



# Sanco Trans Limited

## Registered Office

New No.46, Moore Street, Chennai - 600 001. Tel.: 91-44-66449000 Fax: 91-44-66449009  
CIN NO:L60220TN1979PLC007970 www.sancostrans.com

### NOTICE OF THIRTY FOURTH ANNUAL GENERAL MEETING

Notice is hereby given that the Thirty Fourth Annual General Meeting of Sanco Trans Limited will be held at Narada Gana Sabha, Mini Hall, 314 T.T.K Road, Alwarpet, Chennai 600018 on Monday, the 15<sup>th</sup> September 2014 at 10.15 A.M to transact the following business:

#### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2014 and the Statement of Profit and Loss for the year ended on that date together with the Reports of the Board of Directors and Auditors thereon.
2. To declare a dividend on the Equity shares for the year ended March 31, 2014.
3. To appoint a Director in the place of Mr.S R Srinivasan (DIN: 03559408) who retires by rotation and being eligible offers himself for reappointment.
4. To appoint Auditors and fix their remuneration. In this connection, to consider and, to pass the following as an Ordinary Resolution:

“RESOLVED THAT pursuant to Section 139 and other applicable provisions if any, of the Companies Act 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), the retiring Statutory Auditors, M/s M. S. Krishnaswami and Rajan, Chartered Accountants (ICAI Regn. No.01554S) be and are hereby appointed as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the Third Annual General Meeting to be held after this meeting, subject to ratification in every subsequent Annual General Meeting, on remuneration to be fixed by the Board of Directors.”

#### SPECIAL BUSINESS

5. To consider and to pass the following Resolution as an Ordinary Resolution:  
“RESOLVED THAT pursuant to Section 152(6), 196 read with Schedule V and other applicable provisions of the Companies Act 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force),the consent of the Company be and is hereby accorded to vary the existing terms and conditions of appointment of Mr. S. Sathyanarayanan (DIN: 00446573), who was re-appointed as Deputy Managing Director of the Company not liable to retirement by rotation in the 33<sup>rd</sup> Annual General Meeting held on 12<sup>th</sup> August, 2013, to ‘director liable to retire by rotation’ and that the other terms and conditions of re-appointment of Mr. S. Sathyanarayanan as Deputy Managing Director, shall remain same for the balance period of his tenure.”
6. To consider and to pass the following Resolution as an Ordinary Resolution::  
“RESOLVED THAT pursuant to Section 152(6), 196 read with Schedule V and other applicable provisions of the Companies Act 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force),the consent of the Company be and is hereby accorded to vary the existing terms and conditions of appointment of



Mr. U. Udayabhaskar Reddy (DIN: 02360396), who was re-appointed as Whole Time Director of the Company not liable to retirement by rotation in the 33<sup>rd</sup> Annual General Meeting held on 12<sup>th</sup> August, 2013, to 'director liable to retire by rotation' and that the other terms and conditions of re-appointment of Mr. U. Udayabhaskar Reddy, as Whole Time Director, shall remain same for the balance period of his tenure."

7. To consider and to pass the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Section 149, 152, Schedule IV and other applicable provisions if any, of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Dr. M.V.M Alagappan (DIN: 02222933), who was appointed as Director liable to retire by rotation and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five (5) consecutive years commencing from 15th September, 2014."

"RESOLVED FURTHER THAT the Mr. V. Upendran (DIN: 00557511), Managing Director of the Company be and is hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution".

8. To consider and to pass the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Section 149, 152, Schedule IV and other applicable provisions if any, of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. T. Anantha Narayanan (DIN: 00007227), who was appointed as Director liable to retire by rotation and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the to hold office for five (5) consecutive years commencing from 15th September, 2014."

"RESOLVED FURTHER THAT the Mr. V. Upendran (DIN: 00557511), Managing Director of the Company be and is hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution".

9. To consider and to pass the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Section 149, 152, Schedule IV and other applicable provisions if any, of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. R. Vijaya Raghavan (DIN: 00026763), who was appointed as Director liable to retire by rotation and in respect of whom the Company has received



a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five (5) consecutive years commencing from 15th September, 2014.”

