	Service Tax	18-04-2006 to 31-03-2008	80,15,138	CESTAT
8	Customs Act	Duty Drawback Claims	Financial Years 2008-09, 2009-10, 2010-11	18,32,000	CESTAT

- (ix) The Company has neither borrowed from financial institutions or Government nor are there any dues to debenture holders. Hence the question of commenting on defaults, if any, in respect of such borrowings, does not arise. With regard to dues to borrowings from banks, certain delays in their repayment were noticed as per the books of accounts which are detailed below.
 - (a) Principal amount of Rs. 20,14,965/- due to HDFC Bank Limited on 7th October 2015.
 - (b) Principal amount of Rs. 6,25,000/- per month due to Indian Bank on the 15th of the following month, for the period August 2015 to January 2016, were paid with delays ranging from 5 days to 94 days.
- (x) The company has not raised any money by way of initial public offer or further public offers (including debt instruments) during the year. Hence, reporting on utilisation of such money does not arise. In our opinion and according to the information and explanation given to us, term loans have been applied by the Company during the year for the purpose for which they were raised.
- (xi) To the best of our knowledge and belief, and according to the information and explanations given to us, and considering the size and nature of the Company’s operations, no fraud by the Company has been noticed or reported during the year.
- (xii) In our opinion and according to the information and explanations given to us, the Company has paid/ provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.



INDEPENDENT AUDITOR'S REPORT

- (xiii) The Company is not a Nidhi Company and hence reporting under clause (xii) of Paragraph 3 of the Order is not applicable to the Company.
- (xiv) In our opinion and according to the information and explanations given to us the Company has complied with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards. Refer note 3.12.
- (xv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures under Section 42 of the Companies Act, 2013.
- (xvi) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions during the year with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvii) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For M.S. Krishnaswami & Rajan

Chartered Accountants
Registration No. 01554S

May 30, 2016
Chennai

M.S. Murali -Partner
Membership No. 26453



Sanco Trans Limited

Balance Sheet as at March 31, 2016

	Note No	As at March 31,2016 Rs in Lakhs	As at March 31,2015 Rs in Lakhs
EQUITY AND LIABILITIES			
Shareholders'funds			
Share capital	1.1	180.00	180.00
Reserves and surplus	1.2	9732.89	9664.53
		<u>9912.89</u>	<u>9844.53</u>
Non-current liabilities			
Long-term borrowings	1.3	1,457.30	1427.33
Deferred tax liabilities (Net)	1.4	261.82	276.05
Other Long - term liabilities	1.5	61.83	61.83
Long- term provisions	1.6	47.86	47.86
		<u>1,828.81</u>	<u>1813.07</u>
Current liabilities			
Short-term borrowings	1.7	1,038.76	890.98
Trade payables			
a. micro and medium enterprises		-	-
b. others		532.50	492.75
Other current liabilities	1.8	2,030.00	1620.38
Short-term provisions	1.9	99.00	118.49
		<u>3,700.26</u>	<u>3122.60</u>
TOTAL		<u>15441.96</u>	<u>14780.20</u>
ASSETS			
Non-current assets			
Fixed Assets	1.10		
Tangible assets		11286.21	8984.86
Intangible assets		1.95	--
Capital Work In Progress		413.92	2475.62
		<u>11702.08</u>	<u>11460.48</u>
Non-Current investment	1.11	10.00	10.00
Long- term loans and advances	1.12	1,441.48	1287.32
Current Assets			
Inventories - Stores and spares		11.17	8.08
Trade receivables	1.13	1,212.81	1151.20
Cash and Cash equivalent	1.14	586.41	610.08
Short-term loans and advances	1.15	164.72	99.53
Other current assets	1.16	313.29	153.51
		<u>2,288.40</u>	<u>2022.40</u>
TOTAL		<u>15441.96</u>	<u>14780.20</u>
Significant accounting policies and Notes to the Financial Statements form an integral part of this Balance sheet.			
This is the Balance sheet referred to in our report of even date		For and on behalf of the Board	
For M S Krishnaswami and Rajan Chartered Accountants		V Upendran Chairman and Managing Director DIN: 00557511	S Sathyanarayanan Deputy Managing Director DIN: 00446573
M S Murali - Partner Chennai May 30, 2016		B Lakshmi Sowjanya Company Secretary	S R Srinivasan Director- Finance DIN: 03559408



Sanco Trans Limited

Statement of Profit and Loss for the year ended March 31, 2016

	Note No.	Year ended March 31, 2016 Rs in Lakhs	Year ended March 31, 2015 Rs in Lakhs
Revenue			
Revenue from operations	2.1	7,528.45	7544.99
Other income	2.2	195.65	132.94
Total Revenue		7,724.10	7677.93
Expenses			
Equipment and fleet hire		2,225.14	2142.42
Operating expenses	2.3	2,540.61	2658.65
Employee benefits expense	2.4	980.45	974.14
Finance costs	2.5	321.03	298.62
Depreciation and amortization (Refer Note 1.9 to the Balance Sheet)		420.42	358.25
Other expenses	2.6	1,119.46	1018.07
Total expenses		7,607.11	7450.15
Profit before Exceptional/Extraordinary items and tax		116.99	227.78
Exceptional items		--	--
Extraordinary items		--	--
		116.99	227.78
Profit before tax		116.99	227.78
Tax expense	2.7	9.63	(7.89)
Profit for the year after tax from continuing operations		107.36	235.67
Profit/(Loss) from discontinuing operations		--	--
Profit for the year		107.36	235.67
Earnings per Equity Share			
Basic and diluted (Refer Note 3.9)			
- before extraordinary item	Rs	5.96	13.09
- after extraordinary item	Rs	5.96	13.09

Significant accounting policies and Notes to the Financial Statements form an integral part of this Statement of Profit and loss

This is the Statement of Profit and Loss referred to in our report of even date

For and on behalf of the Board

For M S Krishnaswami and Rajan
Chartered Accountants

V Upendran
Chairman and
Managing Director
DIN: 00557511

S Sathyanarayanan
Deputy Managing
Director
DIN: 00446573

M S Murali - Partner
Chennai
May 30, 2016

B Lakshmi Sowjanya
Company Secretary

S R Srinivasan
Director- Finance
DIN: 03559408



Cash Flow Statement for the year ended March 31, 2016

	2015-16 (Rs. In lacs)	2014-15 (Rs. In lacs)
Cash flows from operating activities		
Net profit before tax	116.99	227.78
Adjustments for :		
Depreciation/amortization/impairment not considered as cash outflow	420.42	358.25
Profit /Loss on disposal of Capital assets (net) considered under investing activities	-1.29	-3.80
Interest paid (net) considered under investing and financing activities	197.93	240.52
Rent Received	-77.09	-76.36
Deferred revenue expenditure		
- amortised not considered as cash outflow	1.01	5.59
Operating profit before working capital changes	657.97	751.98
Adjustments for changes in :		
Trade payables	33.28	36.65
Long term provisions	-	-
Short term provisions	18.00	-11.00
Other current liabilities	296.28	-12.45
Long term liabilities	-	-24.42
Inventories	-3.09	-3.58
Trade and other receivables	-61.60	152.07
Long term advances	12.99	-506.99
Short term advances	-65.19	208.79
Current assets	-165.02	-85.43
	65.65	-246.36
Direct taxes paid	-191.02	-210.79
Cash flow from operating activities	(1) 532.60	294.83
Cash flows from investment activities		
Payments for acquisition of fixed assets		
Additions to fixed assets as per schedule	-2,724.43	-96.66
Adjustment for changes in Capital work in progress	2,061.70	-300.85
	-662.73	-397.51
Proceeds on disposal of/claims relating to capital assets, investments	2.00	32.14
Purchase of investments in subsidiaries	-	-10.00
Rent Received	77.09	76.36
Interest received	121.20	60.34
Cash outflow from investment activities	(2) -462.44	-238.67



Sanco Trans Limited

Cash Flow Statement for the year ended March 31, 2016 (Continued)

	2015-16 (Rs. In lacs)	2014-15 (Rs. In lacs)
Cash flows from financing activities		
Borrowings - Long term - Raised	637.00	113.15
- Repaid	-508.47	-532.76
- Short term - Raised	-	-
- Repaid	-	-9.15
Interest paid (excluded from operating activities as above)	-309.92	-279.73
Dividend and corporate dividend tax paid relating to previous year	-58.49	-56.48
Cash out flow from financing activities	(3) -239.88	-764.97
Net cash flow (1) + (2) + (3)	-169.72	-708.81
At beginning		
Cash and bank balances	593.64	940.13
	593.64	940.13
Balance in cash credit & temporary overdraft	890.98	528.66
	(4) -297.34	411.47
At end		
Cash and Bank balances	571.70	593.64
	571.70	593.64
Balance in cash credit & temporary overdraft	1,038.76	890.98
	(5) -467.06	-297.34
Movement: increase/(decrease) in cash and cash equivalents	(5-4) -169.72	-708.81
Notes to the Cash flow statement		
Components of Cash and Bank balances	586.41	610.08
Less Ear marked balances relating to unclaimed dividend	14.71	16.44
	571.70	593.64

This is the Cash flow statement referred to in our report of even date

For and on behalf of the Board

For M S Krishnaswami and Rajan
Chartered Accountants

V Upendran
Chairman and
Managing Director
DIN: 00557511

S Sathyanarayanan
Deputy Managing
Director
DIN: 00446573

M S Murali - Partner
Chennai
May 30, 2016

B Lakshmi Sowjanya
Company Secretary

S R Srinivasan
Director- Finance
DIN: 03559408



Significant Accounting Policies

Statement on Significant Accounting Policies forming part of the Financial Statements for the year ended March 31, 2016

(a) Accounting convention

1. The Financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 as applicable. The financial statements have been prepared on accrual basis under the historical cost convention except for certain categories of fixed assets that are carried at re-valued amounts.
2. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has determined its operating cycle as twelve months for the purpose of current - noncurrent classification of assets and liabilities.

(b) Use of estimates

Preparation of financial statements involves making of estimates and assumptions in accordance with generally accepted accounting principles that affect the reported amount of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and revenue and expenses during the periods reported. The estimates are based as historical experience, where applicable and other assumptions that management believes are reasonable under the circumstances. Due to inherent uncertainty involved in making estimates, actual results may differ from those estimates under different assumptions or conditions. Any revision to accounting estimate is recognized prospectively in the current and future periods in which the results are known or materialize.

