



## Sanco Trans Limited

CIN: L60220TN1979PLC007970

Registered Office: S.T. Tower, New No. 24 & 25, II Floor,

Second Line Beach Road, Chennai – 600 001

Tel: 044 – 6644 9000 Fax: 044 – 66449009

Email: shareholder@sancotrans.com

Website: www.sancotrans.com

### NOTICE OF THIRTY EIGHTH ANNUAL GENERAL MEETING

Notice is hereby given that the Thirty Eighth Annual General Meeting of Sanco Trans Limited will be held at Narada Gana Sabha, Mini Hall, 314, T.T.K Road, Alwarpet, Chennai – 600 018 on Wednesday, the 19<sup>th</sup> September 2018 at 10.15 A.M. to transact the following business:

#### **ORDINARY BUSINESS:**

1. To receive, consider and adopt
  - (i) the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2018 together with the Reports of the Board of Directors and the Auditors thereon; and
  - (ii) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2018 and the Report of Auditors thereon.
2. To declare a dividend for the year ended March 31, 2018.
3. To appoint a Director in place of Mr. S. R. Srinivasan (DIN: 03559408), Director - Finance, who retires by rotation and, being eligible, offers himself for reappointment.

#### **SPECIAL BUSINESS:**

#### **4. Re-appointment of Mr. V. Upendran as Chairman and Managing Director of the Company**

To consider and if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED that pursuant to the provisions of sections 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013, read with The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Schedule V to the Companies Act, 2013 (including any statutory modifications(s) or re-enactment thereof, for the time being in force), approval of the members of the Company be and is hereby accorded to the reappointment of Mr. V. Upendran (DIN: 00557511) as Chairman and Managing Director of the Company for a period of two years effective from April 01, 2018 upon the terms and conditions of appointment and remuneration as mentioned in the Explanatory Statement annexed to the notice of the Thirty Eighth Annual General Meeting of the Company and the Board of Directors be and are hereby authorized to alter and vary such terms of appointment and remuneration so as not to exceed the limits specified in Schedule V to the Companies Act, 2013 or any statutory modification(s) thereof, as may be agreed to by the Board of Directors and Mr. V. Upendran.”

“RESOLVED FURTHER THAT the Deputy Managing Director of the Company, be and is hereby authorized to sign necessary forms and do all such acts, deeds, things as may be required to give effect to the above resolution.”

#### **5. Alteration of Object Clause 3(A) of Memorandum of Association of the Company**

To consider and if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to Section 13 and other applicable provisions of the Companies Act, 2013, including rules thereof, approval of the members of the Company be and is hereby accorded



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to insert the following objects after object no. 4 of Clause 3(A) of the Memorandum of Association of the Company and be read as stated hereunder:

5. To carry on the business of buying, selling, reselling, importing, exporting, transporting, storing, developing, promoting, marketing or supplying, trading, dealing in any manner whatsoever in all type of goods on retail as well as on wholesale basis in India or elsewhere.
6. To carry on the business of online shopping, net marketing, marketing of consumer and other goods, internet advertising and marketing, creating, buying and selling virtual malls, stores, shops, mobile based applications creating shopping catalogues, providing secured payment processing, net commerce solutions for business to business and business to consumers, online trading in and outside India but does not include banking and money circulating business.
7. To carry on all or any of the following business activities relating to the provisions of Electronic Commerce services to Business Organizations either directly or through collaboration, joint venture, or under licenses and/ or trade agreements. E-mail services, Electronic Data Interchange (EDI), Enhanced Telefax Services, Electronic Information Services i.e., database Services to support commercial exchanges, other intercompany network applications and for the above purposes, to establish, in India, Messaging backbone network interconnecting different parts of the country in a phase manner and to import such hardware, software and/ or technology from time to time as may be required.
8. To carry on the Business of Hotel, Restaurant, Holiday Camps, Boarding and Lodging, Recreation, Catering and to act as hotel management consultants, managers, operators, advisors, planners in the field of planning, construction, operation of hotels, motels, restaurants, recreation whether in India or abroad.
9. To carry on the business of Software designing, development, customisation, implementation, maintenance, testing and benchmarking, designing, developing and dealing in computer software and solutions, and to import, export, sell, purchase, distribute, host (in data centers or over the web) or otherwise deal in own and third party computer software packages, programs and solutions, and to provide internet / web / mobile based applications, services and solutions, provide or take up Information technology related assignments on sub-contracting basis, offering services on-site/ offsite or through development centers using owned /hired or third party infrastructure and equipment, providing recruitment and HR related services, providing and taking personnel / consultants/ human resources to / from other organizations, providing solutions/ packages/ services through applications services provider mode via internet or otherwise, to undertake IT enabled services like call Centre Management, Medical and legal transcription, data processing, Back office processing, Accounting, HR and payroll processing, Insurance claims processing, credit card processing, loans and letters of credit processing, cheque processing, data warehousing and database management, to carry on the business of manufacturing, dealing and maintenance of computer hardware, computer systems and assemble data processors, program designs and to buy, sell or otherwise deal in such hardware and software packages and all types of tabulating machine, accounting machines, calculators, computerized telecommunication systems and network, their components, spare parts, equipments and devices and to carry on the business of establishing, running and managing institutions, school, and academics for imparting



