Telephone : +91-44-6644 9000
Fax : +91-44-6644 9009
E-mail : mail@sancotrans.com
Web : www.sancotrans.com

SANCO GROUP SINCE 1956

Sanco Trans Limited

CIN : L60220TN1979PLC007970
GSTIN : 33AAACS7690F1ZB
R.O : S T TOWER, NN : 24 & 25,
Second Line Beach Road,
Chennai 600 001, INDIA.

Date: 21.08.19

To
Department of Corporate Relations
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai - 400 001

Security ID	**: SANCTRN**
Security Code	**: 523116**

Dear Sir/Madam,

Sub: Submission of Annual Report for the year 2018-19

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we submit herewith the Annual Report for the year 2018-19 along with admission slip and proxy form.

Thanking you,

Sincerely,
For SANCO TRANS LIMITED

Vhpendran

SANCO TRANS LIMITED CHENNAI 600 001

V. UPENDRAN
Managing Director

Encl: As Above

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 NINTH ANNUAL GENERAL MEETING

Notice is hereby given that the Thirty Ninth Annual General Meeting of Sanco Trans Limited will be held at The Music Academy, Mini Hall, New No. 168 (Old No. 306), T.T.K Road, Royapettah, Chennai – 600 014 on Saturday, the 14th September 2019 at 04.00 P.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, 2019 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, 2019 and the Report of Auditors thereon.
2. To declare a dividend for the year ended March 31, 2019.
3. To appoint a Director in place of Mrs. Devaki Santhanam (DIN: 02369367), Director, who retires by rotation and, being eligible, offers herself for reappointment.

SPECIAL BUSINESS:

4. Re-appointment of Mr. S. Sathyanarayanan as Joint Managing Director of the Company.

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED that pursuant to the provisions of sections 152(6), 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. S. Sathyanarayanan (DIN: 00446573) as Joint Managing Director of the Company, liable to retire by rotation, for a period of three years effective from April 01, 2019 upon the terms and conditions of appointment and remuneration as mentioned in the Explanatory Statement annexed to the notice of the Thirty Ninth 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 to 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. S. Sathyanarayanan."

"RESOLVED FURTHER THAT Mr. V. Upendran (DIN: 00557511), 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. Re-appointment of Mr. S. R. Srinivasan as Director - Finance of the Company

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED that pursuant to the provisions of sections 152(6), 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. S. R. Srinivasan (DIN: 03559408) as Director - Finance of the Company, liable to retire by rotation, for a period of three years effective from June 01, 2019 upon the terms and conditions of appointment and remuneration as mentioned in the Explanatory Statement annexed to the notice of the Thirty Ninth 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 to 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. S. R. Srinivasan."

"RESOLVED FURTHER THAT Mr. V. Upendran (DIN: 00557511), 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."

6. **Re-appointment of Mr. U. Udayabhaskar Reddy as Whole Time Director**

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED that pursuant to the provisions of sections 152(6), 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. U. Udayabhaskar Reddy (DIN: 03559408) as Whole Time Director of the Company, liable to retire by rotation, for a period of three years effective from August 01, 2019 upon the terms and conditions of appointment and remuneration as mentioned in the Explanatory Statement annexed to the notice of the Thirty Ninth 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 to 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. U. Udayabhaskar Reddy."

"RESOLVED FURTHER THAT Mr. V. Upendran (DIN: 00557511), 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."

7. **Re-appointment of Mr. R. Vijayaraghavan as Independent Director**

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

"RESOLVED that pursuant to the provisions of Sections 149 and 152, read with Schedule IV and other applicable provisions of the Companies Act, 2013 ("the Act"), the Companies (Appointment and Qualification of Directors) Rules, 2014, and the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. R. Vijayaraghavan (DIN: 00026763), who was appointed as an Independent Director and who holds office of Independent Director upto September 14, 2019 and being eligible, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for 5 (five) consecutive years on the Board of the Company from September 15, 2019 till September 14, 2024."

"RESOLVED FURTHER THAT Mr. V. Upendran (DIN: 00557511), 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."

8. Re-appointment of Mr. V. Shankar as Independent Director

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

"RESOLVED that pursuant to the provisions of Sections 149 and 152, read with Schedule IV and other applicable provisions of the Companies Act, 2013 ("the Act"), the Companies (Appointment and Qualification of Directors) Rules, 2014, and the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. V. Shankar (DIN: 03431334), who was appointed as an Independent Director and who holds office of Independent Director upto September 14, 2019 and being eligible, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for 5 (five) consecutive years on the Board of the Company from September 15, 2019 till September 14, 2024."

"RESOLVED FURTHER THAT Mr. V. Upendran (DIN: 00557511), 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."

9. Re-appointment of Mr. V. Govind as Independent Director

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

"RESOLVED that pursuant to the provisions of Sections 149 and 152, read with Schedule IV and other applicable provisions of the Companies Act, 2013 ("the Act"), the Companies (Appointment and Qualification of Directors) Rules, 2014, and the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. V. Govind (DIN: 00839391), who was appointed as an Independent Director and who holds office of Independent Director upto September 14, 2019 and being eligible, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for 5 (five) consecutive years on the Board of the Company from September 15, 2019 till September 14, 2024."

"RESOLVED FURTHER THAT Mr. V. Upendran (DIN: 00557511), 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."

For and on behalf of the Board of Directors

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

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

Place: Chennai
Date: 20.07.2019

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 39th AGM for attending the meeting.

4. The Register of Members and Share Transfer Books of the Company will be closed from 08.09.2019 to 14.09.2019 (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 (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 BSE Limited has been paid upto 31.03.2020.

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 Statutory Auditors who were appointed in the 37th 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. 19th September, 2018, 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.

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 2010-11 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 2018–19 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 2018-19 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 39th Annual General Meeting and the Annual Report for financial year 2018-19 will also be available on the Company's website 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

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 (SS)-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 11th September, 2019 (09.00 A.M IST) and ends on 13th September, 2019 (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 (07.09.2019) 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.

(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 and voted on an earlier voting of any company, then your existing password is to be used.

(vii) 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.
Dividend Bank Details OR Date Of Birth(DOB)	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. • 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).

(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.

(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 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.
- 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 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, under help section or write an email to 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 07th day of September, 2019.

(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 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.

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	Mrs. Devaki Santhanam
2.	Date of Birth:	02.11.1941
3.	Age:	77
4.	Profile:	Mrs. Devaki Santhanam holds directorship in the company since its incorporation. Her contributions and guidance have played a major role in the growth of the company. Mrs. Devaki Santhanam is the only woman director in the Board pursuant to Section 149 of the Companies Act, 2013, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
5.	Directorship in other companies including listed companies	1. Sanco Estates and Farms Private Limited 2. Premium Mint and Herbs Private Limited
6.	Shareholding in the Company	Mrs. Devaki Santhanam is holding 212,750 shares in the company
7.	Relationship with other Directors/ Key Managerial Personnel	Mrs. Devaki Santhanam is sister of Mr. V. Upendran, Managing Director and mother of Mr. S. Sathyanarayanan, Joint Managing Director. She is not related to any other Directors/Key Managerial Personnel..

Mr. V. Upendran and Mr. S. Sathyanarayanan being relatives of Mrs. Devaki Santhanam and Mrs. Devaki Santhanam herself, are concerned or interested in the resolution set out at Item No. 03.

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 March 16, 2019 reappointed Mr. S. Sathyanarayanan as Joint Managing Director of the Company for a period of three years effective from April 01, 2019. The Nomination and Remuneration committee of the Board of Directors had approved, by its resolution, the terms of the remuneration, payable to Mr. S. Sathyanarayanan 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. S. Sathyanarayanan objectively taking into account the interest of the Company and the shareholders, the financial position of the Company, Mr. S. Sathyanarayanan' 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 Lakh Fifty Thousand only) towards i) salary - Rs. 2,50,000/- (Rupees Two Lakh Fifty Thousand only), ii) allowances - Rs. 75,000/- (Rupees Seventy Five Thousand only) and iii) perquisites – Rs. 25,000/- (Rupees Twenty Five Thousand only) with such annual 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. S. Sathyanarayanan, 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 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: 12th 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)
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*#	9122.94	(79.29)	(75.14)	9326.27	10394.77	(4.41)
2019*#	10830.58	(37.27)	(54.89)	9322.49	9976.87	(2.07)

*Figures are regrouped/restated as per Indian Accounting Standards

#Figures of M/s. Sanco Transport Limited, erstwhile wholly owned subsidiary, included subsequent to approval of merger.

II. Information about the appointee:

1.	Background details	Mr. S. Sathyanarayanan, 45 years of age, is a graduate in Business (Shipping) Management from the Australian Maritime College, Tasmania and also a Post Graduate in Transport management from the University of Sydney. He was appointed as Director of the Company in August 1995 and Whole Time Director of the Company in March 2000. He was appointed as Deputy Managing Director for a period of three years effective April 01, 2005 and has the distinction of leading the Company since then.
2.	Past remuneration	Rs. 3,50,000/- per month with effect from April 01, 2016 including salary and perquisites.
3.	Recognition and awards	He was Executive Committee Member of Indo-Australian Chamber of Commerce and India-Asean-Sri Lanka Chamber of Commerce & Industry
4.	(i) Job profile and nature of his expertise	As Deputy Managing director, he is in charge of the management of the affairs of the Company
	(ii)His suitability	His experience for the last 24 years as Director of the company including 14 years as Deputy Managing Director makes him ideally suitable for the said position with the said remuneration.
5.	Remuneration proposed	Rs. 3,50,000/- per month including salary, allowances and perquisites 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. S. Sathyanarayanan holds 200500 Equity Shares of Rs.10 each in the Company. He is son of Mrs. Devaki Santhanam, Director.
8.	Directorship in other companies and membership of Committees of the board.	1. Sanco Estates and Farms Private Limited 2. Sakthi Hi-Tech Constructions Private Limited 3. Shreyas Wheels Private Limited 4. Sudharsan Logistics Private Limited 5. Premium Mint and Herbs Private Limited 6. Sanco Clearance Limited 7. Tirwin Management Services Private Limited Membership in Committees of Board: Sanco Trans Limited Chairman – Corporate Social Responsibility Committee Member – Finance & Investment Committee

III. Other Information:

(1) Reason for loss or inadequate profits:

The loss suffered during the previous year has arisen mainly on account of reduced storage revenue in Container Freight Station operations, increased handling charges in all areas of operations and additional amortisation/depreciation of the warehouse.

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

Measures have been taken to exit the contracts with huge operational costs and with a low margin.

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

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

Mrs. Devaki Santhanam being relative of Mr S. Sathyanarayanan and Mr S. Sathyanarayanan himself are concerned or interested in the aforesaid re-appointment and proposed remuneration package to Joint 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 Ordinary Resolution set out at Item No. 4 of the Notice for the approval of the members.

Item No.5:

The Board of Directors of the Company at its meeting held on March 16, 2019 reappointed Mr. S. R. Srinivasan as Director - Finance of the Company for a period of three years effective from June 01, 2019. The Nomination and Remuneration committee of the Board of Directors had approved, by its resolution, the terms of the remuneration, payable to Mr. S. R. Srinivasan 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. S. R. Srinivasan objectively taking into account the interest of the Company and the shareholders, the financial position of the Company, Mr. S. R. Srinivasan'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. 2,00,000/- (Rupees Two Lakhs only) towards i) salary - Rs. 1,75,000/- (Rupees One Lakh Seventy Five Thousand only) and ii) allowances - Rs. 25,000/- (Rupees Twenty Five Thousand only) with such annual 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. S.R. Srinivasan, 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 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: 12th 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)
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*#	9122.94	(79.29)	(75.14)	9326.27	10394.77	(4.41)
2019*#	10830.58	(37.27)	(54.89)	9322.49	9976.87	(2.07)

*Figures are regrouped/restated as per Indian Accounting Standards

#Figures of M/s. Sanco Transport Limited, erstwhile wholly owned subsidiary, included subsequent to approval of merger

II. Information about the appointee:

1.	Background details	Mr. Srinivasan, 66 years of age, is a Commerce graduate and Chartered Accountant having more than 33 years work experience in the Finance and 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 and Accounts of the Company since then.
2.	Past remuneration	Rs. 2,00,000/- per month with effect from June 01, 2016 including salary and allowances..
3.	(i) Job profile and nature of his expertise	As Director, he is in charge of the management finance and accounts of the Company
	(ii)His suitability	His experience for the last 41 years in various capacities including 8 years as Director – Finance of our company makes him ideally suitable for the said position with the said remuneration.
4.	Remuneration proposed	Rs. 2,00,000/- per month including salary and allowances and other proposed terms as mentioned supra.
5.	Comparative remuneration profile with respect to industry	Information not available
6.	Pecuniary relationship directly or indirectly with the company, or relationship with the Managerial Personnel	He does not hold any Equity Shares in the Company. He is not related to any Directors/Key Managerial Personnel.
7.	Directorship in other companies and membership of Committees of the board.	Directorship: Nil Membership in Committees of Board: Sanco Trans Limited Member – Stakeholder Relationship Committee Member – Finance & Investment Committee

III. Other Information:

Other information provided in Explanatory Statement for Item no. 4 shall be referred:

None of the Directors of the Company, other than Mr. S. R. Srinivasan, is interested or concerned in this resolution. This Explanatory Statement may also be regarded as a disclosure under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for the approval of the members

Item no. 6

The Board of Directors of the Company at its meeting held on March 16, 2019 reappointed Mr. U. Udayabhaskar Reddy as Whole Time Director of the Company for a period of three years effective from August 01, 2019. The Nomination and Remuneration committee of the Board of Directors had approved, by its resolution, the terms of the remuneration, payable to Mr. U. Udayabhaskar Reddy 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. U. Udayabhaskar Reddy objectively taking into account the interest of the Company and the shareholders, the financial position of the Company, Mr. U. Udayabhaskar Reddy' 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. 2,00,000/- (Rupees Two Lakhs only) towards i) salary - Rs. 1,45,000/- (Rupees One Lakh Forty Five Thousand only) and ii) allowances - Rs. 55,000/- (Rupees Fifty Five Thousand only) with such annual 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. U. Udayabhaskar Reddy, 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 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: 12th 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)
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*#	9122.94	(79.29)	(75.14)	9326.27	10394.77	(4.41)
2019*#	10830.58	(37.27)	(54.89)	9322.49	9976.87	(2.07)

*Figures are regrouped/restated as per Indian Accounting Standards

#Figures of M/s. Sanco Transport Limited, erstwhile wholly owned subsidiary, included subsequent to approval of merger

II. Information about the appointee:

1.	Background details	Mr. U. Udayabhaskar Reddy, 47 years of age, is a Post graduate in Economics and holds a Diploma in Business Administration with Specialisation in Marketing. He was appointed as Whole Time Director of the Company in July 2008 and has the distinction of leading the Company since then. He has worked in the various divisions of the Company since 1997 and has a rich experience in the business of the Company..
2.	Past remuneration	Rs. 2,00,000/- per month with effect from August 01, 2016 including salary and allowances.
3.	(i) Job profile and nature of his expertise	As a Whole Time Director, he is in charge of the management of the marketing functions of the Company.
	(ii)His suitability	His experience for the last 11 years as Whole Time Director of the Company makes him ideally suitable for continuing in the said position.
4.	Remuneration proposed	Rs. 2,00,000/- per month including salary and allowances and other proposed terms as mentioned supra.
5.	Comparative remuneration profile with respect to industry	Information not available
6.	Pecuniary relationship directly or indirectly with the company, or relationship with the Managerial Personnel	Mr. U. Udayabhaskar Reddy does not hold any shares in the Company. He is son of Mr. V. Upendran, Managing Director
7.	Directorship in other companies and membership of Committees of the board.	Directorship: Sanco Clearance Limited Membership in Committees of Board: Sanco Trans Limited Member – Stakeholder Relationship Committee Member – Finance & Investment Committee

III. Other Information:

Other information provided in Explanatory Statement for Item no. 4 shall be referred.