(c) Fixed assets

Cost of assets with certain limits on economic life and cost is capitalised. Cost (less CENVAT, if any) will include inward freight, duties, taxes and other incidental expenses related to acquisition. Certain categories of fixed assets were revalued and are carried at the revalued amounts less accumulated depreciation and impairment loss, if any.

Fixed assets that are not yet ready for their intended use, are carried at costs, comprising direct cost, and other incidental / attributable expenses and reflected under Capital work in progress.

(d) Depreciation /amortization/ impairment

Depreciation is calculated on fixed assets in a manner that amortises, by equal annual installments, the cost of the asset after commissioning, over its economic useful lives subject to statutory requirements. Depreciation on additions to any asset or with respect to any asset sold/discarded/ demolished, is charged to revenue proportionately from/ upto the date the asset is used.

The carrying amount of assets is reviewed at each balance sheet date for any indication of impairment based on internal/external factors. An impairment loss will be recognized wherever the



Significant Accounting Policies

carrying amount of an asset exceeds its estimated recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. Provision for impairment will be reviewed periodically and amended depending on changes in circumstances.

(e) Borrowing costs

Borrowing costs attributable to the acquisition, construction or production of qualifying assets, are added to the cost of those assets, up to the date when the assets are ready for their intended use. Expenditure incurred on raising loans is amortised over the period of such borrowings. Premium paid on prepayment of borrowing is amortised over the unexpired period thereof or sixty months, whichever is less. All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

(f) Inventories

Stores and spares for the operating equipments are stated at lower of cost and estimated net realizable value, cost being ascertained on First In First Out basis. Obsolete, slow moving and defective items of inventories are adequately provided.

(g) Investments

Long term investments are stated at cost. However, provision for diminution is made to recognize a decline, if any, other than temporary, in the carrying value of the investment.

(h) Revenue recognition

Revenue is recognized in respect of (i) executed work, at contracted rates, (ii) other work yet to be completed, at estimated net realizable value, (iii) warehousing operations, at estimated net realizable value (net of incentives, rebates, discounts etc), (iv) in respect of container freight station operations, at estimated net realizable value and (v) goods lying in the Container Freight Station auctioned by the Customs department, at the bid money, net of related expenses on clearance of goods from the yard. Operating earnings are reckoned net of the relevant expenses and losses claimable from the constituents.

(i) Foreign currency transactions

Foreign currency transactions are recorded at the rates prevailing on the date of the transaction. Monetary assets and liabilities in foreign currency are translated at year-end rates and the gains/ losses arising on settlement of transactions and translation of monetary items is recognized in the Statement of Profit and Loss.

(j) Employee benefits

Employee benefit expenses include salary, wages, compensated absences, medical benefits, and other perquisites. It also includes post-employment benefits such as provident fund, gratuity, pensionary benefits etc.

Short term employee benefit obligations are estimated and provided for.



Significant Accounting Policies

Post-employment benefits and other long term employee benefits

- Defined contribution plans:

Company's contribution to provident fund, superannuation fund, employee state insurance and other funds are determined under the relevant schemes and/ or statute and charged to the Statement of Profit and Loss in the period of incurrence when the services are rendered by the employees

- Defined benefit plans and compensated absences:

Company's liability towards gratuity (funded), other retirement benefits and compensated absences are actuarially determined at each balance sheet date using the projected unit credit method. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period of occurrence.

Termination benefits

Expenditure on termination benefits is recognised in the Statement of Profit and Loss in the period of incurrence.

(k) Taxation

Provision for income tax expense comprises of current tax and deferred tax. Provision for current tax is made with reference to taxable income for the current accounting year by applying the applicable tax rate in accordance with the provisions of the Income Tax Act, 1961 and other applicable tax laws after considering credit for Minimum Alternate Tax (MAT) available. Deferred income tax charge reflects the impact of the current period timing differences between taxable income and accounting income subject to consideration of prudence. The deferred tax charge or credit is recognized using prevailing tax rates. Deferred tax assets/liabilities are reviewed as at each balance sheet date based on developments during the period and available case laws to reassess realization/liabilities.

(l) Provisions and contingencies

Provision is recognized when (i) the Company has a present obligation as a result of a past event; (ii) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and (iii) a reliable estimate can be made of the amount of the obligation. A disclosure of a contingent liability is made when there is a possible obligation that may, but probably will not, require outflow of resources. Where there is possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure is made.

(m) Cash Flow Statement

Cash flow statements are reported using the indirect method, whereby profit/ (loss) before extraordinary items/ exceptional items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipt or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on available information including taxes paid relating to these activities.



Notes to the Financial Statements

	As at March 31,2016 Rs. in lakhs	As at March 31,2015 Rs. in lakhs
1.1 Share Capital		
Authorised		
70,00,000 (March 31, 2015: 70,00,000)		
Equity shares of Rs.10 each with voting rights	700.00	700.00
Issued and Subscribed and fully Paid up		
18,00,000 (March 31, 2015:18,00,000)		
Equity shares of Rs.10 each with voting rights	180.00	180.00

1) Of the above, shares held by each shareholder holding more than 5% of shares

Name of the shareholder	As at March 31,2016		As at March 31,2015	
	No of shares held	% of shares held	No of shares held	% of shares held
Srimathi. Devaki S	212750	11.82	212750	11.82
Sri. Sathyanarayanan S	197600	10.97	197600	10.97
Sudharsan Logistics Private Ltd	496883	27.60	496883	27.60
Sanco Estates and Farms Private Ltd	150100	8.34	150100	8.34

2) The holders of Equity Shares are entitled to vote at the General Meeting and also to the dividend declared/paid in proportion to the Shares held by them. Apart from the above, their rights, preferences and restrictions are governed by the terms of their issue under the provisions of the Companies Act, 2013.

1.2 Reserves and Surplus

(a) Revaluation reserve

Balance as at the beginning of the year	4668.69	4677.39
Less Transfer to General Reserve (Refer note 3.6 (i))	(8.69)	(8.70)
Balance as at the end of the year	(a) 4660.00	4668.69

(b) General reserve

Balance as at the beginning of the year	4,638.70	4480.00
Add Transfer from Surplus in Statement of Profit and loss	65.00	150.00
Add Transfer from Revaluation Reserve (Refer note 3.6 (i))	8.69	8.70
Balance as at the end of the year	(b) 4712.39	4638.70



Notes to the Financial Statements

	As at March 31,2016 Rs. Lakhs	As at March 31,2015 Rs. Lakhs
(c) Surplus in Statement of Profit and Loss		
Balance as at the beginning of the year	357.14	347.32
Add profit for the year after tax	107.36	235.67
Less Transfer to General reserve	65.00	150.00
Less Dividend proposed Rs. 1.80 (March 31, 2015 Rs.2.70) per Equity share	32.40	48.60
Less Corporate tax on proposed dividend	6.60	9.89
Less Depreciation (net of deferred tax) on account of adoption of Schedule II to Companies Act, 2013	-	17.36
[Refer note 3.6 (iii)]		
Balance as at the end of the year	360.50	357.14
Total of (a) to (c)	9732.89	9664.53
1.3 Long-term borrowings		
Term loans from Banks - Secured		
(i) Loan for construction of warehouse	122.94	394.22
(ii) Loan for acquisition of Land and building	913.47	994.72
(iii) Loan for acquisition of capital assets under deferred payment scheme	420.89	38.39
Total	1457.30	1427.33
(Security details Refer Note 3.1. Terms of the loans: Refer Note 3.14)		
1.4 Deferred Tax Liability (Net)		
(a) Deferred tax liability arising due to		
(i) Depreciation	280.01	274.11
(ii) Others	1.65	1.94
	281.66	276.05
(b) Deferred tax asset on account of		
(i) Timing differences	(19.84)	-
	261.82	276.05
1.5 Other Long-term Liabilities		
Rental Advance	61.83	61.83
	61.83	61.83



Notes to the Financial Statements

	As at March 31,2016 Rs. Lakhs	As at March 31,2015 Rs. Lakhs
1.6 Long term provisions		
For Property tax	47.86	47.86
	47.86	47.86
1.7 Short-term borrowings		
Loans repayable on demand – Secured		
From Banks – cash credit facilities	1038.76	827.42
- Temporary overdraft	-	63.56
(Security details Refer Note: 3.1, Terms of the loans: Refer Note 3.14)		
Total	1038.76	890.98
1.8 Other Current Liabilities		
(a) Current maturities of long term debt		
- Secured	765.46	666.90
(b) Interest accrued and due on borrowings	18.29	13.29
(c) Due to related party	-	49.09
(d) Creditors for expenses	850.85	585.05
(e) Auction Money	13.62	18.09
(f) Advance from debtors	193.42	109.14
(g) Employee related expenses	48.31	51.30
(h) Statutory dues	45.04	22.97
(i) Capital creditors	28.33	41.79
(j) Unclaimed dividend	14.71	16.44
(k) Due to Directors	31.83	30.12
(l) Other payables	20.14	16.20
	2030.00	1620.38
Note : a) Securities for the long term debt: Refer Note 3.1 to the Financial Statements		
b) Details of terms of the current maturities of long term debt: Refer Note 3.14 to the Financial Statements		
1.9 Short-term provisions		
(a) Provision for employee benefits	60.00	60.00
(b) Others		
- Proposed Dividend	32.40	48.60
- Dividend Tax on proposed dividend	6.60	9.89
	99.00	118.49



Notes to the Financial Statements

		As at March 31,2016 Rs. Lakhs	As at March 31,2015 Rs. Lakhs
1.10 Fixed assets			
(1) Tangible assets			
(a) Land			
Cost/Valuation			
At beginning and at end	(a)	6,356.71	6,356.71
(b) Building			
Cost/Valuation			
At beginning		1,433.28	1,367.44
Additions		2,208.04	66.36
Deductions		-	(0.52)
At end	b(i)	3,641.32	1,433.28
Depreciation			
At beginning		171.58	141.17
For the year		83.15	30.74
Sales		-	(0.33)
At end	b(ii)	254.73	171.58
Written down value	b (i-ii)	3,386.59	1,261.70
(c) Operating fleet/equipments			
Cost			
At beginning		2,489.29	2,515.63
Additions		470.38	--
Sales		(17.97)	(26.34)
At end	c (i)	2,941.70	2,489.29
Depreciation			
At beginning		1,265.33	994.01
For the year		296.10	286.63
Sales		(17.25)	(15.31)
At end	c (ii)	1,544.18	1,265.33
Written down value	c (i-ii)	1,397.52	1,223.96
(d) Machinery			
Cost			
At beginning		64.90	64.90
Additions		-	--
At end	d(i)	64.90	64.90
Depreciation			
At beginning		23.93	20.09
For the year		3.55	3.84
At end	d (ii)	27.48	23.93
Written down value	d (i-ii)	37.42	40.97