“RESOLVED FURTHER THAT the Mr. V. Upendran (DIN: 00557511), Managing Director of the Company be and is hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution”.

10. To consider and to pass the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to Section 149, 152, Schedule IV and other applicable provisions if any, of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. V. Govind (DIN: 00839391), who was appointed as Director liable to retire by rotation and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five (5) consecutive years commencing from 15<sup>th</sup> September, 2014.”

“RESOLVED FURTHER THAT the Mr. V. Upendran (DIN: 00557511), Managing Director of the Company be and is hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution”.

11. To consider and to pass the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to Section 149, 152, Schedule IV and other applicable provisions if any, of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. V Shankar (DIN: 03431334), who was appointed as Director liable to retire by rotation and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five (5) consecutive years commencing from 15<sup>th</sup> September, 2014.”

“RESOLVED FURTHER THAT the Mr. V. Upendran (DIN: 00557511), Managing Director of the Company be and is hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution”.

12. To consider and to pass the following Resolution as a Special Resolution:

“RESOLVED THAT the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company in terms of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification and or re-enactment thereof) and in terms of Article of Association of the Company to borrow for the purpose of business of



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the Company from time to time at their discretion, any sum or sums of money from any Bank/s or Financial Institutions/s, Firm/s, Body Corporate/s, other person/s (including External Commercial Borrowings in foreign denominated currencies from any foreign sources/ countries as prescribed by guidelines, if any, in this respect) up to a sum of Rs.75,00,00,000/- (Rupees Seventy Five Crores Only) including all types of fund based and non fund based facilities, notwithstanding that the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may, at any time, exceed the aggregate of the paid up capital of the Company and its free reserves and that the board of directors be and is hereby empowered and authorized to arrange or fix the terms and conditions of all such monies to be borrowed from time to time as to Interest, repayment, security or otherwise as they may, in their absolute discretion, think fit".

"RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as may in its sole and absolute discretion, deem necessary, expedient, usual or proper and to settle any question, doubt or difficulty that may arise in respect of the borrowing(s) aforesaid and further to do all such acts, deeds and things and to execute all documents as may be necessary, proper, desirable or expedient to give effect to this Resolution."

13. To consider and to pass the following Resolution as a Special Resolution:

"RESOLVED THAT the consent of the members of the Company be and is hereby accorded to the Board of Directors of the company in terms of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification and or re-enactment thereof) and subject to all necessary approvals to secure, if necessary, to create mortgage and/or charge on all or any part of the movables and/or immovable properties of the company both present and future in such form and manner and on such terms and conditions as may be deemed fit and appropriate by the Board to secure borrowings of the company."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as may in its sole and absolute discretion, deem necessary, expedient, usual or proper and to settle any question, doubt or difficulty that may arise in respect of mortgage and/or charge aforesaid and further to do all such acts, deeds and things and to execute all documents as may be necessary, proper, desirable or expedient to give effect to this Resolution."

For and on behalf of the Board of Directors

Registered Office:  
Old No.90, New No.46 Moore Street,  
Chennai 600001  
Date: 19.07.2014

V. Upendran  
Chairman & Managing Director



## Notes:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN AGGREGATE NOT MORE THAN TEN (10) PERCENT OF TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS.**

**The Instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable.**

2. Revenue stamp should be affixed on the Proxy form. Forms which are not stamped are liable to be considered invalid. It is advisable that the Proxy holder's Signature may also be furnished in the Proxy Form, for identification purpose.
3. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to special businesses to be transacted at the Annual General Meeting is annexed hereto.
4. The Register of Members and Share Transfer Books of the Company will be closed **from 09.09.2014 to 15.09.2014** (both days inclusive) to determine the members eligible for entitlement to dividend, if any, declared at the Annual General Meeting.
5. The Company has appointed M/s. Cameo Corporate Services Limited, Subramanian Building, No.1 Club Road, Chennai 600 002, Telephone No.2846 0390 (6 Lines) as Registrar and Share Transfer Agent. Shareholders are requested to send all requests for transfer of shares, dematerialisation of shares, change in address, etc. to the company's Registrar and Transfer Agent.
6. The listing fee to Bombay Stock Exchange has been paid upto 31.03.2015.
7. Details under Clause 49 of the Listing Agreement with the Stock Exchange in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.
8. Members/Proxies/Representatives are requested to bring the attendance slip enclosed to the annual report /notice for attending the meeting.
9. Electronic copy of the Annual Report for 2013 – 2014 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2013-2014 is being sent in the permitted mode. Members who have not registered their e-mail addresses so far are requested to register their e-mail addresses for receiving all communications including Annual Report, Notices, Circular, etc. from the Company in electronic mode.
10. Members may also note that the Notice of the 34th Annual General Meeting and the Annual Report for 2013 - 2014 will also be available on the Company's website [www.sancotrans.com](http://www.sancotrans.com) for their