Mr. V. Upendran being relative of Mr. U. Udayabhaskar Reddy and Mr. U. Udayabhaskar Reddy himself are concerned or interested in the aforesaid re-appointment and proposed remuneration package to Joint 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 Ordinary Resolution set out at Item No. 6 of the Notice for the approval of the members.

Item no. 7, 8 & 9:

Mr. R. Vijayaraghavan (DIN: 00026763), Mr. V. Shankar (DIN: 03431334) and Mr. V. Govind (DIN: 00839391) were appointed as Independent Directors of the Company by the Members on September 15, 2014 to hold office for five consecutive years pursuant to Section 149 of the Companies Act, 2013, (the Act) read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the erstwhile Clause 49 of the Listing Agreement with the stock exchanges. They hold office till September 14, 2019.

The Nomination and Remuneration Committee (NRC) of the Board of Directors, based on the performance evaluation of Independent Directors, has recommended the re-appointment of Mr. R. Vijayaraghavan, Mr. V. Shankar and Mr. V. Govind for a second term of five consecutive years on the Board of the Company from September 15, 2019 upto September 14, 2024.

The Board, based on the performance evaluation and recommendation of NRC, considers that, given their background, experience and contributions made by them during the tenure, the continued association of Mr. R. Vijayaraghavan, Mr. V. Shankar and Mr. V. Govind would be beneficial to the Company and it is desirable to continue to avail their services as Independent Directors of the Company, not liable to retire by rotation, for a term of five consecutive years on the Board of the Company.

The Company has received notices in writing from members along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. R. Vijayaraghavan, Mr. V. Shankar and Mr. V. Govind for the office of Independent Directors of the Company.

Mr. R. Vijayaraghavan, Mr. V. Shankar and Mr. V. Govind are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Directors.

The Company has also received declarations from Mr. R. Vijayaraghavan, Mr. V. Shankar and Mr. V. Govind that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under SEBI Listing Regulations.

In the opinion of the Board, Mr. R. Vijayaraghavan, Mr. V. Shankar and Mr. V. Govind fulfil the conditions for appointment as Independent Directors as specified in the Act and the SEBI Listing Regulations and are independent of the management. Copy of draft letters of appointment of Mr. R. Vijayaraghavan, Mr. V. Shankar and Mr. V. Govind setting out the terms and conditions of appointment are available for inspection by members at the registered office of the Company.

Details of Directors whose reappointment as Independent Directors is proposed at Item Nos. 7 to 9 are given below pursuant to the provisions of SEBI Listing Regulations and the Secretarial Standard on General Meetings (“SS-2”) issued by Institute of Company Secretaries of India.

Name of the Director	Mr. R. Vijayaraghavan	Mr. V. Shankar	Mr. V. Govind
Date of birth and age	02.01.1950; 69 years	16.06.1948; 71 years	19.06.1974; 45 years
Qualifications	Graduate in Law and a Post Graduate in Science, Business Administration.	Commerce graduate from University of Madras and a qualified Chartered Accountant and Company Secretary	Graduate in Commerce and a Post Graduate in Management from ITM, Chennai
Brief resume/ experience/ Expertise in specific functional areas	He is a practicing lawyer and tax consultant for more than two decades and is 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.	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	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.
Inter se relationships with Directors/ Key Managerial Personnel	Nil	Nil	Nil
Directorship in Other Board.	1. T Stanes and Company Limited 2. Sundaram -Clayton Limited 3. India Nippon Electricals Limited 4. Lucas TVS Limited 5. Lucas Indian Service Limited 6. Delphi-TVS Technologies Limited 7. Bimetal Bearings Limited	Nil	1. Lotus Roofings Limited 2. Polytough Tubes Limited 3. Ten square Chennai Developers Private Limited 4. Micol Distributors Private Private Limited 5. The Mysore Fertilisers co Private Limited 6. The Devashola Nilgiris Tea Estate Limited 7. Ten Square Reality Private Limited 8. Ten square Property Developers Private Limited 9. Ten Square Estates Private Limited 10. Tamara Hospitality Ventures Private Limited 11. Vetri Pressings, Plastics Components Private Limited

Chairman/ Member of Committees of the Boards of which he is a Director	1. Sanco Trans Limited: Chairman – Audit Committee Chairman – Nomination & Remuneration Committee 2. T Stanes and Company Limited: Member – Audit Committee Member – Nomination & Remuneration Committee 3. Sundaram -Clayton Limited: Member - Stakeholder Relationship Committee Member – Nomination & Remuneration Committee 4. India Nippon Electricals Limited: Chairman - Stakeholder Relationship Committee Member – Audit Committee Member – Nomination & Remuneration Committee 5. Lucas TVS Limited: Chairman – Audit Committee Chairman – Corporate Social Responsibility Committee Member - Nomination & Remuneration Committee 6. Lucas Indian Service Limited: Chairman – Audit Committee Chairman – Nomination & Remuneration Committee Member – Corporate Social Responsibility Committee 7. Delphi-TVS Technologies Limited Chairman – Audit Committee 8. Bimetal Bearings Limited: Member – Audit Committee Member – Nomination & Remuneration Committee	1. Sanco Trans Limited: Chairman – Stakeholder Relationship Committee Member – Audit Committee Member – Nomination & Remuneration Committee	1. Sanco Trans Limited: Member – Audit Committee Member – Corporate Social Responsibility Committee 2. Lotus Roofings Limited: Member – Stakeholder Relationship Committee
Remuneration proposed	Nil	Nil	Nil
Shareholding in the Company	Nil	Nil	Nil

None of the Directors and Key Management Personnel of the Company and their relatives, is in anyway, concerned or interested, financially or otherwise, in the resolutions nos. 7, 8 and 9 except Mr. R. Vijayaraghavan, Mr. V. Shankar and Mr. V. Govind respectively.

The Board recommends the Special Resolutions set out at Item Nos. 7, 8 and 9 of the Notice, for approval by the members.

For other details such as number of meetings of the Board attended during the year, remuneration drawn in respect of the aforesaid Directors, refer to the Corporate Governance report forming part of Annual Report being sent separately.

For and on behalf of the Board of Directors

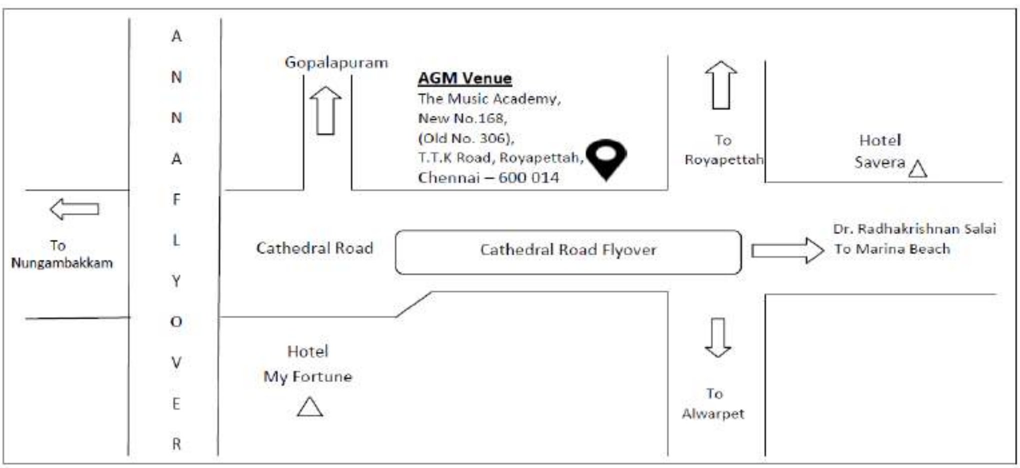
Registered Office:
ST Tower, New No. 24 & 25,
II Floor, Second Line Beach Road,
Chennai – 600001

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

Place: Chennai
Date: 20.07.2019

ROUTE MAP

ROUTE MAP TO THE VENUE OF THE
THIRTY NINTH ANNUAL GENERAL MEETING
ON SATURDAY, SEPTEMBER 14, 2019 AT 04.00 PM



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

ATTENDANCE SLIP

I/We hereby record my/our presence at the **THIRTY NINTH ANNUAL GENERAL MEETING of the Company at The Music Academy, Mini Hall, New No. 168 (Old No. 306), T.T.K Road, Royapettah, Chennai – 600 014 on Saturday, the 14th September 2019 at 04.00 P.M.**

……………………………….…. ………………………………………… ……………………………………….

Member's Folio/DP ID-Client ID No. Member's Proxy's name in Block Letters Member's Proxy's Signature

Note : 1. Please complete the Folio/DP ID-Client ID No. and name, sign this Attendance Slip and hand it over at the Attendance Verification Counter at the ENTRANCE OF THE MEETING HALL.

2. Members are requested to bring this slip along with them as duplicate slips will not be issued at the venue of the Meeting.

Sanco Trans Limited

CIN: L60220TN1979PLC007970
Registered Office: S.T. Tower, New No. 24 & 25, II Floor,
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Tel: 044 – 6644 9000 Fax: 044 – 66449009
Email: shareholder@sancotrans.com Website: www.sancotrans.com

PROXY FORM

(FORM No. MGT 11)

Name of the Member(s) :

Registered Address :

Email ID :

Folio/DP ID-Client ID No. :

I/We, being the member(s) holding…………………………………………………………………………shares of the above named company, hereby appoint.

(1) Name……………………………………………Address……………………………………………………………………………

Email ID:………………………………………Signature………………………………………………………………or failing him/her;

(2) Name……………………………………………Address……………………………………………………………………………

Email ID:………………………………………Signature………………………………………………………………or failing him/her;

(3) Name……………………………………………Address……………………………………………………………………………

Email ID:………………………………………Signature……………………………………………………………………………

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Thirty Ninth Annual General Meeting of the Company to be held on Saturday, the 14th September 2019 at 04.00 P.M at The Music Academy, Mini Hall, New No. 168 (Old No. 306), T.T.K Road, Royapettah, Chennai - 600 014 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions
1.	i. Consider and adopt Standalone Financial Statements of the Company for the year ended 31st March, 2019 together with the Reports of the Board and Auditors thereon ii. Consider and adopt Consolidated Financial Statements of the Company for the year ended 31st March, 2019 together with the Report of Auditors thereon
2.	Declaration of Dividend
3.	Re-appointment of Mrs. Devaki Santhanam who retires by rotation
4.	Re-appointment of Mr. S. Sathyanarayanan as Joint Managing Director
5.	Re-appointment of Mr. S. R. Srinivasan as Director - Finance
6.	Re-appointment of Mr. U. Udayabhaskar Reddy as Whole Time Director
7.	Re-appointment of Mr. R. Vijayaraghavan as Independent Director
8.	Re-appointment of Mr. V. Shankar as Independent Director
9.	Re-appointment of Mr. V. Govind as Independent Director

Signed this ……………………….…… day of …………………...………… 2019

Member's Folio/DP ID-Client Id No. ………………………………………….. Signature of Shareholder(s) ……………………………………….

Signature of Proxy holder(s) ………

Affix Revenue Stamp Re.1/-

Note: This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company not less than 48 hours before commencement of the meeting.

SANCO TRANS LIMITED

"Service And Trust - Part Of Our Tradition"

Annual Report 2019

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

2018 Top CFS of the Year Award (The Tamil Chamber of Commerce)
Awarded by **His Excellency Mr. Venkaiah Naidu**, Vice President of India.

2018 Most Diversified Logistics Company of the Year
Award - (South East India)

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)


Most Diversified Logistics Company of the Year
Award - 2018
Port Services Provider of the Year
Award - 2016
"EXIM Life Time Achievement Award"
Shri V.Upendran (C&MD-Sanco Trans Ltd.)
"Young Logistics
Entrepreneur
Award 2013"
"CFS Container Maintenance & Repair
Award 2014"
5th Southern Region
Honorable Minister of Shipping Mr. G K VASAN presen
"SICCI & Times of India" - Awar
Top CFS Award 2011
Tamil Chamber of Commerce
Top CFS Award 2018
Customs Clearance Duty Collection
rd 2011
Award by: His Excellency
Dr. Mr.Rosaiah - Governor of TamilNadu
Award by: His Excellency
Dr. Mr.Rosaiah - Governor of TamilNadu
"Top Customs Duty Paid"
தமிழ் வர்த்தக சங்கம்
Award by: His Excellency
Mr.Surjit Sing Barnala Governor of TamilNadu
"Concor Railway Service Award"
DP-World Port
Award
TOP-"CFS" of the Year

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CORPORATE INFORMATION

Corporate Identification No. : L60220TN1979PLC007970

Board of Directors

V Upendran	-	Chairman & Managing Director
S Sathyanarayanan	-	Joint Managing Director
U Udayabhaskar Reddy	-	Wholetime Director
S R Srinivasan	-	Director-Finance & Chief Financial Officer
S Devaki		
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

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

Bankers
IDBI Bank
HDFC Bank
Indian Bank

Company Secretary
M.V.M. Sundar

Auditors
M/s R. Sundararajan Associates
Chartered Accountants
Flat No : G1, Royal Gokulam
No.2, Iyyappan Street, East Tambaram,
Chennai 600059.