Notes to the Financial Statements

	As at March 31,2016 Rs. Lakhs	As at March 31,2015 Rs. Lakhs
1.10 Fixed assets		
(1) Tangible assets		
(e) Office Vehicles		
Cost		
At beginning	88.76	99.14
Additions	-	23.61
Sales	-	(33.99)
At end	88.76	88.76
	e (i)	
Depreciation		
At beginning	29.19	28.96
For the year	16.91	17.10
sales	-	(16.87)
At end	46.10	29.19
	e (ii)	
Written down value	42.66	59.57
	e (i-ii)	
(f) Furniture		
Cost		
At beginning	9.13	8.29
Additions	2.01	0.84
At end	11.14	9.13
	f(i)	
Depreciation		
At beginning	3.29	2.13
For the year	1.25	1.16
At end	4.54	3.29
	f (ii)	
Written down value	6.60	5.84
	f (i-ii)	
(g) Office equipments		
Cost		
At beginning	114.05	108.20
Additions	41.76	5.85
Sales	-	---
At end	155.81	114.05
	g (i)	
Depreciation		
At beginning	77.94	38.07
For the year	19.16	39.87
sales	-	--
At end	97.10	77.94
	g(ii)	
Written down value	58.71	36.11
	g(i-ii)	



Notes to the Financial Statements

	As at March 31,2016 Rs. Lakhs	As at March 31,2015 Rs. Lakhs
1.10 Fixed assets		
(2) Intangible assets- Software acquired		
Cost		
At beginning	14.04	14.04
Additions	2.25	--
At end	16.29	14.04
Amortisation		
At beginning	14.04	12.20
For the year	0.30	1.84
At end	14.34	14.04
Written down value	1.95	--
SUMMARY		
A Cost		
At beginning	10,570.16	10,534.35
Additions	2,724.44	96.66
	13,294.60	10,631.01
Deletions / Sales	(17.97)	(60.85)
At end	13,276.63	10,570.16
B Depreciation Reserve		
At beginning	1,585.30	1,236.64
For the year	420.42	381.17
At end	2,005.72	1,617.81
Deletions / Sales	(17.25)	(32.51)
At end	1,988.47	1,585.30
C Written down value	11,288.16	8,984.86
D. Capital work - in - progress	413.92	2,475.62
E. Depreciation for the year as above	420.42	381.17
Adjustment to surplus in Note 1.2 (c) (Refer Note 3.6 (iii) b)	--	(22.92)
Depreciation for the year as per Statement of profit and loss	420.42	358.25
1.11 Non- Current Investments		
Long term, Trade, Unquoted Equity Shares of Rs.10/- each in subsidiary Companies		
Sanco Transport Limited	5.00	5.00
Sanco Clearance Limited	5.00	5.00
	10.00	10.00



Notes to the Financial Statements

	As at March 31,2016 Rs. Lakhs	As at March 31,2015 Rs. Lakhs
1.12 Long-Term Loans and Advances		
Unsecured, considered good		
(a) Security deposits	22.75	48.23
(b) Loan to subsidiary		
Sanco Transport Limited	590.64	600.00
(c) Advance payment of Income tax-net of provisions	612.46	445.30
(d) Other loans and advances		
- Rent Advance	160.71	163.59
- Earnest money deposit	9.22	6.02
- Prepaid expenses	23.97	3.45
- Others	21.73	20.73
	1,441.48	1287.32
1.13 Trade receivables		
Unsecured, considered good		
(a) Trade receivables outstanding for a period exceeding six months from the date they became due for payment	34.63	25.86
(b) Others	1,178.18	1125.34
	1,212.81	1151.20
Others include dues from Related Party for 133.48 lacs		
1.14 Cash and Cash Equivalents		
(i) Cash and cash equivalents		
(a) Balance with banks		
- in current account	31.60	49.98
- in deposit account	433.10	464.70
(b) Cheques on hand	-	6.23
(c) Cash on hand	5.86	4.80
(ii) Earmarked bank balances unclaimed Dividend account	14.71	16.44
(iii) Balance with banks held as Margin money	62.86	54.18
(iv) Bank deposits with more than twelve months maturity	38.28	13.75
	586.41	610.08

Balance with banks in deposit account in (i) (a) above includes deposit with maturity of less than twelve months.



Notes to the Financial Statements

	As at March 31,2016 Rs. Lakhs	As at March 31,2015 Rs. Lakhs
1.15 Short-term loans and advances		
Unsecured, considered good		
(a) Capital Advances	37.16	3.39
(b) Prepaid expenses	15.04	31.04
(c) Advances to suppliers, contractors and others	103.98	47.40
(d) Employee advance	5.62	4.81
(e) Balance with customs, port trust etc;	2.92	12.89
	164.72	99.53
1.16 Other Current assets		
(a) Interest accrued and due on fixed deposits	25.96	30.18
(b) Loan raising expenses and premium on prepayment of borrowing	4.97	5.99
(c) Unbilled revenue	282.36	117.34
	313.29	153.51



Notes to the Financial Statements

	Year Ended March 31, 2016 Rs. Lakhs	Year Ended March 31, 2015 Rs. Lakhs
2.1 Revenue from operations		
(a) Handling earnings	3895.65	3827.63
(b) Equipment and fleet hire earnings	2468.90	2423.78
(c) Warehouse earnings	899.94	898.16
(d) Agency and other earnings	263.96	395.42
	7528.45	7544.99
2.2 Other Income		
(a) Interest income	116.98	52.51
(b) Net gain on disposal of fixed assets	1.29	3.80
(c) Net gain on foreign currency transaction and translation	0.29	0.27
(d) Rent Received	77.09	76.36
	195.65	132.94
2.3 Operating expenses		
(a) Handling expenses	1168.93	1281.87
(b) Container repairs	291.87	328.69
(c) Hired equipments upkeep	52.54	47.83
(d) Others	46.33	57.74
(e) Operating equipment upkeep	980.94	942.52
	2540.61	2658.65
2.4 Employee benefits expense		
(a) Salaries, wages and bonus	722.47	679.46
(b) Contribution to provident, gratuity and other funds	45.26	60.14
(c) Welfare expenses	212.72	234.54
	980.45	974.14
2.5 Finance costs		
(a) Interest expenses	314.93	342.31
(b) Other borrowing costs		
- guarantee charges	5.09	11.72
- Amortisation of loan raising expenses	1.01	4.28
- Amortisation of premium on prepayment of borrowings	-	1.31
	321.03	359.62
Less; Borrowing cost Capitalised	-	61.00
	321.03	298.62



Notes to the Financial Statements

	Year Ended March 31, 2016 Rs. Lakhs	Year Ended March 31, 2015 Rs. Lakhs
2.6 Other expenses		
(a) Consumption of stores and tools	32.22	8.70
(b) Power and fuel	52.18	46.88
(c) Rent		
- Warehouse	533.76	496.99
- Others	44.44	43.27
(d) Repairs to buildings		
- Warehouse	40.44	25.70
- Others	15.28	12.84
(e) Repairs to vehicles	2.27	3.66
(f) Fuel for vehicles	15.18	15.08
(g) Insurance		
- Vehicles	1.82	2.21
- Others	7.23	0.61
(h) Rates and taxes		
- Vehicles	--	3.62
- Others	6.81	--
(i) Travel and conveyance	89.50	88.20
(j) Corporate Social Responsibility expenses	13.75	10.00
(k) Directors' Sitting Fees	4.90	3.90
(l) Security Services	71.52	71.62
(m) Others	188.16	184.79
	1,119.46	1,018.07
2.7 Tax expense		
(a) Current tax-Current year	24.34	40.00
- Prior year – (withdrawal)-net	(0.48)	30.64
(b) Deferred tax-Provision/(withdrawal)	(14.23)	(78.53)
	9.63	(7.89)



Notes to the Financial Statements

- 3.1 (i) Loan for acquisition of capital assets under deferred payment scheme is secured by hypothecation of related capital assets and guaranteed by Deputy Managing Director;
- (ii) Loan Sanctioned for Rs.1,383 lakhs from a Bank for acquisition of immovable property(Note 1.3 and Note 1.8(a)) is secured by the immovable property (comprising Land and Building situated at Chennai) and is guaranteed by three Directors;
- (iii) Loan Sanctioned for Rs. 900 Lakhs (March 31, 2015 Rs. 900 Lakhs) (Note 1.3(i) and Note 1.8(a)) for construction of warehouse is secured by commercial property belonging to an enterprise which has a significant influence on the Company and is further secured by personal guarantee of three Directors and
- (iv) cash credit facility is secured by first charge on the book debts, land and structures thereon at Container Freight Station and guaranteed by three Directors.
- 3.2 Balance with banks in deposit accounts in Note 1.14(i) to the Balance Sheet includes Rs.413.25 lakhs (March 31, 2015 Rs.445.30 lakhs) in respect of which the relative deposit receipts have been pledged with banks as security for the guarantee facilities extended by them to the Company.
- 3.3 Capital expenditure commitments (net of advances) Rs. Nil (March 31, 2015 Rs. 7.00 lakhs)
- 3.4 Contingent liabilities - Claims against the Company not acknowledged as debts:
- Taxes Rs. 161.63 lakhs (2015 Rs. 348.15 lakhs).
 - Bank guarantee Rs. 556.60 lakhs (2015 Rs. 541.81 lakhs).
 - Others Rs 35.88 lakhs (2015 Rs.32.22 lakhs).
- Outflow in respect of the above is not practicable to ascertain in view of the uncertainties involved.
- 3.5 (a) Warehouse earnings in Note 2.1 is net of incentives/ rebates/ trade discounts of Rs.1,017.72 lakhs (2014-15 Rs.913.55 lakhs)
- (b) Tax deducted at source on (i) Revenue from operations Rs. 161.61 lakhs (2014-15 Rs 115.27 lakhs); (ii) Interest income Rs. 19.19 lakhs (2014-15 Rs 4.68 lakhs).
- 3.6 (i) Depreciation for the year computed on revalued assets in excess of the depreciation computed under the method followed by the Company prior to revaluation is transferred from Revaluation reserve to the General Reserve in terms of the Application on Guide on the provisions of schedule II to the Companies Act, 2013 issued by the Institute of Chartered Accountants of India.
- (ii) Useful life of Tangible and Intangible Assets:
- a) Useful life lower than that derived from the rates specified in Schedule II to the Companies Act, 2013.