download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, free of cost. For any communication, the shareholders may also send requests to the Company's designated email id: [shareholder@sancotrans.com](mailto:shareholder@sancotrans.com)

## 11. Voting through electronic means:

In compliance with the provisions of Section 108 of the Companies Act, 2013 and the Rules framed there under, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by Central Depository Services (India) Limited (CDSL), on all resolutions set forth in this Notice.

The voting period begins on 05th day of September 2014 (09.00 a.m. IST) and ends on 07th day of September, 2014 (06.00 p.m. IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 08th day of August, 2014 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

### The instructions for shareholders voting electronically are as under:

- (i) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period
- (ii) Click on "Shareholders" tab.
- (iii) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

PAN\* Enter your 10 digit alpha-numeric \*PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)

Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.

In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.

SI.No.mentioned in your address label can be used as Sequence No. for this purpose.



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DOB# Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.

Dividend Bank Details# Enter the Dividend Bank Details as recorded in your demat account or in Bank Details# the company records for the said demat account or folio.

# Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the DP or Company please enter the number of shares held as on the cut-off date in the Dividend Bank details field.

- (vii) After entering these details appropriately, click on “SUBMIT” tab.
- (viii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN SANCO TRANS LIMITED on which you choose to vote.
- (xi) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvi) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (i) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.



- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details create a compliance user using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (ii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**(xvii) Other instructions:**

- (a) The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on 08th day of August, 2014
- (b) Mr. R. Balasubramaniam, Practicing Company Secretary (Membership No. FCS 1340), has been appointed as the scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (c) The Scrutinizer shall, within a period not exceeding three working days from the conclusion of e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer’s Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- (d) The results will be declared on or after the AGM of the Company. The results declared along with the Scrutinizer’s Report shall be placed on the Company’s website [www.sancotrans.com](http://www.sancotrans.com) and on the website of CDSL.

12. Brief note on the background and the functional expertise of the Director proposed for re-appointment is furnished below:

Sri S R Srinivasan, aged 61 years, is commerce graduate and a Chartered Accountant having more than 36 years of work experience in Finance and Accounts of multinational company in India. He has been a Director since June 2011 and a member of Stakeholders Relationship Committee. He does not hold any shares in the company. He is not related to any other Director on the Board of the Company.

None of the Directors of the company, other than Sri. S R Srinivasan, is interested or concerned in this resolution.





## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013:**

### **Item No.5**

The Board of the Company presently consists of five Independent Directors and five Non – Independent Directors. Out of the Non Independent Directors two Directors namely Mrs. S. Devaki and Mr. S R Srinivasan, whose period of office are liable to be determined by retirement by rotation. Three directors namely Mr. V. Upendran, Managing Director, Mr. S. Sathyanarayanan, Deputy Managing Director and Mr. U. Udayabhaskar Reddy, Whole Time Director who are not liable to retirement by rotation.

In accordance with the provisions of Section 152(6) of the Companies Act 2013 (“the Act”), unless the Articles of Association of the Company provides for retirement of all Directors by rotation, at least two-third of the total number of Directors shall be the persons whose period of office is liable to determination by retirement of Directors by rotation. Also, in terms of explanation to Section 152(6), Independent Directors appointed in terms of Section 149 of the Act are to be excluded for the purpose of calculating total number of Directors who are liable to retirement by rotation. Therefore, in order to comply with the aforesaid provision of the Act, the Company is now required to reconstitute the composition of its Board in a manner that it comprises of two-third of the total number of Directors whose period of office is liable to determination by retirement by rotation.