education in computer technology, offering equipment, solutions and services for Networking and network management, data centre management and in providing consultancy services in all above mentioned areas.

10. To carry on business of contractors, Builders, Town planners, Infrastructure developers, Estate developers and Engineers, land developers, Land Scapers, estate agents, immovable property dealers and to acquire, buy, purchase, hire or otherwise lands, buildings, civil works immovable property of any tenure or any interest in the same and to erect and construct, houses, flats, bungalows, kothis or civil work of every type on the land of the Company or any other land or immovable property whether belonging to the Company or not and to pull down, rebuild, enlarge alter and other conveniences and to deal with and improve, property of the Company or any other Immovable property in India or abroad.”

“RESOLVED FURTHER THAT the Managing Director of the Company be and is hereby authorised to take necessary steps to give effect to the above resolution.”

## **6. Alteration of Object Clause 3(C) of Memorandum of Association of the Company**

To consider and if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to Section 13 and other applicable provisions, if any, of the Companies Act 2013, approval of the members of the Company be and is hereby accorded to delete Clause 3(C) of Memorandum of Association of the Company.”

“RESOLVED FURTHER THAT the Managing Director of the Company be and is hereby authorised to take necessary steps to give effect to the above resolution.”

## **7. Alteration of Liability Clause of Memorandum of Association of the Company**

To consider and if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to Section 13 and other applicable provisions, if any, of the Companies Act 2013, approval of the members of the Company be and is hereby accorded to replace the existing Clause 4 of the Memorandum of Association of the Company by the following clause:

4. The liability of the members is limited and this liability is limited to the amount unpaid, if any, on the shares held by them.”

“RESOLVED FURTHER THAT the Managing Director of the Company be and is hereby authorised to take necessary steps to give effect to the above resolution.”

For and on behalf of the Board of Directors

Registered Office:  
ST Tower, New No. 24 & 25,  
II Floor, Second Line Beach Road,  
Chennai – 600001

Place: Chennai  
Date: 07.07.2018

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



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### 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. Members/Proxies/Representatives are requested to bring the attendance slip enclosed to the Notice of 38<sup>th</sup> AGM for attending the meeting.
4. The Register of Members and Share Transfer Books of the Company will be closed from **13.09.2018 to 19.09.2018** (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, having its office at Subramanian Building, No. 1, Club House Road, Anna Salai, Chennai 600 002, Telephone No. 044-28460390 (5 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 BSE Limited has been paid upto 31.03.2019.
7. Details under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the Director seeking re-appointment at the Annual General Meeting, forms integral part of the notice. The Director has furnished the requisite declaration for his re-appointment.
8. The requirement to place the matter relating to appointment of Statutory Auditors for ratification by members at every Annual General Meeting is done away with vide Ministry of Corporate Affairs notification dated May 07, 2018. Accordingly, no resolution is proposed for ratification of appointment of M/s. R. Sundararajan & Associates, Statutory Auditors who were appointed in the 37<sup>th</sup> Annual General Meeting held on September 18, 2017 and hold office till the conclusion of the Forty Second Annual General Meeting of the Company
9. Pursuant to Investor Education and Protection Fund (Uploading of Information regarding unpaid and unclaimed amount lying with Companies) Rules, 2012, the Company has provided/hosted the required details of unclaimed amounts as on last Annual General Meeting i.e. 18<sup>th</sup> September, 2017, on its website and also in the website of the Ministry of Corporate Affairs (MCA) in the relevant form every year. Members who have not encashed their Dividend Warrants in respect of the above period(s) are requested to make their claim(s) by surrendering the unencashed Dividend Warrants to the Company.