	Useful life(Years)	
	2015-16	2014-15
Block of Asset	2015-16	2014-15
Office Vehicle	5	5



Notes to the Financial Statement

b) Useful life not prescribed in Schedule II to the Companies Act, 2013.

	Useful life (Years)	
	2015-16	2014-15
Block of Asset		
Computer Software	3	3

(iii) The Company had during the earlier year adopted the useful life prescribed in Schedule II to the Companies Act, 2013 with regard to charging / amortising depreciation on its Fixed assets. In terms of Note 7 to the said Schedule, the carrying amount of the fixed assets as at April 1, 2014:

(a) is depreciated over the remaining useful life of the asset as per Schedule II and

(b) where the remaining useful life of an asset was Nil, was recognized in the opening balance of retained earnings as at April 1, 2014. The amount so recognized aggregated to Rs. 17.36 lakhs (Net of Deferred tax of Rs. 5.56 lakhs).

The effect of change in useful life as above on the profit for the earlier year, was a higher charge of depreciation of Rs. 52.40 lakhs and consequent lower profit for the said year by the said amount.

3.7 Corporate Social Responsibility Obligation:

Gross amount required to be spent by the Company during the year: Rs. 13.75 Lakhs

Amount spent during the year on:

In lakhs

	Amount Paid
(i) Construction/ acquisition of any asset	-
(ii) on purposes other than (i) above	13.75

3.8 Foreign exchange and foreign currency transactions and derivatives - (i) Imports – Rs. Nil (2014-15 Rs Nil); (ii) Other expenditure in foreign currency Rs.7.65 lakhs (2014-15 Rs. 15.06 lakhs); (iii) Other earnings in foreign exchange Rs.28.14 lakhs (2014-15 Rs. 15.24 lakhs); (iv) There was no remittance in foreign currencies on account of dividend to non-resident shareholders; (v) Derivatives – Company has not so far used derivative financial instruments such as forward contracts, currency swap to hedge currency exposures, present and anticipated. However, currency exposure not hedged by derivative instruments are as under:

Amount receivable on account of services rendered, advances, etc. US\$ 5,860.87 equivalent Rs.3.89 lakhs (March 31, 2015 US \$10,780.56 equivalent Rs 6.71 lakhs); Amount payable on account of services obtained US \$ 2,339.58 equivalent Rs.1.57 lakhs (March 31, 2015 US \$ 4,263 equivalent Rs. 2.69 lakhs).

3.9 Earnings per share:

Profit/(loss) after tax as per Statement of Profit and Loss	107.36	235.67
Weighted average number of equity shares outstanding	1,800,000	1,800,000
Basic and Diluted earnings per share (Face value Rs. 10 each)	5.96	13.09



Notes to the Financial Statements

- 3.10 (i) The Company has complied with the revised Accounting Standard 15-Employee benefits. Accordingly provision of Rs. Nil has been made for the incremental liability towards gratuity for the year ended March 31,2016 (2014-15 Rs. 6.79 lakhs).
- (ii) Defined benefit plan - Gratuity: As per actuarial valuation on March 31, 2016. The disclosures furnished by Life Insurance Corporation of India in this regard are (a) Discounting rate: 8%(March 31, 2015 - 8%); (b)Salary escalation rate: 8% (March 31, 2015 - 8%); (c) Mortality rate: as per LIC (1994-96) Mortality Table; (d) Attrition rate: 1% - 3% (March 31, 2015 1% - 3%); Method of valuation: Projected unit credit method.
- (iii) Gratuity is administered through Group Gratuity Scheme with Life Insurance corporation of India. The expected return on plan assets is based on market expectation at the beginning of the year for the returns over the entire life of the related obligation.
- (iv) During the year, the Company has recognized the following amounts in the Statement of Profit and loss in Note 2.4 (b) - Contribution to provident fund Rs.51.22 lakhs, (2014-15 Rs 53.35 lakhs), Contribution towards gratuity (Rs.5.96 lakhs) (2014-15 Rs 6.79 lakhs), Employees' welfare expenses includes contribution to employees' state insurance plan Rs.9.42 lakhs (2014-15 -Rs 9.98 lakhs).
- (v) Note 2.6(m)-Others under other expenses include Fees to auditors for audit Rs. 6.00 Lakhs (2014-15 Rs. 4.00 Lakhs) which is an all inclusive fees covering statutory audit, tax audit and othe certification work and Service tax thereon.
- 3.11 Segment information - The Company's primary segment is identified as business segment based on nature of services, risks, returns and the internal business reporting System. The Company is primarily engaged in a single business segment viz., logistics.
- 3.12 Related party transactions
- (i) List of Related Parties
- (a) Key management personnel (as per Accounting Standard 18' Related Parties)
- | | |
|---------------------------------|----------------------------|
| (i) Shri V Upendran | - Managing Director |
| (ii) Shri S Sathyanarayanan | - Deputy Managing Director |
| (iii) Shri U Udayabhaskar Reddy | - Wholetime Director |
| (iv) Shri S R Srinivasan | - Director-Finance |
- (b) Enterprise where significant influence is exercised on the Company
- Sudharsan Logistics Private Limited (SLPL)
- (c) Fully Owned Subsidiaries
- Sanco Transport Ltd
 - Sanco Clearance Ltd



Sanco Trans Limited

Notes to the Financial Statements

	2015-16	2014-15
	In lakhs	In lakhs
(ii) Related Party Transactions and Closing balance		
(a) Key Management Personnel		
Interest payments	-	0.29
Remuneration	122.15	122.59
Rent Payment	1.42	1.42
Amounts due at year end	31.83	30.12
(b) Enterprise where significant influence is exercised on the Company		
Tractor/Trailer hire charges paid	20.92	378.43
Tractor/Trailer hire charges earned	213.85	-
Lease rent paid	106.16	26.88
Agency charges paid	-	0.15
Agency charges earned	66.97	-
Dividend paid	13.42	13.42
Balance due from	133.48	54.09
Rent advance	5.00	5.00
(c) Fully owned Subsidiaries		
Tractor/Trailer hire charges paid	146.23	4.06
Interest received	67.25	0.31
Tractor/Trailer hire charges payable	0.64	-
Loan due by subsidiary	590.64	600.00
Interest receivable	-	0.27
Investment in subsidiaries	10.00	10.00

3.13 The Company has not received any intimation from “suppliers” regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid/payable as required under the said Act have not been furnished.

3.14 Details of terms of Secured Loans - Refer separate statement annexed

3.15 Comparative figures relating to the previous year have been reclassified /regrouped /amended, wherever necessary.

For and on behalf of the Board

Chennai	V Upendran	S Sathyanarayanan	S R Srinivasan	B Lakshmi Sowjanya
May 30,2016	Chairman and	Deputy Managing	Director	Company Secretary
	Managing Director	Director	Finance	
	DIN: 00557511	DIN: 00446573	DIN: 03559408	



Notes to the Financial Statements

(Rs. In Lacs)

LOAN A/C	LOAN AMOUNT (IN LACS)		NO. OF INSTALMENTS		INTEREST RATE RANGE		INSTALMENT RANGE (IN LACS)		LOAN CLOSURE DATE	
	As ON March 31,2016	As ON March 31,2015	As ON March 31,2016	As ON March 31,2015	As ON March 31,2016	As ON March 31,2015	As ON March 31,2016	As ON March 31,2015	As ON March 31,2016	As ON March 31,2015
LA 11	-	25.23	-	3	10% - 11%	10% - 11%	-	6.01-8.34	-	01.06.2015
LA 12	-	7.49	-	8	10% - 11%	10% - 11%	-	0.93	-	01.11.2015
LA 13	-	57.45	-	10	10% - 11%	10% - 11%	-	5.74	-	01.01.2016
LA 15	-	14.74	-	14	-	10.50%	-	1.06	-	30.03.2016
LA 17	175.96	283.42	17	29	12.00%	12.00%	9.55-11.20	8.47-11.20	07.08.17	07.08.2017
LA 18	994.72	1069.72	69	81	11.65%	12.20%	6.25-20.83	6.25-20.83	15.12.2021	15.12.2021
LA 19	3.68	11.89	5	17	11.25%	11.25%	0.72-0.75	0.65-0.75	05.08.16	05.08.2016
LA 20	2.08	5.37	7	19	11.25%	11.25%	0.29-0.30	0.26-0.31	05.10.16	05.10.2016
LA 21	1.85	3.86	10	22	11.25%	11.25%	0.18-0.19	0.16-0.19	07.01.17	07.01.2017
LA 22	13.51	21.61	20	32	10.50%	10.50%	0.67	0.67	20.11.17	20.11.2017
LA 23	5.40	8.65	20	32	10.50%	10.50%	0.27	0.27	20.11.17	20.11.2017
LA 26	218.25	351.53	17	29	12.00%	12.00%	11.84-13.89	10.51-13.89	07.08.17	07.08.2017
LA 27	9.76	17.26	14	26	10.15%	10.15%	0.66-0.74	0.59-0.74	07.05.17	07.05.2017
LA 28	216.00	216.00	-	-	11.30%	11.30%	-	-	-	-
LA 29	96.65	-	26	-	11.25%	-	3.03-4.17	-	20.05.18	-
LA 30	370.76	-	43	-	10.04%	-	7.02-10.22	-	15.10.19	-
LA 31	114.15	-	33	-	11.26%	-	2.93-4.01	-	20.12.18	-
TOTAL	2222.77	2094.23								



INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of **SANCO TRANS LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the Consolidated Balance Sheet as at March 31, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
4. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements 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



INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

6. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2016, and their consolidated loss and their consolidated cash flows for the year ended on that date.

Other Matters

8. Financial Statements/ Consolidated Financial Statements of two subsidiaries which reflect total assets (net) of Rs.705.35 lakhs as at March 31, 2016, total revenue (net) of Rs.690.76 lakhs and net cash flows amounting to Rs.(3.29) lakhs for the year ended on that date, have been audited by us.