Accordingly, the Company is required to vary the terms of appointment of Mr. S. Sathyanarayanan (DIN: 00446573), who was reappointed as Deputy Managing Director of the Company, at the Annual General Meeting of the Company held on 12.08.2013, to make him liable to retire by rotation in terms of Section 152 of the Act. Mr. S. Sathyanarayanan has given his consent for above variation. Henceforth, the office of Mr. S. Sathyanarayanan, Deputy Managing Director shall be liable for determination by retirement by rotation. All other terms and conditions of his re-appointment shall remain same.

The above resolution is placed before the shareholders for their approval and the Board recommends passing of the resolution as an Ordinary resolution.

Mrs. S. Devaki, Mr. V Upendran and Mr. U. Udayabhaskar Reddy being relatives of Mr. S. Sathyanarayanan and Mr. S Sathyanarayanan himself, are concerned or interested in the resolution set out at Item No. 05.

### **Item No.6**

The Board of the Company presently consists of five Independent Directors and five Non – Independent Directors. Out of the Non Independent Directors two Directors namely Mrs. S. Devaki and Mr. SRSrinivasan, whose period of office are liable to be determined by retirement by rotation. Three directors namely Mr. V. Upendran, Managing Director, Mr. S. Sathyanarayanan, Deputy Managing Director and Mr. U. Udayabhaskar Reddy, Whole Time Director who are not liable to retirement by rotation.

In accordance with the provisions of Section 152(6) of the Companies Act 2013 (“the Act”), unless the Articles of Association of the Company provides for retirement of all Directors by rotation, at least two-third of the total number of Directors shall be the persons whose period of office is liable to determination by retirement of Directors by rotation. Also, in terms of explanation to Section 152(6), Independent



Directors appointed in terms of Section 149 of the Act are to be excluded for the purpose of calculating total number of Directors who are liable to retirement by rotation. Therefore, in order to comply with the aforesaid provision of the Act, the Company is now required to reconstitute the composition of its Board in a manner that it comprises of two-third of the total number of Directors whose period of office is liable to determination by retirement by rotation.

Accordingly, the Company is required to vary the terms of appointment of Mr. U. Udayabhaskar Reddy (DIN: 02360396), who was reappointed as Whole Time Director of the Company, at the Annual General Meeting of the Company held on 12.08.2013, to make him liable to retire by rotation in terms of Section 152 of the Act. Mr. U. Udayabhaskar Reddy has given his consent for above variation. Henceforth, the office of Mr. U. Udayabhaskar Reddy, Whole Time Director shall liable for determination by retirement by rotation. All other terms and conditions of his re-appointment shall remain same.

The above resolution is placed before the shareholders for their approval and the Board recommends passing of the resolution as an Ordinary resolution.

Mrs. S. Devaki, Mr. V Upendran and Mr. S. Sathyanarayanan being relatives of Mr. U. Udayabhaskar Reddy and Mr. U. Udayabhaskar Reddy himself, are concerned or interested in the resolution set out at Item No. 06.

**Item No.07:**

Dr. M V M Alagappan(DIN: 02222933), aged 81 years, is a Non-Executive Independent Director of the Company. He Joined the Board of Directors of the Company in June, 2007. He is a Member of Nomination and Remuneration Committee and Corporate Social Responsibility Committee of the Board of the Company.

Dr. M V M Alagappan is a graduate in Economics and Sociology and holds a Ph.D in International Marketing. He is also a Fellow member of the Royal Asiatic Society (London) and life member in Indian Institute of Public Administration.

Dr. M. V. M Alagappan has been Independent Director pursuant to Clause 49 of the Listing Agreement on the Board of the Company, whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act 1956. With the enactment of the Companies Act, 2013 ('Act') it is now incumbent upon every listed company to appoint Independent Directors' as defined in section 149(6) of the Act and ensure that at least 1/3rd of the total number of directors are Independent Directors. Hence it is proposed to appoint Dr. M V M Alagappan as an Independent Director under Section 149 and Clause 49 of the Listing Agreement to hold office for five (5) consecutive years commencing from 15th September, 2014.