Registrars & Share Transfer Agents
M/s. Cameo Corporate Services Limited
Subramanian Building, No.1, Club Road
Chennai – 600 002.
Telephone No.2846 0390 (5 Lines)

Listing of Equity Shares
BSE Limited, Mumbai.

Annual General Meeting
14th September 2019, 4.00 pm
Mini Hall, The Music Academy, Madras,
New No. 168, Royapettah, Chennai 600 014

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

DIRECTORS' REPORT

Dear Members,

The Directors are pleased to present their 39th Annual Report of the Company, together with the Audited Financial Statements for the year ended March 31, 2019.

1. Financial highlights (Rs. Lakhs)

	For the year 2018-19	For the year 2017-18
Total Income	**10,830.58**	9,122.94
Profit before Interest, Depreciation and Taxes	**751.83**	736.74
Interest	**269.52**	288.58
Depreciation and amortization	**533.86**	650.71
Profit before tax	**(51.55)**	(202.55)
Tax expense	**(14.28)**	(123.26)
Profit after tax	**(37.27)**	(79.29)

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. 0.90 per Equity share of Rs. 10/- each (9%) for the financial year ended March 31, 2019. Payment of Dividend is subject to the approval of shareholders at the ensuing Annual General Meeting. The Company has not transferred any amount to the General Reserve account.

4. Unclaimed Dividends

There are no unclaimed dividends to be transferred to the credit of Investor Education and Protection Fund as on date.

5. Directors

i. 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 Joint Managing Director for a period of 3 years with effect from April 01, 2019 by the Board of Directors at its meeting held on March 16, 2019, 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 period of 3 years with effect from June 01, 2019 by the Board of Directors at its meeting held on March 16, 2019, 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 period of 3 years with effect from August 01, 2019 by the Board of Directors at its meeting held on March 16, 2019, subject to the approval of shareholders.

Pursuant to the recommendation of Nomination and Remuneration Committee, Mr. R. Vijayaraghavan, Mr. V. Shankar and Mr. V. Govind have been re-appointed as Non-Executive Independent Directors for a period of 5 years with effect from September 15, 2019 by the Board of Directors at its meeting held on July 20, 2019, subject to the approval of shareholders by way of special resolution.

The resolutions seeking approval of the members of the Company for the re-appointment of Mrs. Devaki Santhanam, Director, Mr. S. Sathyanarayanan, Joint Managing Director, Mr. S. R. Srinivasan, Director – Finance, Mr. U. Udayabhaskar Reddy, Whole Time Director, Mr. R. Vijayaraghavan, Non-Executive Independent Director, Mr. V. Shankar, Non-Executive Independent Director and Mr. V. Govind, Non-Executive Independent Director have been incorporated in the Notice of the Thirty Ninth Annual General Meeting of the Company along with the details about them.

ii. 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.

6. Auditors

M/s. R. Sundararajan & Associates, Chartered Accountants, Chennai (FRN: 008282S), Statutory Auditors of the company hold office till the conclusion of the Forty Second Annual General Meeting of the Company.

The Auditor's report to the shareholders on the standalone and consolidated financial statement for the year ended March 31, 2019 does not contain any qualification, observation or adverse comment.

7. Corporate Governance

The Company is in full compliance with the Corporate Governance guidelines as laid out in the in the 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 Indian Accounting Standards prescribed by the 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.

The merger of Sanco Transport Limited, Wholly Owned Subsidiary of the Company with the Company with appointed date as March 01, 2018 has been approved by Hon'ble National Company Law Tribunal, Chennai Bench approved vide order dated April 15, 2019.

10. Extract of Annual Return

An extract of Annual Return in Form MGT-9 as on March 31, 2019 is attached as 'Annexure F' to this Report.

11. Board Meetings held during the year

During the year, 7 (Seven) 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.

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, 2019, the applicable Accounting Standards had been followed along with proper explanation relating to material departures.

b. for the financial year ended March 31, 2019, 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 Loss of the Company for the year ended March 31, 2019.

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 guarantees or investments made by the Company under Section 186 of the Companies Act, 2013, during the financial year under review. However, the Company has granted a loan of Rs. 3 Lakhs to M/s. Sanco Clearance Limited, wholly owned subsidiary, during the financial year and has complied with the provisions of Section 186 of the Companies Act, 2013.

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, 2019. The Secretarial Audit Report (in Form MR-3) is attached as 'Annexure G' to this Report.

16. Related Party Transactions

During the year, all transactions entered by the company with Related Parties were in the ordinary course of business and at arm's length pricing basis and the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

There were no materially significant transactions with Related Parties during the financial year 2018-19 which were in conflict with the interest of the Company.

Suitable disclosures as required under Ind-AS 24 have been made in Note 37 of the Notes to the financial statements. The information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 are given in Annexure H in Form AOC-2 and the same forms part of this report.

The policies on Related Party Transactions and Material Subsidiary as approved by the Board of Directors have been 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 Company does not fall under the class of Companies mentioned under Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility) Rules, 2014, hence the Company has not spent any funds towards Corporate Social Responsibility.

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 individual 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 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors had approved the Whistle Blower Policy 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.

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.

22. Material changes and commitments affecting the financial position of the Company which have occurred between March 31, 2019 and July 20, 2019 (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, 2019) and the date of the Report (July 20, 2019).

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.

DIRECTORS' REPORT

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. 76.01 Lakhs (2017-18 Rs. 83.51 Lakhs) and expended foreign currency to an extent of Rs. 56.01 Lakhs (2017-18 Rs. 4.74 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.

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For and on behalf of the Board of Directors

Place : Chennai
Date : July 20, 2019

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:

(Rs Lakhs)

Year ended 31st March	Revenue	Profit before tax	Profit after tax	Total Comprehensive income	Net worth	Fixed Assets-net	Dividend %	Earnings per share (Rupees)
2010	5053.50	935.61	610.90	NA	7396.77	7930.92	27	33.94
2011	6311.87	752.25	828.45	NA	8202.73	7905.22	27	46.03
2012	7807.43	985.82	766.04	NA	8733.33	8473.33	27	42.56
2013	7770.26	925.33	636.58	NA	9316.45	10597.43	27	35.37
2014	7500.75	489.72	416.27	NA	9673.43	11472.48	27	23.13
2015	7677.93	227.78	235.67	NA	9844.53	11460.48	27	13.09
2016	7723.34	116.99	107.36	NA	9912.89	11702.08	18	5.96
2017*	8481.53	32.02	68.00	63.92	9747.38	11103.87	9	1.81
2018*#	9122.94	(202.55)	(79.29)	(75.14)	9326.27	10394.77	9	(4.41)
2019*#	10830.58	(51.55)	(37.27)	(54.89)	9322.49	9976.87	9	(2.07)

* Figures are regrouped/restated as per Indian Accounting Standards

Figures of M/s. Sanco Transport Limited, erstwhile wholly owned subsidiary, included subsequent to approval of merger.

B. Industry Progress and outlook:

India has emerged as fastest growing major economy in the world backed by its strong democracy and partnerships. India's GDP is estimated to be increased by 7% in Fy 18-19 and has retained its position as a third largest start up base in the world.

India's logistics and warehousing is transforming. The introduction of the structured logistics policy is expected to revamp the sector into an integrated, efficient and technology driven system with an aim to bring the logistics cost from the current 14% of GDP to 10% by 2020. India is ranked 44 in world banks' logistics performance index in 2018. Added to this, initiative from commerce industry there has a slew of measures initiated by finance ministry in achieving a higher rank in ease of doing business index. The Sagarmala project which has received huge importance and investments from the government has taken shape in identifying the potential of the coast line in initiating the port led development. The operating efficiency of the Indian port stands at 4 days to turn around a vessel as against world average of two days. The last mile connectivity to the ports is still a major constrain and hence the port led manufacturing activities will improve the efficiencies.

ANNEXURE A TO DIRECTORS' REPORT

There has been increase in the through put of the four container terminals in the last financial year sincerely due to solar power industry and automobile industry. Added to this under the sagamala scheme a coastal economic zone (CEZ) is proposed to be setup in north of Chennai with linkage to Chennai and Kamarajar kattupalli port giving a new impetus to manufacturing activities. This is one of the four pilot CEZ in the first phase of development. Steel, power, leather and footwear, petro chemicals, maritime product, few of the focus industries which are planned under this economic zone.

Chennai port trust is planning to develop 120 acres of land in Mapedu near Sriperumbudur as multimodal logistics park. This will enhance the logistics activities in and around Chennai.

C. Financial Review

The Revenue from operations has increased by 18.72% during the financial year 2018-19 as compared to the previous financial year 2017-18 due to the increased volume handled at ports and increased business from major customers. The company has reduced the losses from 101.46 lakhs during 2017-18 (Standalone results) to Rs.31.36 lakhs (standalone) during 2018-19 due to the efforts taken in reducing the fixed costs.

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 7500 TEUs per month to handle Import Laden Container and 2000 TEUs per month to handle Export Laden Container.
- 28 acres of dedicated Maintenance & Repair service (International Standard M&R Licensed - IICL).

ANNEXURE A TO DIRECTORS' REPORT

- 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) 3,00,000 sq.ft
- Location Advantage: Closer to CCTL/CITPL/ADANI Port and closer to all CFS.
- Presently serving major 23 shipping line customers.

Despite the above strengths, the company's business volume depends on the volume handled at Chennai port. 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/profits of the company are difficult to predict. Our increasing work with governmental agencies may expose us to additional risks.F. Risk Management

F. Risk Management

The Risk Management 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 195 and 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

ii) Non-Independent Director

1. Mrs. S. Devaki

ANNEXURE B TO DIRECTORS' REPORT

iii) Executive Directors

1. Mr. V. Upendran - Chairman and Managing Director
2. Mr. S. Sathyanarayanan - Joint 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 2018-19	Whether attended last AGM held on Sept 19, 2018
Mr. V Upendran	7	Yes
Mr. S Sathyanarayanan	7	Yes
Mr. U Udayabhaskar Reddy	6	Yes
Mrs. S Devaki	5	Yes
Mr. S R Srinivasan	7	Yes
Mr. R Vijayaraghavan	6	No
Mr. V Govind	3	Yes
Mr. V Shankar	7	Yes
Mr. R Raghavan	6	Yes
Mr. T R Chandrasekaran	5	Yes

c. Details of memberships of Directors in Boards of other public Companies:

Name of Director	**No. of Directorship in other Public Companies including listed entities and name of the companies (excluding Sanco Trans Limited)**				**Name of the listed entities included in these public companies (Refer Regulation 17A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**
	As member		As chairman		
Mr. V Upendran	1	Sanco Clearance Limited	1	The Devashola Nilgiri Tea Estates Company Limited	Nil
Mr. S Sathyanarayanan	1	Sanco Clearance Limited	Nil	--	Nil
Mr. U Udayabhaskar Reddy	1	Sanco Clearance Limited	Nil	--	Nil
Mrs. S Devaki	Nil	--	Nil	--	Nil
Mr. S R Srinivasan	Nil	--	Nil	--	Nil

ANNEXURE B TO DIRECTORS' REPORT

Name of Director	No. of Directorship in other Public Companies including listed entities and name of the companies (excluding Sanco Trans Limited)				Name of the listed entities included in these public companies (Refer Regulation 17A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)
	As member		As chairman		
Mr. R Vijayaraghavan	7	1. T Stanes and Company Limited 2. Sundaram -Clayton Limited 3. India Nippon Electricals Limited 4. Lucas TVS Limited 5. Lucas Indian Service Limited 6. Delphi-TVS Technologies Limited 7. Bimetal Bearings Limited	Nil	--	1. Sundaram -Clayton Limited 2. India Nippon Electricals Limited 3. Bimetal Bearings Limited
Mr. V Govind	2	1. Lotus Roofings Limited 2. Poly Tough Tubes Limited	Nil	--	Nil
Mr. V Shankar	Nil	--	Nil	--	Nil
Mr. R Raghavan	Nil	--	Nil	--	Nil
Mr. T R Chandrasekaran	1	IND Bank Housing Ltd	Nil	--	IND Bank Housing Ltd

d. Details of memberships of Committees of the Board of other public companies:

Name of Director	*No. of Committee position in other Public Companies including Sanco Trans Limited (Refer Regulation 26(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)			
	As member		As chairman	
Mr. V Upendran	Nil	--	1	1. The Devashola Nilgiri Tea Estates Company Limited - Audit Committee
Mr. S Sathyanarayanan	Nil	--	Nil	--
Mr. U Udayabhaskar Reddy	1	1. Sanco Trans Limited – Stakeholder Relationship Committee	Nil	--

ANNEXURE B TO DIRECTORS' REPORT

Mrs. S Devaki	Nil	--	Nil	--
Mr. S R Srinivasan	1	1. Sanco Trans Limited – Stakeholder Relationship Committee	Nil	--
Mr. R Vijayaraghavan	4	1. India Nippon Electricals Limited – Audit Committee 2. Bimetal Bearings Limited – Audit Committee 3. Sundaram Clayton Limited - Stakeholders Relationship Committee 4. T Stanes Limited – Audit Committee	5	1. Sanco Trans Limited - Audit Committee 2. Lucas TVS Limited – Audit Committee 3. India Nippon Electricals Limited – Stakeholders Relationship Committee 4. Lucas Indian Service – Audit Committee 5. Delphi TVS Limited – Audit Committee
Mr. V Govind	2	1. Sanco Trans Limited – Audit Committee 2. Lotus Roofings Limited – Stakeholder Relationship Committee	Nil	--
Mr. V Shankar	1	1. Sanco Trans Limited – Audit Committee	Nil	1. Sanco Trans Limited – Stakeholder Relationship Committee
Mr. R Raghavan	Nil	--	Nil	--
Mr. T R Chandrasekaran	1	1. IND Bank Housing Ltd – Audit Committee	Nil	--

*Represents memberships in Audit committee and Stakeholders' Relationship Committee of Public Companies

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

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	200500
Mr. R. Raghavan	300

There are no shares held by any other Directors.