Report on Other Legal and Regulatory Requirements

9. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards prescribed under Section 133 of the Act, as applicable.
 - e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2016 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164(2) of the Act.



INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

- f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our Report in "Annexure A", which is based on the auditors' reports of the Holding company and subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Holding company's and subsidiary company's incorporated in India internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group in accordance with the generally accepted accounting practice. Also Refer Note 3.5 to the consolidated financial statements.
 - ii. The Group did not have any long term contracts, including derivative contracts, for which there were any material foreseeable loses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.

For M.S. Krishnaswami & Rajan

Chartered Accountants
Registration No. 01554S

May 30, 2016
Chennai

M.S. Murali -Partner
Membership No. 26453



INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 13(f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2016, we have audited the internal financial controls over financial reporting of SANCO TRANS LIMITED (hereinafter referred to as "the Holding Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of



INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the auditors of the subsidiary companies, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31,



INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

9. Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to two subsidiary companies, which are companies incorporated in India, is based on the corresponding reports issued by us.

For M.S. Krishnaswami & Rajan

Chartered Accountants
Registration No. 01554S

May 30, 2016
Chennai

M.S. Murali -Partner
Membership No. 26453



Sanco Trans Limited

CONSOLIDATED BALANCE SHEET AS AT MARCH 31,2016

	Note No	As at March 31,2016 Rs in Lakhs	As at March 31,2015 Rs in Lakhs
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	1.1	180.00	180.00
Reserves and surplus	1.2	9,567.59	9664.00
		<u>9,747.59</u>	<u>9844.00</u>
Non- current liabilities			
Long-term borrowings	1.3	1,511.22	1427.33
Deferred tax liabilities (net)	1.4	261.82	276.05
Other long-term liabilities	1.5	61.83	61.83
Long-term provisions	1.6	47.86	47.86
		<u>1,882.73</u>	<u>1813.07</u>
Current liabilities			
Short-term borrowings	1.7	1,038.76	890.98
Trade payables			
a. micro and medium enterprises		-	-
b. others		558.59	488.69
Other current liabilities	1.8	2,219.98	1622.54
Short-term provisions	1.9	99.00	118.49
		<u>3,916.33</u>	<u>3120.70</u>
TOTAL		15,546.65	14777.77
ASSETS			
Non-current assets			
Fixed Assets			
Tangible assets	1.10	11,743.59	9433.11
Intangible assets		1.95	-
Capital Work in Progress		413.92	2475.62
		<u>12,159.46</u>	<u>11908.73</u>
Long-term loans and advances	1.11	1,016.52	838.32
Current Assets			
Inventories-Stores and spares		11.17	8.08
Trade receivables	1.12	1,267.34	1151.20
Cash and cash equivalents	1.13	602.40	618.68
Short-term loans and advances	1.14	164.72	99.53
Other current assets	1.15	325.04	153.23
		<u>2,370.67</u>	<u>2030.72</u>
TOTAL		15,546.65	14777.77

Significant accounting policies and Notes to the Consolidated Financial Statements form an integral part of this Consolidated Balance sheet.

This is the Consolidated Balance sheet referred to in our report of even date

For and on behalf of the Board

For M S Krishnaswami and Rajan
Chartered Accountants

V Upendran
Chairman and
Managing Director
DIN: 00557511

S Sathyanarayanan
Deputy Managing
Director
DIN: 00446573

M S Murali - Partner
Chennai
May 30, 2016

B Lakshmi Sowjanya
Company Secretary

S R Srinivasan
Director- Finance
DIN: 03559408



Sanco Trans Limited

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31,2016

	Note No.	Year ended March 31,2016 Rs in Lakhs	Year ended March 31,2015 Rs in Lakhs
Revenue			
Revenue from operations	2.1	8,219.21	7544.99
Other income	2.2	127.80	132.63
Total Revenue		8,347.01	7677.62
Expenses			
Equipment and fleet hire		2,459.89	2142.42
Operating expenses	2.3	2,999.37	2,654.69
Employee benefits expense	2.4	981.09	974.14
Finance costs	2.5	327.81	300.15
Depreciation and amortization (Refer Note 1.10 to the Balance Sheet)		501.66	359.69
Other expenses	2.6	1,124.97	1019.28
Total expenses		8,394.79	7450.37
Profit before Exceptional/Extraordinary items and tax		(47.78)	227.25
Exceptional items		-	-
Extraordinary items		-	-
		(47.78)	227.25
Profit before tax		(47.78)	227.25
Tax expense	2.7	9.63	(7.89)
Profit for the year after tax from continuing operations		(57.41)	235.14
Profit/(Loss) from discontinuing operations		--	--
Profit for the year		(57.41)	235.14
Earnings per Equity Share			
Basic and diluted			
(Refer Note 3.10) to the Financial Statements			
- before extraordinary item	Rs	(3.19)	13.06
- after extraordinary item	Rs	(3.19)	13.06

Significant accounting policies and Notes to the Consolidated Financial Statements form an integral part of this Consolidated Statement of Profit and Loss.

This is the Consolidated Statement of Profit and Loss referred to in our report of even date

For and on behalf of the Board

For M S Krishnaswami and Rajan
Chartered Accountants

V Upendran
Chairman and
Managing Director
DIN: 00557511

S Sathyanarayanan
Deputy Managing
Director
DIN: 00446573

M S Murali - Partner
Chennai
May 30, 2016

B Lakshmi Sowjanya
Company Secretary

S R Srinivasan
Director- Finance
DIN: 03559408



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

	2015-16 (Rs. In lacs)	2014-15 (Rs. In lacs)
Cash flows from operating activities		
Net profit before tax	-47.78	227.25
Adjustments for :		
Depreciation/amortization/impairment not considered as cash outflow	501.66	359.69
Profit /Loss on disposal of Capital assets (net) considered under investing activities	-1.29	-3.80
Interest paid (net) considered under investing and financing activities	271.98	242.36
Rent Received	-76.49	-76.36
Deferred revenue expenditure		
- amortised not considered as cash outflow	1.01	5.59
Operating profit before working capital changes	649.09	754.73
Adjustments for changes in :		
Trade payables	63.42	32.59
Long term provisions	-	-
Short term provisions	18.00	-11.00
Other current liabilities	463.46	-11.66
Long term liabilities	-	-24.42
Inventories	-3.09	-3.58
Trade and other receivables	-116.13	152.07
Long term advances	3.64	-57.98
Short term advances	-65.19	208.79
Current assets	-176.77	-85.43
	836.43	-246.36
Direct taxes paid	-205.72	-210.79
Cash flow from operating activities	(1) 630.71	743.32
Cash flows from investment activities		
Payments for acquisition of fixed assets		
Additions to fixed assets as per schedule	-2,814.80	-546.36
Adjustment for changes in Capital work in progress	2,061.71	-300.85
	-753.09	-847.21
Proceeds on disposal of/claims relating to capital assets, investments	2.00	32.14
Purchase of investments in subsidiaries	-	-10.00
Rent Received	76.49	76.36
Interest received	53.67	60.32
Cash outflow from investment activities	(2) -620.93	-678.39



Sanco Trans Limited

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

	2015-16 (Rs. In lacs)	2014-15 (Rs. In lacs)
Cash flows from financing activities		
Borrowings - Long term - Raised	204.46	113.15
- Repaid	-	-532.76
- Short term - Raised	-	-
- Repaid	-	-9.15
Interest paid (excluded from operating activities as above)	-318.07	-279.90
Dividend and corporate dividend tax paid relating to previous year	-58.49	-56.48
Cash out flow from financing activities	(3) -172.10	-765.14
Net cash flow (1) + (2) + (3)	-162.32	-700.21
At beginning		
Cash and bank balances	602.24	940.13
	602.24	940.13
Balance in cash credit & temporary overdraft	890.98	528.66
	-288.74	411.47
At end		
Cash and Bank balances	587.69	602.24
	587.69	602.24
Balance in cash credit & temporary overdraft	1,038.76	890.98
	-451.06	-288.74
Movement: increase/(decrease) in cash and cash equivalents	-162.32	-700.21
Notes to the Cash flow statement		
Components of Cash and Bank balances	602.40	618.68
Less Ear marked balances relating to unclaimed dividend	14.71	16.44
	587.69	602.24

This is the Consolidated Cash Flow Statement referred to in our report of even date

For and on behalf of the Board

For M S Krishnaswami and Rajan
Chartered Accountants

V Upendran
Chairman and
Managing Director
DIN: 00557511

S Sathyanarayanan
Deputy Managing
Director
DIN: 00446573

M S Murali - Partner
Chennai
May 30, 2016

B Lakshmi Sowjanya
Company Secretary

S R Srinivasan
Director- Finance
DIN: 03559408



Consolidated Significant Accounting Policies

Statement on Significant Accounting Policies forming part of the Consolidated Financial Statements for the year ended March 31, 2016

(a) Accounting convention

1. The Consolidated Financial statements of the Group have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, as applicable. The financial statements have been prepared on accrual basis under the historical cost convention except for certain categories of fixed assets that are carried at re-valued amounts.
2. All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Group has determined its operating cycle as twelve months for the purpose of current - non current classification of assets and liabilities.

(b) Use of estimates

Preparation of consolidated financial statements involves making of estimates and assumptions in accordance with generally accepted accounting principles that affect the reported amount of assets and liabilities and disclosure of contingent liabilities at the date of the consolidated financial statements and revenue and expenses during the periods reported. The estimates are based as historical experience, where applicable and other assumptions that management believes are reasonable under the circumstances. Due to inherent uncertainty involved in making estimates, actual results may differ from those estimates under different assumptions or conditions. Any revision to accounting estimate is recognized prospectively in the current and future periods in which the results are known or materialise.

(c) Fixed assets

Cost of assets with certain limits on economic life and cost is capitalised. Cost (less cenvat, if any) will include inward freight, duties, taxes and other incidental expenses related to acquisition. Certain categories of fixed assets were revalued and are carried at the revalued amounts less accumulated depreciation and impairment loss, if any.

Fixed assets that are not yet ready for their intended use, are carried at costs, comprising direct cost, and other incidental / attributable expenses and reflected under Capital work in progress.

(d) Depreciation /amortization/ impairment

Depreciation is calculated on fixed assets in a manner that amortises, by equal annual installments, the cost of the asset after commissioning, over its economic useful life subject to Statutory requirements. Depreciation on additions to any asset or with respect to any asset sold/discarded/ demolished is charged to revenue proportionately from/ upto the date the asset is used.