The Company has received notice in writing from member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Dr. M V M Alagappan for the office of Director of the Company. He is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as Directors. He has given a declaration to the Board that he meets the criteria of independence as provided under Section 149(7) of the Act.



In the opinion of the Board Dr. M V M Alagappan fulfills the conditions specified in the Act and rules made there under for his appointment as an Independent Director of the Company and is independent of the management.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Dr. M V M Alagappan as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Dr. M V M Alagappan as an Independent Director, for the approval by the shareholders of the Company. In terms of provisions of Section 149(13) of the Companies Act, 2013, Dr. M V M Alagappan shall not be liable to retire by rotation.

Dr. M V M Alagappan is not a Director in any other Company. He does not hold any Shares in the Company.

Except Dr. M V M Alagappan, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 07. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

**Item No.08:**

Mr. T. Ananthanarayanan (DIN: 00007227), aged 69 years, is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in July, 2008. He is the Chairman of Nomination and Remuneration Committee of the Board of the Company.

Mr. T. Ananthanarayanan is Graduate in Commerce and also a qualified Chartered Accountant and Cost Accountant. Being a finance professional, he served with the State Bank of India in the initial years and later joined Ashok Leyland Limited, served as an Executive Director, Finance.

The details of the Directorship and/or Membership/Chairmanship of Committees of the Board of Mr. T. Ananthanarayanan (except private companies, Non Profit companies and foreign companies) as on March 31, 2014 are as follows:

Sl. No	Name of the Company	Committee Positions held (Excluding the Company)	
		Audit Committee	Share Holders' and Investor Grievance Committee
1	Allsec Technologies Limited	Chairman	Chairman
2	Sundaram Asset Management Company Limited	Member	N.A
3	Hinduja Leyland Finance Limited	Member	N.A
4	Indusind Bank Ltd.	Chairman	N.A
5	Hinduja Foundries Limited	N.A	N.A



Mr. T. Ananthanarayanan has been Independent Director pursuant to Clause 49 of the Listing Agreement on the Board of the Company, whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act 1956. With the enactment of the Companies Act, 2013 ('Act') it is now incumbent upon every listed company to appoint Independent Directors' as defined in section 149(6) of the Act and ensure that at least 1/3rd of the total number of directors are Independent Directors. Hence it is proposed to appoint Mr. T. Ananthanarayanan as an Independent Director under Section 149 and Clause 49 of the Listing Agreement to hold office for five (5) consecutive years commencing from 15th September, 2014.

The Company has received notice in writing from member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. T. Ananthanarayanan for the office of Director of the Company. He is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as Directors. He has also given a declaration to the Board that he meets the criteria of independence as provided under Section 149(7) of the Act.

In the opinion of the Board Mr. T. Ananthanarayanan fulfills the conditions specified in the Act and rules made there under for his appointment as an Independent Director of the Company and is independent of the management.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. T. Ananthanarayanan as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. T. Ananthanarayanan as an Independent Director, for the approval by the shareholders of the Company. In terms of provisions of Section 149(13) of the Companies Act, 2013, Mr. T. Ananthanarayanan shall not be liable to retire by rotation.

Mr. T. Ananthanarayanan, does not hold any shares in the Company.

Except Mr. T. Ananthanarayanan, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 08. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

### **Item No.09:**

Mr. R. Vijayaraghavan (DIN: 00026763), aged 64 years, is a Non-Executive Independent Director of the Company. He Joined the Board of Directors of the Company in May, 2010. He is the Chairman of Audit committee and a Member of Nomination and Remuneration Committee of the Board of the Company.

Mr. R. Vijayaraghavan is a Graduate in Law and a Post Graduate in Science, Business Administration. He is a practicing lawyer and tax consultant for more than two decades and is at present Senior Partner of M/s. Subbaraya Aiyar Padmanabhan and Ramamani a law firm based in Chennai. He is specialised in taxation matters and Corporate Law matters.