Attention of the members is drawn to the provisions of Section 124(6) of the Act which require a company to transfer in the name of IEPF Authority all shares in respect of which dividend has not been paid or claimed for 7 (seven) consecutive years or more.



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In accordance with the aforesaid provision of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has transferred all shares in respect of which dividend declared for the financial year 2009-10 or earlier financial years has not been paid or claimed by the members for 7 (seven) consecutive years or more.

10. Electronic copy of the Annual Report for financial year 2017–18 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 2017-18 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.
11. Members may also note that the Notice of the 38<sup>th</sup> Annual General Meeting and the Annual Report for financial year 2017-18 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)

### 12. Voting through electronic means:

In compliance with the provisions of Section 108 of the Companies Act, 2013 and the Rules framed there under, Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2, 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 instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on 16<sup>th</sup> September, 2018 (09.00 A.M IST) and ends on 18<sup>th</sup> September, 2018 (05.00 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 (12.09.2018) may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders
- (iv) 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.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) 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.



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(vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN*	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>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.</p> <p>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.</p>
Dividend Bank Details OR Date Of Birth(DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"><li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li></ul>

(viii) After entering these details appropriately, click on "SUBMIT" tab.

- (ix) 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the relevant EVSN for SANCO TRANS LIMITED on which you choose to vote.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.



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- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) 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 a Compliance User should be created 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 linked in the login 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.
- (xx) 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).
- (xxi) 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 12th day of September, 2018.
  - (b) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
  - (c) Mr. Pankaj Mehta, Partner of M/s. A. K. Jain & Associates, Practising Company Secretaries, Chennai has been appointed as the scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
  - (d) The Scrutinizer shall after the conclusion of voting at the general meeting, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the company and shall make, not later than 48 hours of the conclusion of the AGM, a consolidated scrutinizers' report of the total votes cast in favour of against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
  - (e) The results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.sancotrans.com](http://www.sancotrans.com) and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the stock exchanges where the Company's shares are listed.
  - (f) 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 <https://www.evotingindia.co.in> under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).





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13. Details of Director seeking re-appointment at the Annual General Meeting (Pursuant to Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirements), Regulations 2015):

1.	Name of the Director	Mr. S. R. Srinivasan
2.	Date of Birth:	18.10.1952
3.	Age:	65
4.	Profile:	Mr. S. R. Srinivasan is a Commerce graduate and Chartered Accountant having more than 33 years work experience in Finance & Accounts of multinational companies in India before joining this company. He was appointed as Director - Finance of the Company in 2011 and managing the Finance & Accounts of the Company since then.
5.	Directorship in other companies including listed companies	Nil
6.	Shareholding in the Company	Nil
7.	Relationship with other Directors/ Key Managerial Personnel	He is not related to any Directors/Key Managerial Personnel.

None of the Directors of the Company, other than Mr. S. R. Srinivasan, is interested or concerned in the aforesaid re-appointment, save as shareholders of Company.

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

#### **Item No.4:**

The Board of Directors of the Company at its meeting held on February 14, 2018 reappointed Mr. V. Upendran as Chairman and Managing Director of the Company for a period of two years effective from April 01, 2018. The Nomination and Remuneration committee of the Board of Directors had approved, by its resolution, the terms of the remuneration, payable to Mr. V. Upendran and the same is in accordance with and within the ceiling of remuneration permitted under Section II of Part II of Schedule V to the Companies Act, 2013.

The Nomination and Remuneration Committee of the Board has examined and fixed the remuneration package of Mr. V. Upendran objectively taking into account the interest of the Company and the shareholders, the financial position of the Company, Mr. V. Upendran's qualification, experience, past performance and past remuneration.

The said resolution has also been approved by the Board of Directors of the Company on the following terms and conditions as recommended by the Nomination and Remuneration Committee:

#### **1. Monthly remuneration**

Rs. 3,50,000/- (Rupees Three Lakhs Fifty Thousand only) towards i. Salary – Rs. 3,00,000/- (Rupees Three Lakhs Only) and ii. Perquisites – Rs. 50,000/- (Rupees Fifty Thousand Only) with such annual





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increments/increases as may be decided by the Nomination and Remuneration Committee from time to time.

## 2. Computation of Perquisites

The following shall not be included the computation of perquisites (i) Company's contribution to provident fund and superannuation fund to the extent they are singly or put together are not taxable under the Income-tax Act, (ii) Gratuity at the rate of half a month's salary for each completed year of service; (iii) Leave with full pay as per the rules of the Company with encashment of un-availed leave being allowed.