Consolidated Significant Accounting Policies

The carrying amount of assets is reviewed at each balance sheet date for any indication of impairment based on internal/external factors. An impairment loss will be recognized wherever the carrying amount of an asset exceeds its estimated recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. Provision for impairment will be reviewed periodically and amended depending on changes in circumstances.

(e) Borrowing costs

Borrowing costs attributable to the acquisition, construction or production of qualifying assets, are added to the cost of those assets, up to the date when the assets are ready for their intended use. Expenditure incurred on raising loans is amortised over the period of such borrowings. Premium paid on prepayment of borrowing is amortised over the unexpired period thereof or sixty months, whichever is less. All other borrowing costs are recognised in the Consolidated Statement of Profit and Loss in the period in which they are incurred.

(f) Inventories

Stores and spares for the operating equipments are stated at lower of cost and estimated net realizable value, cost being ascertained on First In First Out basis. Obsolete, slow moving and defective items of inventories are adequately provided.

(g) Investments

Long term investments are stated at cost. However, provision for diminution is made to recognize a decline, if any, other than temporary, in the carrying value of the investment.

(h) Revenue recognition

Revenue is recognized in respect of (i) executed work, at contracted rates, (ii) other work yet to be completed, at estimated net realizable value, (iii) warehousing operations, at estimated net realizable value (net of incentives, rebates, discounts etc), (iv) container freight station operations, at estimated net realizable value and (v) goods lying in the Container Freight Station auctioned by the Customs department, at the bid money, net of related expenses on clearance of goods from the yard (vi) lease of vehicles and for services upon rendering of services and in terms of the contract with customers. Operating earnings are reckoned net of the relevant expenses and losses claimable from the constituents.

(i) Foreign currency transactions

Foreign currency transactions are recorded at the rates prevailing on the date of the transaction. Monetary assets and liabilities in foreign currency are translated at year-end rates and the gains/ losses arising on settlement of transactions and translation of monetary items is recognized in the Consolidated Statement of Profit and Loss.

(j) Employee benefits

Employee benefit expenses include salary, wages, compensated absences, medical benefits, and other perquisites. It also includes post-employment benefits such as provident fund, gratuity, pensionary benefits etc.

Short term employee benefit obligations are estimated and provided for.



Consolidated Significant Accounting Policies

Post-employment benefits and other long term employee benefits

- Defined contribution plans:

Group's contribution to provident fund, superannuation fund, employee state insurance and other funds are determined under the relevant schemes and/ or statute and charged to the Statement of Profit and Loss in the period of incurrence when the services are rendered by the employees

- Defined benefit plans and compensated absences:

Group's liability towards gratuity (funded), other retirement benefits and compensated absences are actuarially determined at each balance sheet date using the projected unit credit method. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period of occurrence.

Termination benefits

Expenditure on termination benefits is recognised in the Consolidated Statement of Profit and Loss in the period of incurrence.

(k) Taxation

Provision for income tax expense comprises of current tax and deferred tax. Provision for current tax is made with reference to taxable income for the current accounting year by applying the applicable tax rate in accordance with the provisions of the Income Tax Act, 1961 and other applicable tax laws rate after considering credit for Minimum Alternate Tax (MAT) available.. Deferred income tax charge reflects the impact of the current period timing differences between taxable income and accounting income subject to consideration of prudence. The deferred tax charge or credit is recognized using prevailing tax rates. . Deferred tax assets/liabilities are reviewed as at each balance sheet date based on developments during the period and available case laws to reassess realization/liabilities.

(l) Provisions and contingencies

Provision is recognized when (i) the Group has a present obligation as a result of a past event; (ii) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and (iii) a reliable estimate can be made of the amount of the obligation. A disclosure of a contingent liability is made when there is a possible obligation that may, but probably will not, require outflow of resources. Where there is possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure is made.

(m) Cash Flow Statement

Cash flow statements are reported using the indirect method, whereby profit/ (loss) before extraordinary items/ exceptional items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipt or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on available information including taxes paid relating to these activities.



Sanco Trans Limited

Notes to the Consolidated Financial Statements

1.1 Share Capital

Authorised

(70,00,000 equity shares of Rs. 10/- each)

Issued ,Subscribed and paid up

(18,00,000 equity shares of Rs. 10/- each)

Total

As at Mar'16

As at Mar'15

700.000

700.00

180.00

180.00

180.00

180.00

S.No.	Name of the subsidiary company	Country of Incorporation	% of ownership interest
			31-Mar-16
1	Sanco Transport Limited	India	100.00%
2	Sanco Clearance Limited	India	100.00%

1.2 Reserves and Surplus

(a) Revaluation reserve

Balance as at the beginning of the year

As at March
31,2016

As at March
31,2015

Rs. Lakhs

Rs. Lakhs

4668.69

4677.39

Less Transfer to Depreciation and amortisation
(Refer note 3.7 (i))

(8.69)

(8.70)

Balance as at the end of the year

(a)

4660.00

4668.69

(b) General reserve

Balance as at the beginning of the year

4638.70

4480.00

Add Transfer from Surplus in Consolidated Statement of Profit
and loss

65.00

150.00

Add Transfer from Revaluation Reserve

8.69

8.70

Balance as at the end of the year

(b)

4712.39

4638.70



Notes to the Consolidated Financial Statements

	As at March 31,2016 Rs. Lakhs	As at March 31,2015 Rs. Lakhs
(c) Surplus in Consolidated Statement of Profit and loss		
Balance as at the beginning of the year	356.61	347.32
Add profit/ (loss) for the year after tax	(57.41)	235.14
Less Transfer to General reserve	65.00	150.00
Less Dividend proposed Rs.1.80 (March 31,2015 Rs.2.70) per Equity share	32.40	48.60
Less Corporate tax on proposed dividend	6.60	9.89
Less Depreciation (net of deffered tax) on account of adoption of Schedule II to Companies Act, 2013	-	17.36
[Refer note 3.7 (iii) (b)]		
Balance as at the end of the year	195.20	356.61
Total of (a) to (c)	9567.59	9664.00
1.3 Long-term borrowings		
Term loans from Banks - Secured		
(i) Loan for construction of warehouse	122.94	394.22
(ii) Loan for acquisition of Land and building	913.47	994.72
(iii) Loan for acquisition of capital assets under deferred payment scheme	474.81	38.39
Total	1511.22	1427.33
(Security details Refer Note 3.2. Terms of the loans: Refer Note 3.15)		
1.4 Deferred Tax Liability (Net)		
(a) Deferred tax liability arising due to		
(i) Depreciation	280.01	274.11
(ii) Others	1.65	1.94
	281.66	276.05
(b) Deferred tax asset on account of		
(i) Timing differences	(19.84)	-
	261.82	276.05
1.5 Other Long-term Liabilities		
Rental Advance	61.83	61.83
	61.83	61.83



Notes to the Consolidated Financial Statements

	As at March 31,2016 Rs. Lakhs	As at March 31,2015 Rs. Lakhs
1.6 Long term provisions		
For Property tax	47.86	47.86
	47.86	47.86
1.7 Short-term borrowings		
Loans repayable on demand – Secured		
From Banks – cash credit facilities	1,038.76	827.42
- Temporary overdraft	-	63.56
(Security details Refer Note: 3.2, Terms of the loans: Refer Note 3.15)		
Total	1,038.76	890.98
1.8 Other Current Liabilities		
(a) Current maturities of long term debt		
- Secured	787.47	666.90
(b) Interest accrued and due on borrowings	18.29	14.66
(c) Due to related party	-	49.09
(d) Creditors for expenses	1,017.01	585.66
(e) Auction Money	13.62	18.09
(f) Advance from debtors	193.42	109.14
(g) Employee related	48.64	51.30
(h) Statutory dues	46.52	23.15
(i) Capital creditors	28.33	41.79
(j) Unclaimed dividend	14.71	16.44
(k) Dues to Directors	31.83	30.12
(l) Other payables	20.14	16.20
	2219.98	1622.54
Note : a) Securities for the long term debt: Refer Note 3.2 to the financial statement		
b) Details of terms of the current maturities of long term debt: Refer Note 3.15 to the financial statements		
1.9 Short-term provisions		
(a) Provision for employee benefits	60.00	60.00
(b) Others		
- Proposed Dividend	32.40	48.60
- Tax on proposed dividend	6.60	9.89
	99.00	118.49



Notes to the Consolidated Financial Statements

		As at March 31,2016 Rs. Lakhs	As at March 31,2015 Rs. Lakhs
1.10 Fixed assets			
(1) Tangible assets			
(a) Land			
Cost/Valuation			
At beginning and at end	(a)	6356.71	6356.71
(b) Building			
Cost/Valuation			
At beginning		1433.28	1367.44
Additions		2208.04	66.36
Deductions		-	(0.52)
At end	b(i)	3641.32	1433.28
Depreciation			
At beginning		171.58	141.17
For the year		83.15	30.74
Sales		-	(0.33)
At end	b(ii)	254.73	171.58
Written down value	b (i-ii)	3386.59	1261.70
(c) Operating fleet/equipments			
Cost			
At beginning		2938.98	2515.63
Additions		560.75	449.69
Sales		(17.97)	(26.34)
At end	c (i)	3481.76	2938.98
Depreciation			
At beginning		1266.77	994.01
For the year		377.34	288.07
Sales		(17.25)	(15.31)
At end	c (ii)	1626.86	1266.77
Written down value	c (i-ii)	1854.90	1672.21
(d) Machinery			
Cost			
At beginning		64.90	64.90
Additions		-	-
At end	d(i)	64.90	64.90
Depreciation			
At beginning		23.93	20.09
For the year		3.55	3.84
At end	d (ii)	27.48	23.93
Written down value	d (i-ii)	37.42	40.97