The details of the Directorship and/or Membership/Chairmanship of Committees of the Board of Mr. R. Vijayaraghavan (except private companies, Non Profit companies and foreign companies) as on March 31, 2014 are as follows:



Sl. No	Name of the Company	Committee Positions held (Excluding the Company)	
		Audit Committee	Share Holders' and Investor Grievance Committee
1	Thiru Arooran Sugars Limited	Chairman	N.A
2	India Nippon Electricals Limited	Member	N.A
3	Bimetal Bearings Limited	N.A	N.A
4	T Stanes And Company Limited	Member	N.A
5	Sundaram -Clayton Limited	N.A	Member
6	Lucas Tvs Limited	Member	N.A
7	Redington (India) Investments Limited	N.A	N.A
8	Currents Technology Retail (India) Limited.	N.A	N.A

Mr. R. Vijayaraghavan has been Independent Director pursuant to Clause 49 of the Listing Agreement on the Board of the Company, whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act 1956. With the enactment of the Companies Act, 2013 ('Act') it is now incumbent upon every listed company to appoint Independent Directors' as defined in section 149(6) of the Act and ensure that at least 1/3rd of the total number of directors are Independent Directors. Hence it is proposed to appoint Mr. R. Vijayaraghavan as an Independent Director under Section 149 and Clause 49 of the Listing to hold office for five (5) consecutive years commencing from 15th September, 2014.

The Company has received notice in writing from member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. R. Vijayaraghavan for the office of Director of the Company. He is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as Directors. He has also given a declaration to the Board that he meets the criteria of independence as provided under Section 149(7) of the Act.

In the opinion of the Board Mr. R. Vijayaraghavan fulfills the conditions specified in the Act and rules made there under for his appointment as an Independent Director of the Company and is independent of the management.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. R. Vijayaraghavan as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. R. Vijayaraghavan as an Independent Director, for the approval by the shareholders of the Company. In terms of provisions of Section 149(13) of the Companies Act, 2013, Mr. R. Vijayaraghavan shall not be liable to retire by rotation.



Mr. R. Vijayaraghavan, does not hold any shares in the Company.

Except Mr. R. Vijayaraghavan, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 09. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

**Item No.10:**

Mr. V. Govind (DIN: 00839391), aged 40 years, is a Non-Executive Independent Director of the Company. He Joined the Board of Directors of the Company in May, 2010. He is a member of the Audit committee of the Board of the Company.

Mr. V. Govind is a Graduate in Commerce and a Post Graduate in Management from ITM, Chennai. He is an entrepreneur with various business and social interest. He is associated with the business of building materials, plantations and agro inputs. He heads the Lotus group of Companies and is a Director of many other private companies.

Mr. V. Govind is a Director in The Devashola Nilgiri Tea Estates Company Limited and Poly Tough Tubes Limited and does not hold the chairmanship/membership in any of the committees of the Public Limited Companies.

Mr. V. Govind has been Independent Director pursuant to Clause 49 of the Listing Agreement on the Board of the Company, whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act 1956. With the enactment of the Companies Act, 2013 ('Act') it is now incumbent upon every listed company to appoint Independent Directors' as defined in section 149(6) of the Act and ensure that at least 1/3rd of the total number of directors are Independent Directors. Hence it is proposed to appoint Mr. V. Govind as an Independent Director under Section 149 and Clause 49 of the Listing Agreement to hold office for five (5) consecutive years commencing from 15th September, 2014.

The Company has received notice in writing from member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. V. Govind for the office of Director of the Company. He is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as Directors. He has also given a declaration to the Board that he meets the criteria of independence as provided under Section 149(7) of the Act.

In the opinion of the Board Mr. V. Govind fulfills the conditions specified in the Act and rules made there under for his appointment as an Independent Director of the Company and is independent of the management.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. V. Govind as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. V. Govind as an Independent Director, for the approval by the shareholders of the Company. In terms of provisions of Section 149(13) of the Companies Act, 2013, Mr. V. Govind shall not be liable to retire by rotation.



Mr. V. Govind does not hold any shares in the Company.

Except Mr. V. Govind, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 10. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

**Item No.11:**

Mr. V. Shankar (DIN: 03431334), aged 65 years, is a Non-Executive Independent Director of the Company. He Joined the Board of Directors of the Company in February, 2011. He is a member of Audit committee and Chairman of Stakeholder Relationship Committee of the Board of the Company.