## 3. Minimum remuneration

Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of Mr. V. Upendran, the Company has no profits or the profits of the Company are inadequate, the Company will pay remuneration by way of salary, perquisites and allowances as specified above.

## 4. Valuation of perquisites

Perquisites/allowances shall be valued as per Income-tax rules, wherever applicable, and in the absence of any such rules, shall be valued at actual cost.

## 5. Other terms

The terms and conditions of the said appointment may be altered and varied from time to time by the Board of directors as it may, in its discretion, deem fit within the amount payable to the appointee in accordance with the provisions of the said Act or any amendments made therein or with the approval of the Central government, if required.

Since the proposed revision in the remuneration package is governed under Section II of Part II of Schedule V to the Companies Act, 2013, the following additional information as required in clause (IV) of the proviso under Section II of the said schedule is furnished.

### I. General Information

(1) Nature of the industry: Logistics

(2) Date of commencement of business: 12<sup>th</sup> October 1979

(3) Financial Highlights:

(Rs. In Lakhs)

Year ended 31st March	Revenue	Profit after tax	Total Comprehensive income	Net worth	Fixed Assets -net	Earnings per share (Rupees)
2014	7500.75	416.27	NA	9673.43	11472.48	23.13
2015	7677.93	235.67	NA	9844.53	11460.48	13.09
2016	7723.34	107.36	NA	9912.89	11702.08	5.96
2017*	8481.53	68.00	63.92	9747.38	11103.87	1.81
2018*	8356.96	21.80	25.95	9830.70	10662.51	1.21

\*Figures are regrouped/restated as per Indian Accounting Standards



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### II. Information about the appointee:

1.	Background details	Mr. V. Upendran, 72 years of age, is a graduate in Science from University of Madras. He was appointed as the Managing Director of the Company on January 01, 1986 and has the distinction of leading the Company since then. He has held important positions in various Chambers of Commerce, as Trustee in Chennai Port Trust and President of The Chennai Customs House Agents' Association and President in National Association of Container Freight Stations.
2.	Past remuneration	Rs. 3,00,000/- per month with effect from April 01, 2015 including salary and perquisites.
3.	Recognition and awards	(i) He had held important positions in various chambers of commerce. (ii) He was a Trustee of Chennai Port Trust (iii) He was President of The Chennai Customs House Agents' Association. (iv) He was President of National Association of Container Freight Stations
4.	(i) Job profile	As Managing director, he is in charge of the management of the affairs of the Company
	(ii) His suitability	His experience for the last 30 years as Managing Director of the company makes him ideally suitable for the said position.
5.	Remuneration proposed	Rs. 3,50,000/- (Rupees Three Lakhs Fifty Thousand only) towards i. Salary – Rs. 3,00,000/- (Rupees Three Lakhs Only) and ii. Perquisites – Rs. 50,000/- (Rupees Fifty Thousand Only) and other proposed terms as mentioned supra
6.	Comparative remuneration profile with respect to industry	Information not available
7.	Pecuniary relationship directly or indirectly with the company, or relationship with the Managerial Personnel	Mr. V. Upendran holds 79,900 Equity Shares of Rs.10/- each in the Company.  He is related to Mrs. S. Devaki, Director and Mr. U. Udayabhaskar Reddy, Whole Time Director.
8.	Directorship in other companies	1. Sanco Estates and Farms Private Limited 2. Shreyas Wheels Private Limited 3. Sudharsan Logistics Private Limited 4. Premium Mint and Herbs Private Limited 5. Sanco Clearance Limited 6. Sanco Transport Limited 7. The Devashola Nilgiri Tea Estates Company Limited



### III. Other Information:

(1) Reason for loss or inadequate profits:

The inadequacy of profits has arisen mainly on account of dip in storage revenue from Container Freight Station (CFS), increased handling charges in CFS and additional amortisation/depreciation of the warehouse at the CFS.

(2) Steps taken or proposed to be taken for improvement

The company is working on new projects in its core business of logistics and taken measures to reduce the costs.

(3) Expected increase in productivity and profits in measurable terms.

The company has taken measures to reduce the costs in all possible areas of its operations which will improve the profits.

Mrs. S. Devaki and Mr. U. Udayabhaskar Reddy being relatives of Mr V. Upendran, Mr. V. Upendran himself and Mr. S. Sathyanarayanan are concerned or interested in the aforesaid re-appointment and proposed remuneration package to Chairman and Managing Director. This Explanatory Statement may also be regarded as a disclosure under SEBI (Listing Obligation and Disclosure Requirements), Regulations 2015.