ANNEXURE B TO DIRECTORS' REPORT

Board meetings held during the year 2018-19 and attendance details:

Date of meeting	Total no. of Directors	No of Directors present
May 29, 2018	10	7
July 07, 2018	10	8
August 13, 2018	10	9
October 06, 2018	10	10
November 14, 2018	10	9
February 11, 2019	10	8
March 16, 2019	10	8

- The time gap between any two meetings did not exceed 120 days.
- The last Annual General Meeting was held on September 19, 2018.

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 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 2018-19:

Date of meeting	No. of members present
May 29, 2018	3
August 13, 2018	2
November 14, 2018	2
February 11, 2019	2
March 16, 2019	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.

b) Terms of Reference in brief:

- 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.
- Formulate Remuneration Policy which includes the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees

c) Meetings and Attendance:

Date of meeting	No. of members present
July 07, 2018	3
March 16, 2019	3

ANNEXURE B TO DIRECTORS' REPORT

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 Managerial Personnel 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.

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,

ANNEXURE B TO DIRECTORS' REPORT

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 effected 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 contract 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.

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 2018-19 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. 50,000/-
2. Mr. R Vijayaraghavan - Rs. 1,20,000/-

ANNEXURE B TO DIRECTORS' REPORT

3. Mr. V Govind - Rs. 50,000/-
4. Mr. V Shankar - Rs. 1,85,000/-
5. Mr. R. Raghavan - Rs. 1,00,000/-
6. Mr. T. R. Chandrasekara - Rs. 60,000/-

ii) Managing Director/Whole time Directors

	Managing Director (Rs)	Joint Managing Director (Rs)	Whole time Director (Rs)	Director Finance & CFO (Rs)
Salary	36,00,000	30,00,000	17,40,000	21,00,000
Allowances	--	9,00,000	6,60,000	3,00,000
Perquisites	6,00,000	3,00,000	--	--
Employer Contribution to PF	4,32,000	3,24,000	2,08,800	2,52,000

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 – Finance as members.

b. The name and designation of Compliance Officer: Mr. M. V. M. Sundar, Company Secretary

c. The number of investor complaints received during the year is nil.

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

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 was not required to meet during the financial year.

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 four times during the financial year viz. 31.05.2018, 31.07.2018, 24.10.2018 and 31.01.2019.

ANNEXURE B TO DIRECTORS' REPORT

8. General Body meetings

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

Year	Location	Date & Time
36th AGM - 2016	Narada Gana Sabha Mini Hall, 314, TTK Road, Alwarpet, Chennai 600018	September 15, 2016 10.15 am
37th AGM - 2017	Narada Gana Sabha Mini Hall, 314, TTK Road, Alwarpet, Chennai 600018	September 18, 2017 10.00 am
38th AGM - 2018	Narada Gana Sabha Mini Hall, 314, TTK Road, Alwarpet, Chennai 600018	September 19, 2018 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 2018-19.

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 2018-19.

The company has formulated a policy on related party transactions as required under SEBI (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.

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 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.

ANNEXURE B TO DIRECTORS' REPORT

d. **Subsidiary Companies:**

The company has formulated a policy for determining Material Subsidiary as required under 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 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 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.

ANNEXURE B TO DIRECTORS' REPORT

11. General shareholder information

a. 39th Annual General Meeting

Day : Saturday

Date and Time : 14th September, 2019 at 04.00 PM

Venue : Mini Hall, The Music Academy, Madras,
New No. 168, Royapettah, Chennai 600 014

b. Financial Calendar

Financial year 2019-20

First quarter results	Second week of August 2019
Second quarter results	Second week of November 2019
Third quarter results	Second week of February 2020
Audited Results for the year 2019-20	Before end of May 2020

c. Book Closure dates : 08.09.2019 to 14.09.2019

d. Dividend payment date : Commencing on September 19, 2019 –
To be completed within the statutory time limit

e. Listing/Stock Code of equity shares:

Name of exchange	Stock code
BSE Limited	523116

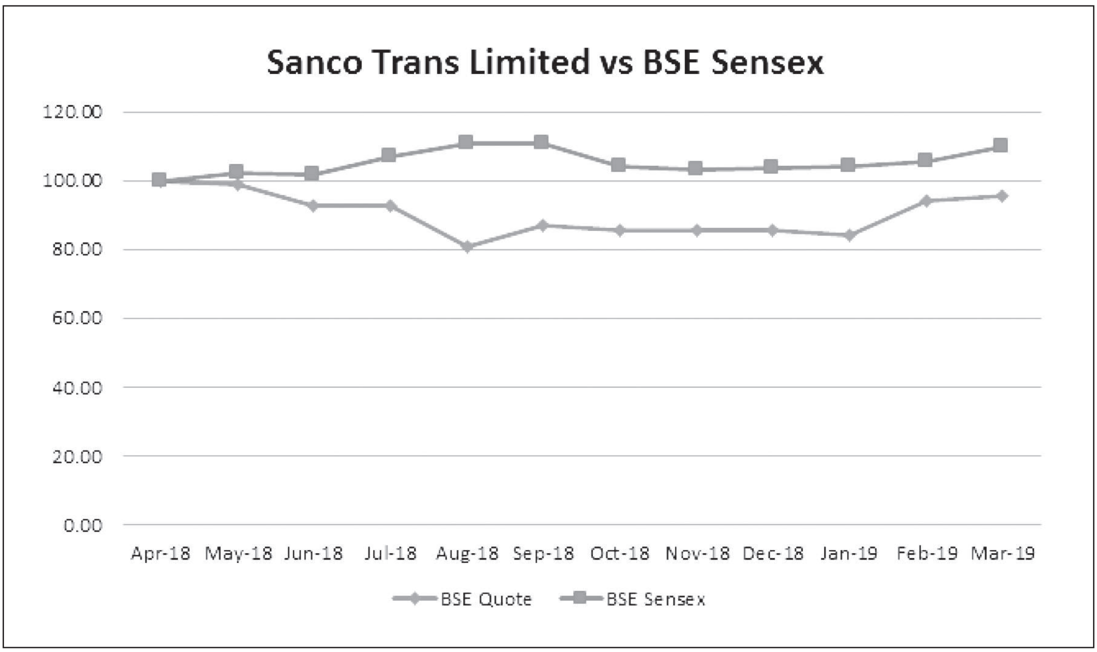
f. Market price data

Month & Year	BSE LIMITED			
	Share Price (Rs)		Sensex	
	High	Low	High	Low
April-18	279.85	238.15	35213.30	32972.56
May-18	276.25	235.65	35993.53	34302.89
June-18	259.95	211.10	35877.41	34784.68
July-18	259.95	191.10	37644.59	35106.57
August-18	225.75	199.50	38989.65	37128.99
September-18	243.00	209.50	38934.35	35985.63
October-18	240.00	211.00	36616.64	33291.58
November-18	239.00	212.00	36389.65	34303.38
December-18	239.00	206.10	36554.99	34426.29
January-19	235.00	206.15	36701.03	35375.51
February-19	262.95	238.00	37172.18	35287.16
March-19	267.90	199.25	38748.54	35926.94

ANNEXURE B TO DIRECTORS' REPORT

g. Performance in comparison to BSE Sensex

STOCK PERFORMANCE VS BSE SENSEX				
Month	**BSE Quote (High)**	**% to base**	**BSE Sensex (High)**	**% to base**
April-18	279.85	100.00	35213.30	100.00
May-18	276.25	98.71	35993.53	102.22
June-18	259.95	92.89	35877.41	101.89
July-18	259.95	92.89	37644.59	106.90
August-18	225.75	80.67	38989.65	110.72
September-18	243.00	86.83	38934.35	110.57
October-18	240.00	85.76	36616.64	103.99
November-18	239.00	85.40	36389.65	103.34
December-18	239.00	85.40	36554.99	103.81
January-19	235.00	83.97	36701.03	104.22
February-19	262.95	93.96	37172.18	105.56
March-19	267.90	95.73	38748.54	110.04



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, 2019:

Range	Shareholders		Shares	
	Number	%	Number	%
1 - 100	1661	73.5281	70721	3.9289
101 - 500	456	20.1859	122358	6.7976
501 -1000	67	2.9659	52286	2.9047
1001 -2000	37	1.6378	54415	3.0230
2001 -3000	14	0.6197	34704	1.9280
3001 -4000	3	0.1328	10977	0.6098
4001 -5000	3	0.1328	13568	0.7537
5001 -10000	5	0.2213	39561	2.2028
10001- And above	13	0.5754	1401320	77.8511
TOTAL	**2259**	**100.0000**	**1800000**	**100.0000**

k. Shareholding pattern as on March 31, 2019:

Sl No	Category	No. of holders	No. of Shares	%
1	Promoters	9	1299633	72.2018
2	Resident	2192	430882	23.9378
3	Bodies corporate	32	28273	1.5707
4	Clearing members	3	1050	0.0583
5	IEPF	1	29551	1.6417
6	Non Resident Indians	22	10611	0.5895
	TOTAL	**2259**	**1800000**	**100.00**

ANNEXURE B TO DIRECTORS' REPORT

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, 2019 is given below:

Category	No. of holders	No. of Shares
Physical	546	100928
Demat	1713	1699072
Total	2259	1800000

m. **Branches:** : Chennai (Container Freight Station), Mumbai, Trichy, Bengaluru

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:

Mr. M. V. M. Sundar
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

INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the members of Sanco Trans Limited

1. We have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31 March 2019, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

Managements' Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

3. Our responsibility is limited to examining 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.
4. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2019.
8. 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 R. Sundararajan Associates
Chartered Accountants
FRN: 008282S

Dated : July 20, 2019
Place : Chennai

S. Krishnan - Partner
Membership No.26452
UDIN : 19026452AAAAAQ9532

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 2018-19 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)

July 20, 2019
Chennai

S. R. Srinivasan
Director-Finance/Chief Financial Officer
(DIN: 03559408)

Declaration on Compliance with Code of Conduct

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is hereby affirmed that for the financial year ended March 31, 2019, all the Board members and Senior Management personnel have affirmed compliance with the Code of Conduct adopted by the Company.

July 20, 2019
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

(Rs. in Lakhs)

S. No	Name of the Subsidiary	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Share capital	Reserves & surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of share
1.	Sanco Clearance Limited	Not applicable	Not applicable	5	(10.69)	1.35	1.35	Nil	Nil	(1.64)	Nil	(1.64)	Nil	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.

July 20, 2019
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 31.03.2019

(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 Clearance Limited III 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

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	
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	1265233	0	1265233	70.2907	1299633	0	1299633	72.2018	1.9111
		1265233	0	**1265233**	**70.2907**	**1299633**	**0**	**1299633**	**72.2018**	**1.9111**
	SUB - TOTAL (A)(1)	**1265233**	0	**1265233**	**70.2907**	**1299633**	**0**	**1299633**	**72.2018**	**1.9111**
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)	1265233	0	1265233	70.2907	1299633	0	1299633	72.2018	**1.9111**
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	63726	300	64026	3.5570	27973	300	28273	1.5707	-1.9862

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	
b.	INDIVIDUALS -									
	I INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL SHARE CAPITAL UPTO RS. 1 LAKH	258581	111126	369707	20.5392	257805	100626	358431	19.9128	-0.6264
	II INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL SHARE CAPITAL IN EXCESS OF RS. 1 LAKH	28408	0	28408	1.5782	40602	0	40602	2.2556	0.6774
c.	QUALIFIED FOREIGN INVESTOR	0	0	0	0.0000	0	0	0	0.0000	0.0000
d.	ANY OTHER									
	CLEARING MEMBERS	650	0	650	0.0361	1050	0	1050	0.0583	0.0222
	HINDU UNDIVIDED FAMILIES	33409	2	33411	1.8561	31847	2	31849	1.7693	-0.0867
	IEPF	27451	0	27451	1.5250	29551	0	29551	1.6417	0.1166
	NON RESIDENT INDIANS	11114	0	**11114**	**0.6174**	**10611**	**0**	**10611**	**0.5895**	**-0.0279**
	Others	72624	2	**72626**	**4.0347**	**73059**	**2**	**73061**	**4.0589**	**0.0241**
	SUB - TOTAL (B)(2)	**423339**	**111428**	**534767**	**29.7092**	**399439**	**100928**	**500367**	**27.7981**	**-1.9111**
	TOTAL PUBLIC SHAREHOLDING (B) = (B)(1)+(B)(2)	**423339**	**111428**	**534767**	**29.7092**	**399439**	**100928**	**500367**	**27.7981**	**-1.9111**
	TOTAL (A)+(B)	1688572	111428	1800000	100.0000	1699072	100928	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)	1688572	111428	1800000	100.0000	1699072	100928	1800000	100.0000	**0.0000**

ANNEXURE F TO DIRECTORS' REPORT

2. Shareholding of Promoters:

Sl No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of 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	'% change in shareholding during the year
1	SUDHARSAN LOGISTICS PRIVATE LIMITED	463583	25.7546	0.0000	496883	27.6046	0.0000	1.8500
2	DEVAKI S	212750	11.8194	0.0000	212750	11.8194	0.0000	0.0000
3	SATHYANARAYANAN S	199400	11.0777	0.0000	200500	11.1388	0.0000	0.0611
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:

Sl 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-2018	463583	25.7546	463583	25.7546
	Purchase 29-Mar-2019	33300	1.8500	496883	27.6046
	At the end of the Year 30-Mar-2019	496883	27.6046	496883	27.6046
2	DEVAKI S				
	At the beginning of the year 01-Apr-2018	212750	11.8194	212750	11.8194
	At the end of the Year 30-Mar-2019	212750	11.8194	212750	11.8194
3	SATHYANARAYANAN S				
	At the beginning of the year 01-Apr-2018	199400	11.0777	199400	11.0777
	Demated 01-Mar-2019	1100	0.0611	200500	11.1388
	At the end of the Year 30-Mar-2019	200500	11.1388	200500	11.1388
4	SANCO ESTATES AND FARMS PRIVATE LIMITED				
	At the beginning of the year 01-Apr-2018	150100	8.3388	150100	8.3388
	At the end of the Year 30-Mar-2019	150100	8.3388	150100	8.3388
5	UPENDRAN V				
	At the beginning of the year 01-Apr-2018	79900	4.4388	79900	4.4388
	At the end of the Year 30-Mar-2019	79900	4.4388	79900	4.4388
6	SATHYAVATHI P				
	At the beginning of the year 01-Apr-2018	40000	2.2222	40000	2.2222
	At the end of the Year 30-Mar-2019	40000	2.2222	40000	2.2222
7	GAJALAKSHMI S				
	At the beginning of the year 01-Apr-2018	40000	2.2222	40000	2.2222
	At the end of the Year 30-Mar-2019	40000	2.2222	40000	2.2222
8	GUNAVATHI D				
	At the beginning of the year 01-Apr-2018	40000	2.2222	40000	2.2222
	At the end of the Year 30-Mar-2019	40000	2.2222	40000	2.2222
9	MEERA M				
	At the beginning of the year 01-Apr-2018	39500	2.1944	39500	2.1944
	At the end of the Year 30-Mar-2019	39500	2.1944	39500	2.1944

ANNEXURE F TO DIRECTORS' REPORT

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

Sl 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	INDFOS INDUSTRIES PRIVATE LIMITED				
	At the beginning of the year 01-Apr-2018	33300	1.8500	33300	1.8500
	Sale 29-Mar-2019	-33300	1.8500	0	0.0000
	At the end of the Year 30-Mar-2019	0	0.0000	0	0.0000
2	S N RAJAN JT1 : ANURADHA RAJAN				
	At the beginning of the year 01-Apr-2018	28408	1.5782	28408	1.5782
	Purchase 06-Apr-2018	2221	0.1233	30629	1.7016
	Purchase 20-Apr-2018	89	0.0049	30718	1.7065
	Purchase 04-May-2018	2775	0.1541	33493	1.8607
	Purchase 11-May-2018	300	0.0166	33793	1.8773
	Purchase 25-May-2018	333	0.0185	34126	1.8958
	Purchase 01-Jun-2018	410	0.0227	34536	1.9186
	Purchase 08-Jun-2018	425	0.0236	34961	1.9422
	Purchase 20-Jul-2018	29	0.0016	34990	1.9438
	Purchase 27-Jul-2018	13	0.0007	35003	1.9446
	Purchase 03-Aug-2018	1169	0.0649	36172	2.0095
	Purchase 24-Aug-2018	417	0.0231	36589	2.0327
	Purchase 07-Sep-2018	175	0.0097	36764	2.0424
	Purchase 26-Oct-2018	414	0.0230	37178	2.0654
	Purchase 09-Nov-2018	574	0.0318	37752	2.0973
	Purchase 04-Jan-2019	152	0.0084	37904	2.1057
	Purchase 29-Mar-2019	2698	0.1498	40602	2.2556
	At the end of the Year 30-Mar-2019	40602	2.2556	40602	2.2556
3	INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY MINISTRY OF CORPORATE AFFAIRS				
	At the beginning of the year 01-Apr-2018	27451	1.5250	27451	1.5250
	Purchase 15-Jun-2018	2100	0.1166	29551	1.6417
	At the end of the Year 30-Mar-2019	29551	1.6417	29551	1.6417

ANNEXURE F TO DIRECTORS' REPORT

Sl 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
4	RAJ KUMAR LOHIA				
	At the beginning of the year 01-Apr-2018	21209	1.1782	21209	1.1782
	At the end of the Year 30-Mar-2019	21209	1.1782	21209	1.1782
5	AEQUITAS INVESTMENT CONSULTANCY PRIVATE LIMITED				
	At the beginning of the year 01-Apr-2018	10325	0.5736	10325	0.5736
	Sale 01-Feb-2019	-10325	0.5736	0	0.0000
	At the end of the Year 30-Mar-2019	0	0.0000	0	0.0000
	HAVING SAME PAN				
5	AEQUITAS INVESTMENT CONSULTANCY PRIVATE LIMITED				
	At the beginning of the year 01-Apr-2018	0	0.0000	0	0.0000
	Purchase 01-Feb-2019	10325	0.5736	10325	0.5736
	At the end of the Year 30-Mar-2019	10325	0.5736	10325	0.5736
6	SREY FINANCIAL SERVICE PVT. LTD				
	At the beginning of the year 01-Apr-2018	10000	0.5555	10000	0.5555
	At the end of the Year 30-Mar-2019	10000	0.5555	10000	0.5555
7	VENKATTU SRINIVASAN				
	At the beginning of the year 01-Apr-2018	9941	0.5522	9941	0.5522
	At the end of the Year 30-Mar-2019	9941	0.5522	9941	0.5522
8	SUDHEER MAHAJAN JT1 : NAMRATA MAHAJAN				
	At the beginning of the year 01-Apr-2018	7510	0.4172	7510	0.4172
	At the end of the Year 30-Mar-2019	7510	0.4172	7510	0.4172
9	HITESH RAMJI JAVERI JT1 : RADHABAI RAMJI JAVERI JT2 : HARSHA HITESH JAVERI				
	At the beginning of the year 01-Apr-2018	6500	0.3611	6500	0.3611
	At the end of the Year 30-Mar-2019	6500	0.3611	6500	0.3611
	HAVING SAME PAN				
9	HITESH RAMJI JAVERI JT1 : RADHABAI RAMJI JAVERI JT2 : HARSHA HITESH JAVERI				
	At the beginning of the year 01-Apr-2018	815	0.0452	815	0.0452
	At the end of the Year 30-Mar-2019	815	0.0452	815	0.0452

ANNEXURE F TO DIRECTORS' REPORT

Sl 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
10	HARSHA HITESH JAVERI JT1 : HITESH RAMJI JAVERI				
	At the beginning of the year 01-Apr-2018	5700	0.3166	5700	0.3166
	At the end of the Year 30-Mar-2019	5700	0.3166	5700	0.3166
	NEW TOP 10 AS ON (30-Mar-2019)				
11	KOKILA SANJAY BHEDA				
	At the beginning of the year 01-Apr-2018	3807	0.2115	3807	0.2115
	Purchase 03-Aug-2018	1032	0.0573	4839	0.2688
	Purchase 10-Aug-2018	24	0.0013	4863	0.2701
	At the end of the Year 30-Mar-2019	4863	0.2701	4863	0.2701

5. Shareholding of Directors and Key Managerial Personnel:

Sl 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-2018	212750	11.8194	212750	11.8194
	At the end of the Year 31-Mar-2019	212750	11.8194	212750	11.8194
2	SATHYANARAYANAN S				
	At the beginning of the year 01-Apr-2018	199400	11.0777	199400	11.0777
	Demated 01-Mar-2019	1100	0.0611	200500	11.1388
	At the end of the Year 30-Mar-2019	200500	11.1388	200500	11.1388
3	UPENDRAN V				
	At the beginning of the year 01-Apr-2018	79900	4.4388	79900	4.4388
	At the end of the Year 31-Mar-2019	79900	4.4388	79900	4.4388
4	RAGHAVAN R				
	At the beginning of the year 01-Apr-2018	300	0.0167	300	0.0167
	At the end of the Year 31-Mar-2019	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	2891.50	--	--	2891.50
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	21.17	--	--	21.17
Total (i+ii+iii)	2912.67	--	--	2912.67
Change in Indebtedness during the financial year				
* Addition	507.64	--	--	507.64
* Reduction	(747.79)	--	--	(747.79)
Net Change	(240.15)	--	--	(240.15)
Indebtedness at the end of the financial year				
i) Principal Amount	2654.95	--	--	2654.95
ii) Interest due but not paid	17.57	--	--	17.57
iii) Interest accrued but not due	--	--	--	--
Total (i+ii+iii)	**2672.52**	**--**	**--**	**2672.52**

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 Joint Managing Director	Mr. U. Udayabhaskar Reddy Whole Time Director	Mr. S.R. Srinivasan Director- Finance & CFO	
1	**Gross salary**					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	42,00,000	42,00,000	24,00,000	24,00,000	132,00,000
	(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)	42,00,000	42,00,000	24,00,000	24,00,000	132,00,000
	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. R. Vijayaraghavan	Mr. V. Shankar	Mr. V. Govind	Mr. R. Raghavan	Mr. T. R. Chandrasekaran	
1	**Independent Directors**						
	Fee for attending board committee meetings	1,20,000	1,85,000	50,000	1,00,000	60,000	5,15,000
	Commission	--	--	--	--	--	--
	Others, please specify	--	--	--	--	--	--
	Total (1)	1,20,000	1,85,000	50,000	1,00,000	60,000	5,15,000

ANNEXURE F TO DIRECTORS' REPORT

2	Other Non-Executive Directors	Mrs. S Devaki	Total Amount
	Fee for attending board committee meetings	50,000	50,000
	Commission	--	--
	Others, please specify	--	--
	Total (2)	50,000	50,000
	Total (B)=(1+2)		**5,65,000**
	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	3,00,000	3,00,000
	(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	3,00,000	3,00,000

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 31.03.2019

[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, 2019, 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, 2019 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) 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, 2015 ;

   (c) 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;

   (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015.

ANNEXURE G TO DIRECTORS' REPORT

We have also examined the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India

(ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015,

We report that, the following regulations were not applicable to the Company during the audit period:-

(a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(b) The Securities and Exchange Board of India (Employees Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

(c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

(d) The Securities and Exchange Board of India (Issue and Listing of debt securities) Regulations, 2008;and

(e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

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

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

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.

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

ANNEXURE G TO DIRECTORS' REPORT

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.

We further report that M/s. Sanco Transport Limited, a wholly owned subsidiary of M/s. Sanco Trans Limited, has filed application/petition for amalgamation/merger with M/s. Sanco Trans Limited before Hon'ble National Company Law Tribunal, Chennai Bench vide CP/420/CAA/2019 IN CA/199 & 200/ CAA/2018 and the same has been approved vide order dated April 15, 2019.

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) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013

(iv) Foreign technical collaborations.

Place : Chennai
Date : 24.05.2019

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

i. (a) Name 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) Date(s) of approval by the Board, if any: Nil

(f) Amount paid as advances, if any: Nil

Note: All transactions entered by the company with Related Parties were in the ordinary course of business and at arm's length pricing basis and the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions during the financial year 2018-19.

For and on behalf of the Board of Directors

Place : Chennai
Dated : July 20, 2019

V Upendran
Chairman & Managing Director
(DIN: 00557511)

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SANCO TRANS LIMITED

Opinion

We have audited the accompanying Standalone Financial Statements of SANCO TRANS LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash flows for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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 Companies Act 2013 ('the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended ("Ind AS") and other Accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone Financial Statements.

Emphasis of Matter

1. We draw attention to Note 41 to the Standalone Financial Statements of the Company which includes the financial information of its erstwhile subsidiary Sanco Transport Limited (`amalgamating company`) consequent to its amalgamation into the Company vide a scheme of Amalgamation approved by the National Company Law Tribunal, Chennai vide its Order dated April 15, 2019 with the appointed date of March 1, 2018. Pursuant to the Scheme, the accounting treatment has been carried out under `Pooling Interest` method in accordance with Appendix C of Ind AS 103. Accordingly, the comparative figures of the year have been restated as if the Business Combination had occurred from the beginning of the preceding year i.e. April 1,2017.

2. Pursuant to the aforesaid merger, the Standalone Financial Statements of the Company for the year ended March 31, 2018 includes a net total income of Rs.815.44 Lakhs and net total comprehensive income of Rs. (222.81) Lakhs of the amalgamating company which are based on the audited financial statements for the said year audited by us and on which we had issued an unmodified report dated May 23, 2018

INDEPENDENT AUDITOR'S REPORT

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

A. Revenue Recognition

Reference may be made to Note 3(1) of significant accounting policies and Note 45 to the Standalone Financial Statements of the Company.

During the year, on account of adoption of new revenue standard Ind AS 115 – Revenue from contracts with customer, there have been changes in revenue recognition policy with regards to timing of recognition and related disclosures.

Revenue recognition is inherently an area of audit risk, which we have substantially focused on mainly covering the aspects of cut off. Considering the above impact of Ind AS 115 and cut-off are key audit matters.

Response to Key Audit Matter

Principal Audit Procedures

Our audit procedures relating to revenue comprised of test of controls and substantive procedures including the following:

i. We assessed whether the policy of recognizing revenue was in line with Ind AS – 115.

ii. We performed procedures to assess the design and internal controls established by the management and tested the operating effectiveness of relevant controls related to the recognition of revenue.

iii. Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, reperformance and inspection of evidence in respect of operation of these controls.

iv. We have tested, on a sample basis, whether specific revenue transactions around the reporting date has been recognised in the appropriate period by comparing the transactions selected with relevant underlying documentation, including Vehicle tickets, customer acknowledgement/ proof of acceptance and the terms of sales.

v. We have also validated subsequent credit notes and sales returns up to the date of this Report to ensure the appropriateness and accuracy of the revenue recognition.

vi. We tested journal entries on a sample basis to identify any unusual or irregular items.

vii. We also considered the adequacy of the disclosures in Company's Standalone Financial Statements in relation to Ind AS 115 and were satisfied they meet the disclosure requirements.

Conclusion

Based on the procedures performed above, we did not find any material exceptions with regards to adoption of Ind AS 115 and timing of revenue recognition.

B. Actuarial valuation

Reference may be made to Note 3(4) of significant accounting policies and Note 49 to the Standalone Financial Statements of the Company.

There is a risk of material misstatement relating to the judgements made in valuing the defined benefit obligation including the use of key assumptions specifically the discount rate, life expectancy and inflation level. These variables can have a material impact in calculating the quantum of the retirement benefit liability.

Response to Key Audit Matter

Principal Audit Procedures

Our audit procedures comprised of the following:

a) We determined whether the key assumptions are reasonable.

b) We have considered the reports from external actuaries to determine the amount of pension provisions.

c) We assessed the competence, capabilities and objectivity of the experts, gained an understanding of their work and the suitability of the results as audit evidence for the relevant assertions.

d) We examined the data made available to the experts for completeness and accuracy and gained an understanding of the process to determine the calculation and inputs used.