Notes to the Consolidated Financial Statements

		As at March 31,2016 Rs. Lakhs	As at March 31,2015 Rs. Lakhs
1.10 Fixed assets			
(1) Tangible assets			
(e) Office Vehicles			
Cost			
At beginning		88.76	99.14
Additions		-	23.61
Sales		-	(33.99)
At end	e (i)	88.76	88.76
Depreciation			
At beginning		29.19	28.96
For the year		16.91	17.10
On sales		-	(16.87)
At end	e (ii)	46.10	29.19
Written down value	e (i-ii)	42.66	59.57
(f) Furniture			
Cost			
At beginning		9.13	8.29
Additions		2.01	0.84
At end	f(i)	11.14	9.13
Depreciation			
At beginning		3.29	2.13
For the year		1.25	1.16
At end	f (ii)	4.54	3.29
Written down value	f (i-ii)	6.60	5.84
(g) Office equipments			
Cost			
At beginning		114.05	108.20
Additions		41.76	5.85
Sales		-	-
At end	g (i)	155.81	114.05
Depreciation			
At beginning		77.94	38.07
For the year		19.16	39.87
sales		-	-
At end	g (ii)	97.10	77.94
Written down value	g (i-ii)	58.71	36.11
(2) Intangible assets- Software acquired			
Cost			
At beginning		14.04	14.04
Additions		2.25	-
At end	2 (i)	16.29	14.04
Amortisation			
At beginning		14.04	12.20
For the year		0.30	1.84
At end	2(ii)	14.34	14.04
Written down value	2(i-ii)	1.95	-



Notes to the Consolidated Financial Statements

	As at March 31,2016 Rs. Lakhs	As at March 31,2015 Rs. Lakhs
1.10 Fixed assets		
SUMMARY		
A) Cost		
At beginning	11,019.85	10,534.35
Additions	2,814.81	546.35
	13,834.66	11,080.70
Deletions / Sales	(17.97)	(60.85)
At end	(i) 13816.69	11019.85
B) Depreciation Reserve		
At beginning	1586.74	1236.64
For the year	501.66	382.61
At end	2088.40	1619.25
Deletions / Sales	(17.25)	(32.51)
At end	(ii) 2071.15	1586.74
C) Written down value	(i) - (ii) 11745.54	9433.11
D) Capital work - in - progress	413.92	2475.62
E) Depreciation for the year as above	501.66	382.61
Adjustment to surplus in Note 1.2 (c)	-	(22.92)
(Refer Note 3.7 (iii) (b))		
Depreciation for the year as per Consolidated Statement of profit and loss	501.66	359.69
1.11 Long-Term Loans and Advances		
Unsecured, considered good		
(a) Security deposits	22.75	48.23
(b) Advance payment of Income tax-net of provisions	627.14	445.30
(c) Trade Advance	150.00	150.00
(d) Other loans and advances		
- Rent Advance	161.71	163.59
- Earnest money deposit	9.22	7.02
- Prepaid expenses	23.97	3.45
- Others	21.73	20.73
	1,016.52	838.32



Notes to the Consolidated Financial Statements

	As at March 31,2016 Rs. Lakhs	As at March 31,2015 Rs. Lakhs
1.12 Trade receivables		
Unsecured, considered good		
(a) Trade receivables outstanding for a period exceeding six months from the date they became due for payment	34.63	25.86
(b) Others	1,232.71	1125.34
	1,267.34	1151.20
1.13 Cash and Cash Equivalents		
(i) Cash and cash equivalents		
(a) Balance with banks - in current account	36.84	58.57
- in deposit account	433.10	464.70
(b) Cheques on hand	10.69	6.23
(c) Cash on hand	5.92	4.81
(ii) Earmarked bank balances unclaimed Dividend account	14.71	16.44
(iii) Balance with banks held as Margin money	62.86	54.18
(iv) Bank deposits with more than twelve months maturity	38.28	13.75
	602.40	618.68
Balance with banks in deposit account in (i) (a) above includes deposit with maturity of less than twelve months.		
1.14 Short-term loans and advances		
Unsecured, considered good		
(a) Capital Advances	37.16	3.39
(b) Prepaid expenses	15.04	31.04
(c) Advances to suppliers, contractors and others	103.98	47.40
(d) Employee advance	5.62	4.81
(e) Balance with customs, port trust etc;	2.92	12.89
	164.72	99.53
1.15 Other Current assets		
(a) Interest accrued and due on fixed deposits	25.96	29.90
(b) Loan raising expenses and premium on prepayment of borrowing	4.97	5.99
(c) Unbilled revenue	294.11	117.34
	325.04	153.23



Notes to the Consolidated Financial Statements

	Year Ended 31, 2016 Rs. Lakhs	Year Ended 31, 2015 Rs. Lakhs
2.1 Revenue from operations		
(a) Handling earnings	3,895.65	3827.63
(b) Equipment and fleet hire earnings	3,159.66	2423.78
(c) Warehouse earnings	899.94	898.16
(d) Agency and other earnings	263.96	395.42
	8,219.21	7544.99
2.2 Other Income		
(a) Interest income	49.73	52.20
(b) Net gain on disposal of fixed assets	1.29	3.80
(c) Net gain on foreign currency transaction and translation	0.29	0.27
(d) Rent Received	76.49	76.36
	127.80	132.63
2.3 Operating expenses		
(a) Handling expenses	1,351.80	1,281.88
(b) Container repairs	291.87	328.69
(c) Hired equipments upkeep	52.54	43.76
(d) Others	46.33	57.74
(e) Operating equipment upkeep	1,256.83	942.52
	2,999.37	2,654.69
2.4 Employee benefits expense		
(a) Salaries, wages and bonus	723.09	679.46
(b) Contribution to provident, gratuity and other funds	45.26	60.14
(c) Welfare expenses	212.74	234.54
	981.09	974.14
2.5 Finance costs		
(a) Interest expense	321.71	343.84
(b) Other borrowing costs		
- Guarantee charges	5.09	11.72
- Amortisation of loan raising expenses	1.01	4.28
- Amortisation of premium on prepayment of borrowings	-	1.31
	327.81	361.15
Less: Borrowing cost Capitalised	-	61.00
	327.81	300.15



Notes to the Consolidated Financial Statements

	Year Ended 31, 2016 Rs. Lakhs	Year Ended 31, 2015 Rs. Lakhs
2.6 Other expenses		
(a) Consumption of stores and tools	34.56	8.70
(b) Power and fuel	52.18	46.88
(c) Rent		
- Warehouse	533.16	496.99
- Others	45.80	43.27
(d) Repairs to buildings		
- Warehouse	40.44	25.70
- Others	15.28	12.84
(e) Repairs to vehicles	2.30	3.66
(f) Fuel for vehicles	15.18	15.08
(g) Insurance		
- Vehicles	1.82	2.21
- Others	7.23	0.61
(h) Rates and taxes		
- Warehouse	-	3.62
- Others	7.94	0.26
(i) Travel and conveyance	89.51	88.20
(j) Corporate Social Responsibility expenses	13.75	10.00
(k) Directors' Sitting Fees	4.90	3.90
(l) Security Services	71.52	71.62
(m) Others	189.40	185.74
	1,124.97	1019.28
2.7 Tax expense		
(a) Current tax-Current year	24.34	40.00
- Prior year – (withdrawal)-net	(0.48)	30.64
(b) Deferred tax-Provision/(withdrawal)	(14.23)	(78.53)
	9.63	(7.89)



Notes to the Consolidated Financial Statements

3.1 Basis of Consolidation:

- (i) The Consolidated Financial Statements relate to Sanco Trans Limited (the Holding Company) and its subsidiaries. The Holding company and its subsidiaries together constitute the 'Group'.
- (ii) Principles of Consolidation:
- The Consolidated Financial Statements have been prepared in accordance with Accounting Standard 21 (AS 21) "Consolidated Financial Statements", specified under Section 133 of the Companies Act, 2013.
 - The Consolidated Financial Statements of the Group have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. The intra-group balances and intra-group transactions and unrealised profits have been fully eliminated.
 - The following subsidiary companies are considered in the Consolidated Financial Statements.

S. No.	Name of the subsidiary company	Country of Incorporation	% of ownership interest
			31-Mar-16
1	Sanco Transport Limited	India	100.00%
2	Sanco Clearance Limited	India	100.00%

- (iii) Additional information as required under Schedule III of the Companies Act ,2013 of entities consolidated as subsidiaries:

Sl. No.	Name of the entity	Net Assets		Share in Profit or Loss	
		As a % of Consolidated Net Assets	Amount Rs. Lakhs	As a % of Consolidated Profit or Loss	Amount Rs. Lakhs
	Parent Company				
1	Sanco Trans Limited	101.69	9,912.89	(187.01)	107.36
	Indian Subsidiaries				
2	Sanco Transport Limited	(1.62)	(158.09)	284.31	-163.22
3	Sanco Clearance Limited	0.03	2.81	2.71	-1.55
	Sub Total	100.10	9,757.61	100.00	-57.40
	Less: Effect of Inter Company adjustments / eliminations	(0.10)	(10.02)	-	-
	Total	100.00	9,747.59	100.00	-57.40



Notes to the Consolidated Financial Statements

- 3.2 (i) Loan for acquisition of capital assets under deferred payment scheme is secured by hypothecation of related capital assets and guaranteed by Deputy Managing Director;
- (ii) Loan Sanctioned for Rs.1,383 lakhs from a Bank for acquisition of immovable property (Note 1.3 and Note 1.8(a) is secured by the immovable property (comprising Land and Building situated at Chennai) and is guaranteed by three Directors;
- (iii) Loan Sanctioned for Rs. 900 Lakhs (March 31, 2015 Rs. 900 Lakhs) (Note 1.3 and Note 1.8(a)) for construction of warehouse is secured by commercial property belonging to an enterprise which has a significant influence on the Company and is further secured by personal guarantee of three Directors and
- (iv) cash credit facility is secured by first charge on the book debts, land and structures thereon at Container Freight Station and guaranteed by three Directors.
- 3.3 Balance with banks in deposit accounts in Note 1.13(a) to the Balance Sheet includes Rs.413.25 lakhs (March 31, 2015 Rs.445.30 lakhs) in respect of which the relative deposit receipts have been pledged with banks as security for the guarantee facilities extended by them to the Company.
- 3.4 Capital expenditure commitments (net of advances) Rs. Nil (March 31, 2015 Rs. 7.00 lakhs)
- 3.5 Contingent liabilities - Claims against the Company not acknowledged as debts:
- Taxes Rs. 161.63 lakhs (2015 Rs. 348.15 lakhs).
 - Bank guarantee Rs. 556.60 lakhs (2015 Rs. 541.81 lakhs).
 - Others Rs 35.88 lakhs (2015 Rs.32.22 lakhs).
- Outflow in respect of the above is not practicable to ascertain in view of the uncertainties involved.
- 3.6 (a) Warehouse earnings in Note 2.1 is net of incentives/ rebates/ trade discounts of Rs.1,017.72 lakhs (2014-15 Rs.913.55 lakhs)
- (b) Tax deducted at source on (i) Revenue from operations Rs. 161.61 lakhs (2014-15 Rs 115.27 lakhs); (ii) Interest income Rs. 19.19 lakhs (2014-15 Rs 4.68 lakhs).
- 3.7 (i) Depreciation for the year computed on revalued assets in excess of the depreciation computed under the method followed by the Company prior to revaluation is transferred from Revaluation reserve, to the General Reserve in terms of the Application on Guide on the provisions of schedule II to the Companies Act, 2013 issued by the Institute of Chartered Accountants of India.
- (ii) Useful life of Tangible and Intangible Assets:
- (a) Useful life lower than that derived from the rates specified in Schedule II to the Companies Act, 2013.