The Board recommends the Special Resolution set out at Item No. 4 of the Notice for the approval of the members.

#### **Item No.5:**

The Company was incorporated to carry on the business of logistics, warehousing, transport services including shipping, air transport and road transport and all its ancillary services. The Board of directors of the company in their meeting held on July 07, 2018, considered the proposal to diversify their business and proposed to carry on the businesses as mentioned in Item No. 5 of the accompanying notice. As per section 13 of the Companies Act, 2013, alteration to Memorandum of Association requires consent of the shareholders by way of special resolution. Hence, the above item is placed before the members for their consent.

The Memorandum of Association with the proposed alteration is available for inspection during the business hours at the registered office from the date of this Notice till the date of the 38<sup>th</sup> Annual General Meeting of the Company.

None of the Directors are considered as interested in the above resolution save as shareholders of the Company.

#### **Item no. 6 & 7:**

As per the provisions of the Companies Act, 2013, including rules related thereto, a Company cannot carry on the business other than those specified in Clause 3 (A) & (B). Since, the existing Memorandum of Association of the Company contains Clause 3 (C), the Board of Directors decided to delete the same. Further, the Board also decided to alter the existing Clause 4 of Memorandum to be in consonance with Table "A" of the Companies Act, 2013. As per Section 13 and other applicable provisions of the Companies Act, 2013, alteration to Memorandum of Association requires consent of



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the members by way of special resolution. Hence, the Item No. 6 & 7 is placed before the shareholders for their consent.

The Memorandum of Association of the Company with the proposed alteration is available for inspection during the business hours at the registered office from the date of this Notice till the date of the 38<sup>th</sup> Annual General Meeting.

None of the directors are considered as interested in the above resolution, save as shareholders of Company.

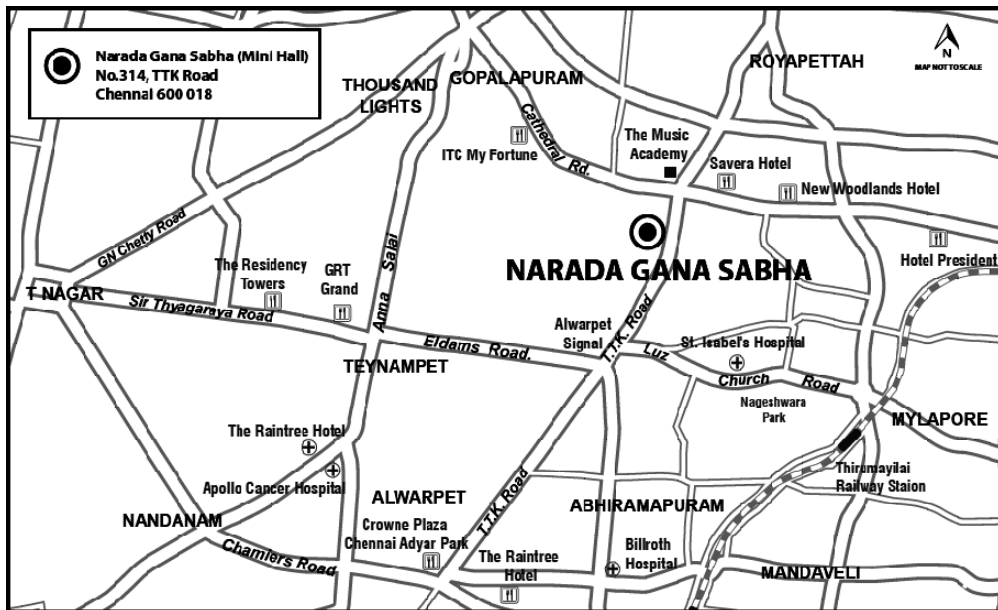
For and on behalf of the Board of Directors

Registered Office:  
ST Tower, New No. 24 & 25,  
II Floor, Second Line Beach Road,  
Chennai – 600001

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

Place: Chennai  
Date: 07.07.2018

**ROUTE MAP**  
ROUTE MAP TO THE VENUE OF THE  
**THIRTY EIGHT ANNUAL GENERAL MEETING**  
ON SEPTEMBER 19, 2018 AT 10.15 AM



*Annual Report containing Director's Report and Audited Financial Statements  
(both standalone and consolidated) are being sent by Book Post / E-mail*