Conclusion

Based on the procedures performed above, we did not find any material exceptions with regards to the use of assumptions and actuarial valuation.

C. Impairment in Trade Receivables

Reference may be made to Notes 8 and 28 to the Standalone Financial Statements of the Company.

The Company is exposed to potential risk of financial loss when there is the risk of default on receivables from the customers for which the Management would make specific provision against individual balances with reference to the recoverable amount.

For the purpose of impairment assessment, significant judgements and assumptions, including the credit risks of customers, the timing and amount of realization of these receivables, are required for the identification of impairment events and the determination of the impairment charge.

Response to Key Audit Matter

Principal Audit Procedures

We have performed the following procedures in relation to the recoverability of trade receivables:

a) Tested the accuracy of aging of trade receivables at year end on a sample basis.

b) Obtained a list of outstanding receivables and identified any debtors with financial difficulty through discussion with management.

c) Assessed the recoverability of the unsettled receivables on a sample basis through our evaluation of management's assessment with reference to the credit profile of the customers, historical payment pattern of customers, publicly available information and latest correspondence with customers and to consider if any additional provision should be made;

d) Tested subsequent settlement of trade receivables after the balance sheet date on a sample basis.

Conclusion

Based on the above procedures we found the key judgements and assumptions used by management in the recoverability assessment of trade receivables to be supportable based on the available evidence.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report but does not include the Standalone Financial Statements and our auditor's report thereon.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Responsibilities of Those Charged with Governance for the Financial Statements

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, total comprehensive income, changes in equity and cash flows of the Company in accordance with the IND AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

INDEPENDENT AUDITOR'S REPORT

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

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (I) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section143 (3) of the Companies Act, 2013, 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 including other Comprehensive income, the Statement of Changes in Equity and the Statement of Cash Flows 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 Indian Accounting Standards prescribed under Section 133 of the Act read with the relevant rules issued thereunder.

(e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31,2019 from being appointed as a director in terms of Section164(2) of the Companies Act, 2013.

(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 at the company’s internal financial control over financial reporting.

(g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, remuneration paid by the company to it’s directors during the year is in compliance with the provisions of Section 197 of the Act.

(h) 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, as amended, in our opinion and to the best of our information and according to the explanation given to us:

i. i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements. (Refer Note 40)

ii. The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31,2019.

iii. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company.

2. 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 R. Sundararajan Associates
Chartered Accountants
Firm‘s Registration No. 008282S

30th May, 2019 — **S. Krishnan - Partner**

Chennai — Membership No. 26452

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of Sanco Trans Limited)

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, 2019 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 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 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.

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 (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and disposition of the assets of the company; (ii) 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 authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized 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, 2019, 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.

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For **R. Sundararajan Associates**
Chartered Accountants
Firm's Registration No. 008282S

30th May, 2019
Chennai

S. Krishnan - Partner
Membership No. 26452

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of SANCO TRANS LIMITED ("the Company") for the year ended March 31, 2019)

(i) In respect of its fixed assets:

a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The fixed assets are being physically verified, under a phased programme of verification which, in our opinion, is reasonable having regard to the nature and value of its assets, and no material discrepancies have been noticed on such verification carried out during the year, in terms of the phased programme.

(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, of all freehold land and buildings thereon, 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 its subsidiary company 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 grant of such loans are not prejudicial to the Company`s interest.

(b) The Schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts of principal amounts and interest have been regular as per stipulations.

(c) There are no amounts 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.

(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 (v) 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:

(a) The company has generally been regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, Customs duty, Cess and any 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, 2019 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of Goods and Services Tax, Sales Tax, VAT, 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, 2019 on account of disputes are as stated below:

Sl 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 2007-08	11.89	CIT(A)
2	The Income tax Act, 1961	Tax Deducted at Source	Financial Year 2008-09	4.30	CIT(A)
3	The Income tax Act, 1961	Tax Deducted at Source	Financial Year 2009-10	1.09	CIT(A)
4	The Income tax Act, 1961	Tax Deducted at Source	Financial Year 2010-11	2.69	CIT(A)
5	Central Excise Act, 1944	Service Tax	18-04-2006 to 31-03-2008	8.71	CESTAT
6	Customs Act	Duty Drawback Claims	Financial Years 2008-09, 2009-10, 2010-11	18.32	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. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks.

(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 utilization of such money does not arise. In our opinion and according to the information and explanations 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 and no fraud of material significance on the Company by its officers or employees 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.

(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 all transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013. The details of related party transactions during the year have been disclosed in the Standalone Financial Statements as required by the applicable Accounting Standards. (Refer to Notes to standalone financial statements).

(xv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.

(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 them 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 **R. Sundararajan Associates**
Chartered Accountants
Firm's Registration No. 008282S

30th May, 2019
Chennai

S. Krishnan - Partner
Membership No. 26452

Balance Sheet as at March 31, 2019

	Note No In Part B	**As at March 31,2019 Rs. in Lakhs**	As at March 31,2018 Rs. in Lakhs
ASSETS			
Non - current assets			
(a) Property, Plant and Equipment	1	9,976.87	10,394.77
(b) Capital work - in - progress	1	582.04	464.52
(c) Intangible assets	2	13.61	14.72
(d) Financial Assets			
(i) Investments	3	-	0.95
(ii) Loans	4	6.89	7.39
(iii) Others	5	96.82	154.89
(e) Other non - current assets	6	761.25	1,009.28
Total non - current assets		**11,437.48**	**12,046.52**
Current assets			
(a) Inventories	7	11.15	10.48
(b) Financial Assets			
(i) Trade receivables	8	2,610.33	2,131.93
(ii) Cash and cash equivalents	9.1	48.87	134.39
(iii) Bank balances other than (ii) above	9.2	212.16	503.70
(iv) Others	10	185.27	345.85
(c) Contract Asset - Unbilled revenue		183.23	-
(d) Other current assets	11	83.54	123.34
Total current assets		**3,334.55**	**3,249.69**
Total assets		**14,772.03**	**15,296.21**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	12	180.00	180.00
(b) Other Equity	13	9,142.49	9,146.27
Total Equity		**9,322.49**	**9,326.27**
Liabilities			
Non - current liabilities			
(a) Financial Liabilities			
(i) Borrowings	14	793.74	766.27
(ii) Other financial liabilities	15	49.51	46.38
(b) Other non -current liabilities	16	11.83	15.22
(c) Deferred tax liabilities (Net)	17	168.28	249.09
Total non - current liabilities		**1,023.36**	**1,076.96**
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	1,539.48	1,433.13
(ii) Trade payables (Refer Note 19.1)	19	800.10	967.43
(iii) Other financial liabilities	20	1,885.76	2,193.24
(b) Contract liability - unearned revenue		2.97	-
(c) Other current liabilities	21	152.77	239.18
(d) Provisions	22	45.10	60.00
Total current liabilities		**4,426.18**	**4,892.98**
Total Liabilities		**5,449.54**	**5,969.94**
Total Equity and Liabilities		**14,772.03**	**15,296.21**

The accompanying notes form an integral part of the standalone financial statements

This is the Balance Sheet referred to in our report of even date.

For **R.Sundararajan & Associates**
Chartered Accountants
Firm Registration No. 008282S

S.Krishnan - Partner
Memb. No. 26452

Chennai
May 30, 2019

For and on behalf of the Board

V Upendran
Chairman and Managing Director
DIN: 00557511

S Sathyanarayanan
Joint Managing Director
DIN: 00446573

M V M Sundar
Company Secretary

S R Srinivasan
Director- Finance
DIN: 03559408

Statement of Profit and Loss for the year ended March 31, 2019

		Note No. In Part B	**Year ended March 31,2019 Rs. in Lakhs**	Year ended March 31,2018 Rs. in Lakhs
	Income			
I	Revenue from Operations	23	10,569.48	8,790.57
II	Other Income	24	261.10	332.37
III	**Total Income (I+II)**		**10,830.58**	**9,122.94**
IV	**Expenses**			
	Equipment and fleet hire		3,638.39	2,745.63
	Operating expenses	25	4,351.93	3,565.22
	Employee benefits expense	26	1,104.39	1,070.45
	Finance costs	27	269.52	288.58
	Depreciation and amortization expense	1,2	533.86	650.71
	Other expenses	28	984.04	1,004.90
	Total expenses (IV)		**10,882.13**	**9,325.49**
V	**Profit/(loss) before exceptional items and tax(III-IV)**		(51.55)	(202.55)
VI	Exceptional items		-	-
VII	**Profit/(loss) before tax (V-VI)**		**(51.55)**	**(202.55)**
VIII	**Tax expense :**			
	Current tax		-	3.75
	Prior year tax		(4.06)	(14.68)
	Deferred tax		(10.22)	(112.33)
			(14.28)	**(123.26)**
IX	**Profit/(Loss) for the year (VII-VIII)**		**(37.27)**	**(79.29)**
X	Other Comprehensive Income			
	A (i) Items that will not be reclassified to profit or loss			
	- Remeasurement of Defined Benefits Plan		(17.62)	5.61
	(ii) Income tax relating to items above		-	(1.46)
	B (i) Items that will reclassified to profit or loss			
	(ii) Income tax relating to items that will be reclassified to profit or loss			
XI	**Total Other Comprehensive Income for the period**		**(17.62)**	**4.15**
XII	**Total Comprehensive Income for the period (IX+X)**		**(54.89)**	**(75.14)**
XIII	Earnings per equity share (Face value of Rs.10 each)			
	- Basic and Diluted	34	(2.07)	(4.41)

The accompanying notes form an integral part of the standalone financial statements
This is the Statement of Profit and Loss referred to
in our report of even date.

For and on behalf of the Board

For **R.Sundararajan & Associates**
Chartered Accountants
Firm Registration No. 008282S

S.Krishnan - Partner
Memb. No. 26452

Chennai
May 30, 2019

V Upendran
Chairman and
Managing Director
DIN: 00557511

M V M Sundar
Company Secretary

S Sathyanarayanan
Joint Managing
Director
DIN: 00446573

S R Srinivasan
Director- Finance
DIN: 03559408

Statement of Changes in Equity for the the period ended March 31,2019

A. Equity Share Capital

Rs. In Lakhs

Balance at the beginning of April 1,2017	Changes in equity share capital during the year	Balance at the end of March 31,2018	Changes in equity share capital during the year	Balance at the end of March 31,2019
180.00	-	180.00	-	180.00

B. Other Equity

Rs. In Lakhs

Particulars	Reserves and Surplus		Total
	General Reserve	Retained Earnings	
Balance at the beginning of April 1, 2017	**4,731.08**	**4,836.30**	**9,567.38**
Consequent to business combination (Refer Note.41)		(403.34)	(403.34)
Balance at the beginning of April 1, 2017	4,731.08	4,432.96	9,164.04
Profit/(loss) for the year	-	(79.29)	(79.29)
Other comprehensive income	-	4.15	4.15
Total Comprehensive Income for the year	-	(75.14)	(75.14)
Tax Reversal /(Expenses) recognised in Retained Earnings	-	76.89	76.89
Dividend including tax thereon	-	(19.52)	(19.52)
Transfer from retained earnings	-		-
Balance at the end of March 31, 2018	**4,731.08**	**4,415.19**	**9,146.27**
Profit/(loss) for the year	-	(37.27)	(37.27)
Other comprehensive income	-	(17.62)	(17.62)
Total Comprehensive Income for the year	-	(54.89)	(54.89)
Tax Reversal /(Expenses) recognised in Retained Earnings	-	70.60	70.60
Dividends including tax thereon	-	(19.49)	(19.49)
Transfer from retained earnings	-	-	-
Balance at the end of March 31,2019	**4,731.08**	**4,411.41**	**9,142.49**

The accompanying notes form an integral part of the standalone financial statements
This is the Statement of changes in Equity referred to
in our report of even date.

For and on behalf of the Board

For **R.Sundararajan & Associates**
Chartered Accountants
Firm Registration No. 008282S

S.Krishnan - Partner
Memb. No. 26452

Chennai
May 30, 2019

V Upendran
Chairman and
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DIN: 00557511

M V M Sundar
Company Secretary

S Sathyanarayanan
Joint Managing
Director
DIN: 00446573

S R Srinivasan
Director- Finance
DIN: 03559408

Cash Flow Statement for the year ended March 31, 2019

	31-Mar-19 (Rs. In lakhs)	31-Mar-18 (Rs. In lakhs)
I. Cash flows from operating activities		
Profit before tax	(51.55)	(202.55)
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and impairment of property, plant and equipment	524.09	644.03
Amortisation and impairment of intangible assets	9.77	6.68
Impairment of investment	0.95	4.05
Provision for doubtful debts	16.49	-
Gain/Loss on disposal of property, plant and equipment	(82.61)	(22.71)
Interest income	(77.64)	(100.92)
Interest expense	261.82	279.39
Movement in -		
(a) Other non current financial assets	80.57	(0.51)
(b) Other non current assets	15.33	15.00
(c) Other non current liabilities	(3.39)	(3.15)
(d) Other non current financial liabilities	3.13	5.85
(e) Non - Current Investments	-	5.00
Working capital adjustments:		
(a) Inventories	(0.67)	2.53
(b) Trade receivables	(494.89)	(227.97)
(c) Other current assets	39.80	27.16
(d) Other current financial Assets	113.76	104.18
(e) Contract Assets - unbilled revenue	(183.23)	-
(f) Trade payables	(167.33)	(1.38)
(g) Other financial liabilities	48.88	108.74
(h) Contract liabilty - unearned revenue	2.97	-
(i) Other current liabilities	(86.41)	(17.76)
(j) Provisions	(14.90)	(100.22)
	(45.06)	525.44
Income tax paid	236.77	(108.12)
Net cash flows from operating activities (A)	**191.71**	**417.32**

Cash Flow Statement for the year ended March 31, 2019 (Continued)

	31-Mar-19 (Rs. In lakhs)	31-Mar-18 (Rs. In lakhs)
II. Cash flows from investing activities		
Proceeds from sale of property, plant and equipment	209.03	97.21
Purchase of property, plant and equipment	(232.61)	309.87
Property Palnt Equipment Acquistion through business combination	-	(371.14)
Movement in Capital work in progress	(117.52)	(47.79)
Movements in Other Bank Balances	310.09	(35.16)
Purchase of Intangible assets	(8.66)	(15.17)
Interest received	83.42	97.59
Movement in - Loans	0.50	411.10
Net cash flows used in investing activities (B)	**244.24**	**446.51**
III. Cash flows from financing activities		
Interest Paid	(265.41)	(280.32)
Proceeds from borrowings	-	
Repayment of borrowings	(236.57)	(684.35)
Dividends paid	(16.20)	(16.20)
Dividend distribution tax	(3.29)	(3.32)
Net cash flows from/(used in) financing activities (C)	**(521.47)**	**(984.19)**
Net movement in cash and cash equivalents (A+B+C)	**(85.52)**	**(120.36)**
Cash and cash equivalents at the beginning of the year	134.39	254.56
Add: Pursuant to business combination	-	0.19
Cash and cash equivalents at year end	**48.87**	**134.39**

The accompanying notes form an integral part of the standalone financial statements
This is the Cash flow statement referred to
in our report of even date.