Notes to the Consolidated Financial Statements

	Useful life(Years)	
	2015-16	2014-15
Block of Asset	2015-16	2014-15
Office Vehicle	5	5

(b) Useful life not prescribed in Schedule II to the Companies Act, 2013.

	Useful life (Years)	
	2015-16	2014-15
Block of Asset	2015-16	2014-15
Computer Software	3	3

(iii) The Company had during the earlier year adopted the useful life prescribed in Schedule II to the Companies Act, 2013 with regard to charging / amortising depreciation on its Fixed assets. In terms of Note 7 to the said Schedule, the carrying amount of the fixed assets as at April 1, 2014:

(a) is depreciated over the remaining useful life of the asset as per Schedule II and

(b) where the remaining useful life of an asset was Nil, was recognized in the opening balance of retained earnings as at April 1, 2014. The amount so recognized aggregated to Rs. 17.36 lakhs (Net of Deferred tax of Rs. 5.56 lakhs).

The effect of change in useful life as above on the profit for the earlier year, was a higher charge of depreciation of Rs. 52.40 lakhs and consequent lower profit for the said year by the said amount.

3.8 Corporate Social Responsibility Obligation:

Gross amount required to be spent by the Company during the year: Rs. 13.75 Lakhs

Amount spent during the year on:

(In lakhs)

		Amount Paid (Rs. Lakhs)
(i)	Construction/ acquisition of any asset	-
(ii)	on purposes other than (i) above	13.75

3.9 Foreign exchange and foreign currency transactions and derivatives - (i) Imports – Rs. Nil (2014-15 Rs Nil); (ii) Other expenditure in foreign currency Rs.7.65 lakhs (2014-15 Rs. 15.06 lakhs); (iii) Other earnings in foreign exchange Rs.28.14 lakhs (2014-15 Rs. 15.24 lakhs); (iv) There was no remittance in foreign currencies on account of dividend to non-resident shareholders; (v) Derivatives – Company has not so far used derivative financial instruments such as forward contracts, currency swap to hedge currency exposures, present and anticipated. However, currency exposure not hedged by derivative instruments are as under:



Notes to the Consolidated Financial Statements

Amount receivable on account of services rendered, advances, etc. US \$ 5,860.87 equivalent Rs.3.89 lakhs (March 31, 2015 US \$ 10,780.56 equivalent Rs 6.71 lakhs); Amount payable on account of services obtained US \$ 2,339.58 equivalent Rs.1.57 lakhs (March 31,2015 US \$ 4,263 equivalent Rs. 2.69 lakhs).

3.10. Earnings per share:

	2015-16	2014-15
	In lakhs	In lakhs
Profit/(loss) after tax as per Consolidated Statement of Profit and Loss	(57.41)	235.14
Weighted average number of equity shares outstanding	1,800,000	1,800,000
Basic and Diluted earnings per share (Face value Rs. 10 each)	(3.19)	13.06

3.11 (i) The Company has complied with the revised Accounting Standard 15-Employee benefits. Accordingly provision of Rs. Nil has been made for the incremental liability towards gratuity for the year ended March 31,2016 (2014-15 Rs. 6.79 lakhs).

(ii) Defined benefit plan - Gratuity: As per actuarial valuation on March 31, 2016. The disclosures furnished by Life Insurance Corporation of India in this regard are (a) Discounting rate: 8%(March 31, 2015 - 8%); (b)Salary escalation rate: 5% (March 31, 2015 - 8%); (c) Mortality rate: as per LIC (1994-96) Mortality Table; (d) Attrition rate: 1% - 3% (March 31, 2015 1% - 3%); Method of valuation: Projected unit credit method.

(iii) Gratuity is administered through Group Gratuity Scheme with Life Insurance corporation of India. The expected return on plan assets is based on market expectation at the beginning of the year for the returns over the entire life of the related obligation.

(iv) During the year, the Company has recognized the following amounts in the Statement of Profit and loss in Note 2.4 (b) - Contribution to provident fund Rs.51.22 lakhs, (2014-15 Rs 53.35 lakhs), Contribution towards gratuity (Rs.5.96 lakhs) (2014-15 Rs 6.79 lakhs), Employees' welfare expenses includes contribution to employees' state insurance plan Rs.9.42 lakhs (2014-15 -Rs 9.98 lakhs).

(v) Note 2.6(m)-Others under other expenses include Fees to auditors for audit Rs. 6.00 Lakhs (2014-15 Rs. 4.00 Lakhs) which is an all inclusive fees covering statutory audit, tax audit and the certification work and Service tax thereon.

3.12 Segment information - The Company's primary segment is identified as business segment based on nature of services, risks, returns and the internal business reporting System. The Company is primarily engaged in a single business segment viz., logistics.



Notes to the Consolidated Financial Statements

3.13 Related party transactions

(i) List of Related Parties

(a) Key management personnel (as per Accounting Standard 18 'Related Parties')

- (i) Shri V Upendran - Managing Director
- (ii) Shri S Sathyanarayanan - Deputy Managing Director
- (iii) Shri U Udayabhaskar Reddy - Wholetime Director
- (iv) Shri S R Srinivasan - Director-Finance

(b) Enterprise where significant influence is exercised on the Company

- Sudharsan Logistics Private Limited (SLPL)

(c) Fully Owned Subsidiaries

- Sanco Transport Ltd
- Sanco Clearance Ltd

(ii) Related Party Transactions and Closing balance

	2015-16	2014-15
	In lakhs	In lakhs
(a) Key Management Personnel		
Interest payments	-	0.29
Remuneration	122.15	122.59
Rent Payment	1.42	1.42
Amounts due at year end	31.83	30.12
(b) Enterprise where significant influence is exercised on the Company		
Tractor/Trailer hire charges paid	24.13	378.43
Tractor/Trailer hire charges earned	213.85	-
Lease rent paid	107.36	26.88
Agency charges paid	-	0.15
Agency charges earned	66.97	-
Dividend paid	13.42	13.42
Balance due from	129.59	54.09
Rent advance paid	6.00	6.00



Notes to the Consolidated Financial Statements

- 3.14 The Company has not received any intimation from “suppliers” regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid/payable as required under the said Act have not been furnished.
- 3.15 Details of terms of Secured Loans - Refer separate statement annexed
- 3.16 Comparative figures relating to the previous year have been reclassified /regrouped /amended, wherever necessary.

For and on behalf of the Board

Chennai May 30,2016	V Upendran Chairman and Managing Director DIN: 00557511	S Sathyanarayanan Deputy Managing Director DIN: 00446573	S R Srinivasan Director Finance DIN: 03559408	B Lakshmi Sowjanya Company Secretary
------------------------	---	--	---	--



Notes to the Consolidated Financial Statements

Details of terms of Secured Loans - Item 3.15 (Rs. In Lacs)

LOAN A/C	LOAN AMOUNT (IN LACS)		NO. OF INSTALMENTS		INTEREST RATE RANGE		INSTALMENT RANGE (IN LACS)		CLOSURE DATE	
	As ON March 31,2016	As ON March 31,2015	As ON March 31,2016	As ON March 31,2015	As ON March 31,2016	As ON March 31,2015	As ON March 31,2016	As ON March 31,2015	As ON March 31,2016	As ON March 31,2015
LA 11	-	25.23	-	3	10% - 11%	10% - 11%	-	6.01-8.34	-	01.06.2015
LA 12	-	7.49	-	8	10% - 11%	10% - 11%	-	0.93	-	01.11.2015
LA 13	-	57.45	-	10	10% - 11%	10% - 11%	-	5.74	-	01.01.2016
LA 15	-	14.74	-	14	-	10.50%	-	1.06	-	30.03.2016
LA 17	175.96	283.42	17	29	12.00%	12.00%	9.55-11.20	8.47-11.20	07.08.17	07.08.2017
LA 18	994.72	1069.72	69	81	11.65%	12.20%	6.25-20.83	6.25-20.83	15.12.2021	15.12.2021
LA 19	3.68	11.89	5	17	11.25%	11.25%	0.72-0.75	0.65-0.75	05.08.16	05.08.2016
LA 20	2.08	5.37	7	19	11.25%	11.25%	0.29-0.30	0.26-0.31	05.10.16	05.10.2016
LA 21	1.85	3.86	10	22	11.25%	11.25%	0.18-0.19	0.16-0.19	07.01.17	07.01.2017
LA 22	13.51	21.61	20	32	10.50%	10.50%	0.67	0.67	20.11.17	20.11.2017
LA 23	5.40	8.65	20	32	10.50%	10.50%	0.27	0.27	20.11.17	20.11.2017
LA 26	218.25	351.53	17	29	12.00%	12.00%	11.84 13.89	10.51- 13.89	07.08.17	07.08.2017
LA 27	9.76	17.26	14	26	10.15%	10.15%	0.66-0.74	0.59-0.74	07.05.17	07.05.2017
LA 28	216.00	216.00	-	-	11.30%	11.30%	-	-	-	-
LA 29	96.65	-	26	-	11.25%	11.25%	3.03-4.17	-	20.05.18	-
LA 30	370.76	-	43	-	10.04%	10.04%	7.02-10.22	-	15.10.19	-
LA 31	114.15	-	33	-	11.26%	11.26%	2.93-4.01	-	20.12.18	-
LA 32	41.30	-	37	-	10.46%	10.46%	0.31-0.43	-	15.04.19	-
LA 33	34.62	-	37	-	10.46%	10.46%	0.27-0.36	-	15.04.19	-
TOTAL	2298.69	2094.23								

Book Post

To

If undelivered, please return to :

SANCO TRANS LIMITED

S.T. Tower, New No. 24 & 25, II Floor,
Second Line Beach Road, Chennai - 600 001.