Mr. V Shankar is a Commerce graduate from University of Madras and a qualified Chartered Accountant and Company Secretary. Post qualification he has undergone stints for over three decades in Corporate Finance, Management, Secretarial and Corporate Fund raising activities. At present he is an independent Corporate consultant rendering a gamut of services in areas of Finance, in Secretarial matters, in mergers and acquisitions and other allied areas.

Mr. V. Shankar has been Independent Director pursuant to Clause 49 of the Listing Agreement on the Board of the Company, whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act 1956. With the enactment of the Companies Act, 2013 ('Act') it is now incumbent upon every listed company to appoint Independent Directors' as defined in section 149(6) of the Act and ensure that at least 1/3rd of the total number of directors are Independent Directors. Hence it is proposed to appoint Mr. V. Shankar as an Independent Director under Section 149 and Clause 49 of the Listing Agreement to hold office for five (5) consecutive years commencing from 15th September, 2014.

The Company has received notice in writing from member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. V. Shankar for the office of Director of the Company. He is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as Directors. He has also given a declaration to the Board that he meets the criteria of independence as provided under Section 149(7) of the Act.

In the opinion of the Board Mr. V. Shankar fulfills the conditions specified in the Act and rules made there under for his appointment as an Independent Director of the Company and is independent of the management.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. V. Shankar as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. V. Shankar as an Independent Director, for the approval by the shareholders of the Company. In terms of provisions of Section 149(13) of the Companies Act, 2013, Mr. V. Shankar shall not be liable to retire by rotation.

Mr. V. Shankar is not a Director in any other Company. He does not hold any Shares in the Company.



Except Mr. V. Shankar, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 11. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange

**Item No.12:**

As per the provisions of Section 180(1)(c) of the Companies Act, 2013 the approval of members of the Company is required by way of Special Resolution to borrow amount (excluding the temporary loans availed in normal course of business) in excess of Paid up capital and Free Reserves. Considering the future financial requirements for growth plans and expansion programs being contemplated and undertaken by the Company and to cater to the working capital needs, the Company may be required to borrow money(ies) from any Bank/s or Financial Institutions/s, Firm/s, Body Corporate/s, other person/s, it is therefore necessary that the members pass a special resolution under Section 180(1)(c) of the Companies Act, 2013, as set out at Item No. 12 of the Notice, to enable the Board of Directors to borrow money in excess of the aggregate of the Paid up capital and Free reserves of the Company.

Hence the approval of members is being sought to borrow not exceeding Rs. 75,00,00,000/- (Rupees Seventy Five Crores Only) in excess of the aggregate paid up capital and free reserves of the Company.

None of the Directors and their relatives is concerned or interested in the resolution. The Board recommends the Special resolution for your approval

**Item No.13:**

Section 180 (1) (a) of the Companies Act, 2013, provides inter-alia that the Board of Directors of the Company, shall not without consent of the members in General Meeting, sell, lease or otherwise dispose of the whole or substantially whole of the undertaking of the Company. For meeting growing needs for working capital and capital expenditure, the Company may be required to borrow money from any Bank/s or Financial Institutions/s, Firm/s, Body Corporate/s, other person/s. As a security, the Company may also be required to create Mortgage/Charge on Fixed Assets in favour of the said Bank/s or Financial Institutions/s, Firm/s, Body Corporate/s, other person/s. Hence it is proposed to pass Special Resolution under section 180(1)(a) of the Companies Act,2013 authorizing the Board of Directors or its committees to mortgage / charge the properties and/or the whole or substantially the whole of the undertaking of the Company as aforesaid to the lenders for an amount not exceeding Rs. 75,00,00,000/- (Rupees seventy Five Crores Only).

None of the Directors and their relatives is concerned or interested in the resolution. The Board recommends the Special resolution for your approval.

For and on behalf of the Board of Directors

Registered Office:

Old No.90, New No.46 Moore Street,  
Chennai 600001

Date: 19.07.2014

V. Upendran  
Chairman & Managing Director