For and on behalf of the Board

For **R.Sundararajan & Associates**
Chartered Accountants
Firm Registration No. 008282S
S.Krishnan - Partner
Memb. No. 26452
Chennai
May 30, 2019

V Upendran
Chairman and
Managing Director
DIN: 00557511

M V M Sundar
Company Secretary

S Sathyanarayanan
Joint Managing
Director
DIN: 00446573

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, 2019

Notes to Standalone Financial Statements – Part – A

1. CORPORATE INFORMATION & DESCRIPTION OF BUSINESS

Sanco Trans Limited ("The Company") is a listed Public Company domiciled in India and is incorporated under the provisions of the Companies Act 2013 as applicable in India. The registered office is headquartered in Chennai, India,

The Standalone financial statements were approved by the Board of Directors on 30th May 2019.

The Company is principally engaged in providing specialised logistics services across multimodal transport operators and container freight station operations.

2. BASIS OF PREPARATION & PRESENTATION

Compliance with Indian Accounting Standard (Ind AS):

The financial statements have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015.

The same accounting policies have been applied for all the periods presented except when the Company has made use of certain exceptions and/ or exemptions.

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

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 Act. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has determined its operating cycle as twelve months for the purpose of current – non-current classification of assets and liabilities.

The financial statements are presented in Indian Rupees (Rs.) and all values are rounded to the nearest lakhs, except where otherwise indicated.

The financial statements were approved for issue by the board of directors on May 30, 2019.

The significant accounting policies are detailed below.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Revenue Recognition:

Rendering of Services:

Revenue from contracts with customers is recognised when control of the services are transferred to the customer or upon fulfilment of obligations at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services and excludes amounts collected on behalf of third parties. Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, Discounts, rebates and any indirect taxes. The Company recognises revenue when the amount of revenue can be reliably measured and it is probable that future economic benefit will flow to the entity based on specific criteria and for each of the company activities. Based on historical results, taking into consideration the type of customer and his historic payments, the type of transaction and the specifics of each arrangement. Income from Container is recognised on completion of the movement and delivery of goods to the party/designated place. Income from Ground Rent is recognised for the chargeable period the container is lying in the Container Freight Station. However, in case of long standing containers, the income from Ground Rent is not accrued unless the collectability is assured. Income from goods lying in the container freight station auctioned by the customs department is recognised at the bid money, net of related expenses on clearance of goods from the yard.

Income from warehousing operations, equipments and fleet hire and other executed work at contracted rates.

Contract balances

Trade receivables/Unbilled Revenue represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities

A contract liability is the obligation to transfer services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs the contract

Contract Cost

The Company pays incentives as a part of contract obligation, wherever applicable. The Company has elected to apply the practical expedient for costs to obtain a contract which allows the Company to immediately expense incentives because the amortization period of the asset that the Company otherwise would have used is one year or less. Costs to fulfil a contract i.e. freight, insurance and other selling expenses are recognized as an expense in the period in which related revenue is recognised.

Other revenue streams

Dividend

Dividend income from investments is recognised when the Company's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Interest Income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

3.2 Foreign currency transactions:

The Company's financial statements are presented in INR, which is also its functional currency. Transactions in currencies other than the entity's functional currency are translated using the exchange rates at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currency are retranslated at the rates prevailing at that date. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date are recognized as profit or loss in the period in which they arise.

3.3 Borrowing costs:

Borrowings costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Other borrowing costs are recognised as expense in the year in which it is incurred.

3.4 Employee benefits:

Short term employee obligations:

A liability is recognised for benefits accruing to employees in respect of salaries, wages, compensated absences, medical benefits and other short term benefits in the period the related service is rendered, at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Post-employment obligations and termination benefits:

The company operates the following post-employment schemes-

a. Defined Contribution plan such as provident fund, superannuation fund and Employee State Insurance

b. Defined Benefit Plan such as gratuity and other retirement benefits.

Defined contribution plan

Payments to defined contribution plans i.e., 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. The Company has no further payment obligations once the contributions have been paid.

Defined benefit plan

The cost of providing benefits under the defined benefit plan i.e. Gratuity (funded) and other retirement benefits is determined using the projected unit credit method with actuarial valuations being carried out at each balance sheet date, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation.

Defined benefit costs are comprised of

a. service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);

b. net interest expense or income; and

c. Re-measurement.

Re-measurement of net defined benefit liability/asset is reflected immediately in the balance sheet with a charge or credit in other comprehensive income in the period in which they occur and is not reclassified to profit or loss.

A liability for termination benefits is recognised at the earlier of when the Company can no longer withdraw the offer of termination benefit or when the Company recognises any related restructuring costs.

3.5 Income Taxes:

Income tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised directly in other comprehensive income or in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or in equity respectively.

Current tax:

Current tax is determined on taxable profits for the year chargeable to tax in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 including other applicable tax laws that have been enacted or substantively enacted.

Deferred tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised for all unused tax credits, deductible temporary differences and unused tax losses to the extent that it is probable that taxable profits will be available against which those unused tax credits, deductible temporary differences and unused losses can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current tax and deferred tax is recognised outside profit or loss if the tax relates to items that are recognised, in the same or a different period, outside profit or loss. Therefore, current tax and deferred tax that relates to items that are recognised, in the same or a different period:

(a) in other comprehensive income, is recognised in other comprehensive income.

(b) directly in equity, is recognised directly in equity

3.6 (a) Property, Plant and Equipment:

Property, Plant and equipment held for use in the supply of services, or for administrative purposes, are stated in the balance sheet at cost (net of eligible credit for duties and taxes) less accumulated depreciation and accumulated impairment losses, if any and inclusive of expenses attributable to bringing the asset to its working condition and also borrowing cost in respect of qualifying assets. Costs of civil works (including electrification and fittings is capitalised.

Depreciation on Property, Plant and Equipment is recognised from the date the assets are ready for their intended use so as to write off the cost of the assets less their residual values over their useful lives using the straight-line method.

The useful life of assets is estimated by the Management based on technical assessment. Estimated useful life of assets different from those prescribed under Schedule II to the 2013 Act is as follows

Class of Property, Plant and Equipment	**Useful life**
Buidling on lease property	lease term
Office vehicle	5

Depreciation on Property, Plant and Equipment which are added/disposed off during the year, is provided on pro-rata basis with reference to the date of addition/ deletion.

When significant parts of an item of property, plant and equipment have different useful lives they are accounted for as separate items (major components) of Property, Plant and Equipment.

Property, Plant and Equipment that are not ready for their intended use are carried at costs

Comprising direct costs and other incidental/attributable expenses and are reflected under Capital work in progress.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

3.6 (b) Intangible Assets:

Intangible assets are capitalised when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably. Intangible assets comprising software acquired are carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, is recognised in profit or loss when the asset is derecognised.

3.7 Impairment of assets:

Plant, Property and Equipment and intangible assets are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or Company's of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

3.8 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date, whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in the arrangement.

3.9 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. Costs also include all other costs incurred in bringing the inventory to their present condition.

3.10 Cash and Cash Equivalents:

Cash and Cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

3.11 Provisions and Contingent Liabilities:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is management's best estimate of the consideration required to settle the present obligation at the end of the reporting period. When a provision is measured using the cash flows estimated to settle the present obligation its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent liability is disclosed in case of:

- A present obligation arising out of past events, when it is not probable that there will be an outflow of resources that will be required to settle the obligation.
- A present obligation arising from past events, when no reliable estimate is possible.
- A possible obligation arising from past events, unless the probability of outflow of resources is remote.
- Provisions, Contingent liabilities, Contingent assets and commitments are reviewed at each Balance sheet date.
- Provision for litigation related obligation represents liabilities expected to materialise in respect of matters in appeal.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursements will be received and the amount of the receivable can be measured reliably.

3.12 Exceptional Items:

On certain occasions, the size, the type or incidence of an item of expense or income, pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company, In that event such income or expense is classified as an exceptional item and accordingly disclosed in notes to the financial statements.

3.13 Financial instruments:

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss (FVTPL) are recognised immediately in profit or loss.

A. Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Classification of financial assets:

Financial instruments that meet the following conditions are subsequently measured at amortised cost if the asset is held within a business model/structure whose objective is to hold assets in order to collect contractual cash flows; and the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments on principal and interest on the principal amount outstanding.

Financial instruments that meet the following conditions are subsequently measured at FVTOCI if the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at fair value.

Financial assets which are not classified in any of the above categories are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in profit or loss.

Investments in equity instruments of subsidiaries

The Company measures its investments in equity instruments of subsidiaries at cost in accordance with Ind AS 27. At transition date, the Company has elected to continue with the carrying value of such investments measured as per the previous GAAP and use such carrying value as its deemed cost.

Impairment of financial assets:

The Company applies expected credit loss model for recognising impairment loss on financial assets not designated as at FVTPL.

Expected credit losses are measured through a loss allowance at an amount equal to:

a. the 12 months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

b. full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

De-recognition of financial assets:

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the Statement of profit and loss.

Effective interest method:

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest is the rate that exactly discounts estimated future cash receipts.

B. Financial liabilities and equity instruments

Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company entity are recognised at the proceeds received, net of direct issue costs.

Financial liabilities:

All financial liabilities are subsequently measured at amortised cost using the effective interest rate method or at FVTPL.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- It has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- It is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading, may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other expense' line item.

Gains or losses on financial guarantee contracts issued by the Company that are designated by the Company as at FVTPL are recognised in profit or loss.

3.14.5 Financial liabilities subsequently measured at amortised cost:

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the "Finance Costs" line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument. Financial guarantee contracts issued by the Company are initially measured at their fair values and are subsequently measured (if not designated as at Fair value though profit or loss) at the higher of:

- the amount of impairment loss allowance determined in accordance with requirements of Ind AS 109;
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

3.14.6 De-recognition of financial liabilities:

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between a lender of debt instruments with subs7tantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the Company) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

4. Critical Accounting Judgments and key sources of estimation uncertainty:

4.1 Use of Estimates:

The preparation of financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of financial statements and the reported amounts of revenues and expenses during the period.

The estimates and underlying assumptions are reviewed on an ongoing basis.

The following are the critical judgements and estimations that have been made by the management in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements and or key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

5.0 Critical accounting estimates:

a. Revenue recognition:

The revenue from services is recognised based on the actual service provided till the end of the reporting period, provided that the same can be estimated reliably. When the outcome of the transactions involving the rendering of services cannot be estimated reliably, revenue shall be recognised only to the extent of expenses recognised that are recoverable.

The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement. Revenue is recognised where there is no uncertainty as to measurement or collectability of consideration.

Estimates of revenues, costs or extent of progress towards completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in Profit or Loss in the period in which the circumstances that give rise to the revision become known by the management.

b. Taxation

Tax expense is calculated using applicable tax rate and laws that have been enacted or substantially enacted. In arriving at taxable profit and all tax bases of assets and liabilities, the Company determines the taxability based on tax enactments, relevant judicial pronouncements and tax expert opinions, and makes appropriate provisions which includes an estimation of the likely outcome of any open tax assessments / litigations. Any difference is recognised on closure of assessment or in the period in which the they are agreed.

Deferred income tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, unabsorbed depreciation and unused tax credits could be utilised.

6. **Recent Accounting Pronouncements:**

The Company has prepared the Financials report as per Ind AS and also made appropriate disclosures in the Notes on Accounts.

The Companies (Indian Accounting Standards) Amendment Rules, 2018 issued by Ministry of Corporate Affairs (MCA) notified that Ind As 115 on 'Revenue from Contracts with Customers' is effective from 1st April 2018.

The Indian Accounting Standard (Ind AS) 116 on Leases is applicable from FY 2019-20, the management believes that the adoption of Ind AS 116 may not have any significant impact on the profit and loss in the standalone financial statements.

The Company has not early adopted any standards or amendments that have been issued but are not yet effective.

Notes to the Standalone Financial Statements - Part B

Note 1 Property Plant and Equipment and Capital Work in Progress

2018-19 Rs. In Lakhs

Property, plant and equipment (PPE)	Gross carrying amount				Accumulated depreciation				Net carrying amount
	Balance as at 1 April,2018	Additions	Disposals	Balance as at 31 March, 2019	Balance as at 1 April,2018	Depreciation / amortisation expense for the year	Disposals/ Adjustments	Balance as at 31 March, 2019	Balance as at 31 March, 2019
(a) Land - Freehold	6,356.71	-	-	6,356.71	-	-	-	-	6,356.71
(b) Buildings	3,444.02	10.41	1.02	3,453.41	421.97	216.40	1.02	637.35	2,816.06
(c) Operating fleet/ equipments	1,628.20	214.74	200.34	1,642.60	689.17	280.08	76.69	892.56	750.04
(d) Machinery	37.42	-	-	37.42	7.10	3.54	-	10.64	26.78
(e) Office Vehicles	42.66	-	20.54	22.12	31.62	8.21	17.76	22.07	0.05
(f) Furniture	6.83	0.17	-	7.00	2.81	0.78	0.01	3.58	3.42
(g) Office equipment	79.15	7.29	-	86.44	47.55	15.08	-	62.63	23.81
Total	**11,594.99**	**232.61**	**321.90**	**11,605.70**	**1,175.60**	**524.09**	**95.48**	**1,628.83**	**9,976.87**
Capital work-in-progress									582.04

Notes:

(a) Details of assets pledged as security for borrowings - Refer Note 14.2 and 18.1

(b) Amount of contractual commitments(net of advances) for acquisition of property, plant and equipment -Rs. Nil (March 31,2018 Rs. Nil)

(c) Buildings includes buildings on leasehold having net carrying amount of Rs. 1653.85 lakhs (March 31,2018 1,832.97 lakhs)

Note 2 Intangible Assets

Software acquired	23.43	8.66	-	32.09	8.71	9.77	-	18.48	13.61
Total	**23.43**	**8.66**	**-**	**32.09**	**8.71**	**9.77**	**-**	**18.48**	**13.61**

Note :

(a) Amount of contractual commitments for acquisition of intangible assets - Rs. Nil (March 31, 2018 Rs. Nil)

Note 1 Property Plant and Equipment and Capital Work in Progress

2017-18 Rs. In Lakhs

Property, plant and equipment (PPE)	Gross carrying amount					Accumulated depreciation					Net carrying amount
	Balance as at 1 April, 2017	Additions	Disposals	Acquistions through business combinations	Balance as at 31 March, 2018	Balance as at 1 April, 2017	Depreciation / amortisation expense for the year	Disposals/ Adjustments	Acquistions through business combinations	Balance as at 31 March, 2018	Balance as at 31 March, 2018
(a) Land - Freehold	6,356.71	-	-		6,356.71	-	-	-	-	-	6,356.71
(b) Buildings	3,387.74	56.28	-		3,444.02	210.81	211.16	-		421.97	3,022.05
(c) Operating fleet/ equipments	1,354.72	0.33	97.99	371.14	1,628.20	323.53	389.12	23.49	-	689.17	939.03
(d) Machinery	37.42	-	-		37.42	3.55	3.55	-		7.10	30.32
(e) Office Vehicles	42.66	-	-		42.66	16.68	14.94	-		31.62	11.04
(f) Furniture	6.83	-	-		6.83	1.40	1.41	-		2.81	4.02
(g) Office equipment	74.50	4.65	-		79.15	23.70	23.85	-		47.55	31.60
Total	**11,260.58**	**61.26**	**97.99**	**371.14**	**11,594.99**	**579.67**	**644.03**	**23.49**	**-**	**1,800.22**	**10,394.77**
Capital work - in - progress											464.52

Notes:

(a) Details of assets pledged as security for borrowings - Refer Note 14.2 and 18.1

(b) Amount of contractual commitments(net of advances) for acquisition of property, plant and equipment - Rs. Nil (March 31,2017 -Rs .Nil)

(c) Buildings includes buildings on leasehold having net carrying amount of Rs. 1,832.97 lakhs (March 31, 2017 Rs. 1,958.12 lakhs)

Note 2 Intangible Assets

Software acquired	8.26	15.17	-		23.43	2.03	6.68	-		8.71	14.72
Total	**8.26**	**15.17**	**-**	**-**	**23.43**	**2.03**	**6.68**	**-**	**-**	**8.71**	**14.72**

Note :

(a) Amount of contractual commitments for acquisition of intangible assets - Rs. Nil (March 31,2017 Rs . Nil)

Notes to the Standalone Financial Statements - Part B

	As at March 31,2019 Rs. in Lakhs	As at March 31,2018 Rs. in Lakhs
3 Non - Current Financial Assets - Investments		
Investment in Equity Instruments		
Unquoted 50,000 Equity Shares of Rs 10/- each		
in wholly owned subsidiary Companies		
Sanco Clearance Limited	5.00	5.00
Sub Total	**5.00**	**5.00**
Less : Impairment value of Investments in Sanco Clearance Limited	5.00	4.05
Total Non - Current Investments	**-**	**0.95**

Notes :

3.1 Investments are fully paid - up.

3.2 Refer Note. 37 and 39

	As at March 31,2019 Rs. in Lakhs	As at March 31,2018 Rs. in Lakhs
4 Non - Current Financial Assets - Loans		
(Unsecured, considered good unless otherwise stated)		
Loans to related parties (Refer Note . 37 and 39)		
Considered good	6.89	7.39
	6.89	**7.39**

Notes :

4.1 The above loans are carried at amortised cost.

	As at March 31,2019 Rs. in Lakhs	As at March 31,2018 Rs. in Lakhs
5 Non - Current Financial Assets - Others		
Unsecured, considered good		
(a) Security deposits	48.75	35.01
(b) Interest accrued on fixed deposits	10.25	1.75
(c) Bank deposits with remaining maturity of more than 12 months	14.47	0.47
(d) Other advances		
- Rent deposit	15.49	96.49
- Earnest money deposit	7.86	21.17
	96.82	**154.89**

Notes :

5.1 The above assets carried at amortised cost.

Notes to the Standalone Financial Statements - Part B

	As at March 31,2019 Rs. in Lakhs	As at March 31,2018 Rs. in Lakhs
6 Other Non - Current Assets		
Unsecured, considered good		
(a) Advance Income tax-net of provisions	738.22	970.92
(b) Prepaid expenses	2.57	24.50
(c) Taxes paid under Protest	20.46	13.86
	761.25	**1,009.28**
7 Current Assets - Inventories		
Stores and spares	11.15	10.48
	11.15	**10.48**
8 Current Financial Assets - Trade Receivables		
Trade receivables		
- Unsecured, considered good		
(a) Related parties (Refer Note. 37)	961.14	750.29
(b) Others	1,649.19	1,381.64
	2,610.33	2,131.93
- Unsecured, considered doubtful	29.27	-
Less: Allowance for credit losses	(29.27)	-
	2,610.33	**2,131.93**
8.1 Movement in allowance for credit losses is as follows		
Opening	**-**	**-**
Additions (net)	29.27	-
Closing	**29.27**	**-**
9.1 Cash and cash equivalents		
(a) Balance with banks		
- in current account	46.45	89.28
(b) Cheques on hand	-	42.45
(c) Cash on hand	2.42	2.66
	48.87	**134.39**

Notes to the Standalone Financial Statements - Part B

	As at March 31,2019 Rs. in Lakhs	As at March 31,2018 Rs. in Lakhs
9.2 Bank Balances other than 9.1 above		
(a) Earmarked bank balances - Unclaimed Dividend account	10.98	12.50
(b) Earmarked bank balances - Others	1.15	-
(c) Balance with banks held as Margin money	21.59	64.72
(d) Bank deposits with original maturity between 3 to 12 months	178.44	426.48
	212.16	**503.70**
10 Current Financial Assets - Others		
Unsecured, considered good		
(a) Interest accrued :		
- Fixed deposits with banks	15.71	29.99
(b) Unbilled revenue	-	158.15
(c) Advances to others	78.70	36.34
(d) Employee advance	5.51	3.47
(e) Bank deposits with remaining maturity less than 12 months	85.35	117.90
	185.27	**345.85**
11 Other Current Assets		
Unsecured, considered good		
(a) Advances to suppliers, contractors and others		
- Others	46.36	70.51
(b) Prepaid expenses	34.03	52.18
(c) Balance with government authorities	0.61	0.65
(d) Contract Cost	2.54	-
	83.54	**123.34**
12 Equity Share Capital		
Authorised		
70,00,000 (March31,2018: 70,00,000)		
Equity shares of Rs. 10 each with voting rights	700.00	700.00
Issued and Subscribed and fully paid up	700.00	700.00
18,00,000 (March 31,2018: 18,00,000) Equity		
Shares of Rs.10 each with voting rights	180.00	180.00
	180.00	**180.00**

Notes to the Standalone Financial Statements - Part B

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

	As at March 31,2019		As at March 31,2018	
Name of the shareholder	**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	200500	11.14%	199400	11.08%
Sudharsan Logistics Private Ltd	496883	27.60%	463583	25.75%
Sanco Estates and Farms Private Ltd	150100	8.34%	150100	8.34%

12.2 Reconciliation of number of shares (No.s in lakhs)

	As at March 31,2019	As at March 31,2018
Opening	18.00	18.00
Additions/Deletions	-	-
Closing	18.00	18.00

12.3 Rights, Preferences and Restrictions attached to shares 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

13 Other Equity	**Note**	**As at March 31, 2019**	**2018**
General Reserve	A	4,731.08	4,731.08
Retained Earnings	B,C	4,411.41	4,415.19
		9,142.49	**9,146.27**

Refer “ Statement of Changes in Equity” for additions/ deletions in each reserve

Notes :

A. General reserve is created from time to time by transferring profits from retained earnings can be utilised for the purpose such as dividend payout, bonus issue, etc..

B. In respect of the year ended March 31,2019, the Board of Directors has proposed a dividend of Rs. 0.90 per equity share subject to approval by the shareholders at the ensuing Annual General Meeting. Revaluation reserve of Rs. 4,660.00 lakhs transferred to retained earnings on transition date (April 1,2016) in terms of Ind AS 101 may not be available for distribution of dividend.

C. Pursuant to the business combination , the reserves and surplus of the amalgamating company have been taken over at carrying values(refer note. 41).

Notes to the Standalone Financial Statements - Part B

	As at March 31,2019 Rs. in Lakhs	As at March 31,2018 Rs. in Lakhs
14 Non - Current Financial Liabilities - Borrowings		
Term loans from Banks - Secured		
(i) Loan for acquisition of Land and building - Head Office	483.46	664.77
(ii) Loan for acquisition of Capital assets under deferred payment Scheme	310.28	101.50
	793.74	**766.27**

Notes:

14.1 Refer Note. 20(a) for current maturities of non - current borrowings.

14.2 Security details for borrowings in Note 14 and 20(a)

(a) Loan Sanctioned of Rs. 1,383 lakhs from Bank for acquisition of Land and building - Head Office is secured by the said immovable property and guaranteed by three directors

(b) Loan for acquisition of capital assets under deferred payment scheme is secured by hypothecation of related capital assets and guaranteed by Joint Managing Director.

14.3 For other terms of the borrowings ; Refer Note .50

15 Non - Current Financial Liabilities - Others		
Rental Deposit	49.51	46.38
	49.51	**46.38**

Note : These are carried at amortised cost

16 Non - Current Financial Liabilities - Others		
Rental received in advance	11.83	15.22
	11.83	**15.22**

17 Non - Current Financial Liabilities - Others		
(a) Deferred tax liabilities	323.91	362.52
(b) Deferred tax asset	17.17	18.51
	306.74	**344.01**
c) MAT credit entitlement	(138.46)	(94.92)
	168.28	**249.09**

Note: Refer note. 30,31 and 32 details of deferred tax liabilities and assets

Notes to the Standalone Financial Statements - Part B

	As at March 31,2019 Rs. in Lakhs	As at March 31,2018 Rs. in Lakhs
18 Current Financial Liabilities - Borrowings		
Loans repayable on demand - Secured		
- From Banks - cash credit facilities	1,539.48	1,433.13
	1,539.48	**1,433.13**

Notes:

18.1 Security details :

- Cash credit facility is secured by first charge on the book debts and other movable assets both current and future of the company, land and structures thereon at Container Freight Station and guaranteed by three Directors.'

19 Current Financial Liabilities - Trade payables		
Trade payables		
Total outstantanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	800.10	967.43
	800.10	**967.43**

19.1 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.

20 Current Financial Liabilities - Others		
(a) Current maturities of long term debt - Secured	321.73	692.12
(b) Interest accrued but not due	17.57	21.16
(c) Creditors for expenses	1,374.41	1,222.08
(d) Employee benefits	48.38	52.24
(e) Capital Creditors	11.64	11.64
(f) Unclaimed dividend	10.98	12.50
(g) Due to directors	50.45	50.22
(h) Advance for purchase of PPE - Related Party	-	106.08
(i) Other payables	50.60	25.20
	1,885.76	**2,193.24**

20.1 Security and other details for current maturities of long term debt: Refer Note 14.2

Notes to the Standalone Financial Statements - Part B

	As at March 31,2019 Rs. in Lakhs	As at March 31,2018 Rs. in Lakhs
21 Other Current Liabilities		
a) Refund liability	53.00	127.62
b) Unearned income	-	6.15
c) Statutory dues	96.38	102.26
d) Rent received in advance	3.39	3.15
	152.77	**239.18**
22 Provisions		
Provision for employee benefits - Bonus	45.10	60.00
	45.10	**60.00**
22.1 Movement in Bonus is as follows		
Opening	60.00	58.06
Additions (net)	(14.90)	1.94
Closing	**45.10**	**60.00**

	Year Ended March 31,2019 Rs. in Lakhs	Year Ended March 31,2018 Rs. in Lakhs
23 Revenue from Operations		
Sale of Services		
(a) Handling earnings	5,314.25	4,619.05
(b) Equipment and fleet hire earnings	4,113.46	3,571.40
(c) Warehouse earnings	749.79	277.16
(d) Agency and other earnings	391.98	322.96
	10,569.48	**8,790.57**

23.1 Warehouse earnings is net of incentives/ rebates/ trade discounts of Rs. 1075.21 lakhs (2017-18 Rs.977.31 lakhs)

23.2 Tax deducted at source on Revenue from operations Rs. 162.39 lakhs (2017-18 Rs 210.04 lakhs);

Notes to the Standalone Financial Statements - Part B

	Year Ended March 31,2019 Rs. in Lakhs	Year Ended March 31,2018 Rs. in Lakhs
24 Other Income		
(a) Interest Income	77.64	100.92
(b) Other non - operating income		
(i) Net gain on disposal of property, plant and equipment	82.61	22.71
(ii) Rent received	90.06	90.26
(iii) Others	10.79	5.95
(iv) Provisions no longer required written back	-	112.53
	261.10	**332.37**

24.1 Tax deducted at source on Interest income Rs. 3.72 lakhs (2017-18 Rs 1.80 lakhs).

25 Operating expenses		
(a) Handling expenses	2,330.18	1,653.91
(b) Container repairs	226.26	242.95
(c) Hired equipments upkeep	113.87	83.91
(d) Operating equipments upkeep	1,596.92	1,497.70
(e) Others	84.70	86.75
	4,351.93	**3,565.22**

26 Employee benefits expense		
(a) Salaries, wages and bonus	838.82	798.60
(b) Contribution to provident and other funds	74.68	76.65
(c) Staff welfare expenses	190.89	195.20
	1,104.39	**1,070.45**

26.1 Contribution to Defined Contribution Plans, recognised as expense for the year is as under

a) Employer’s Contribution towards provident fund Rs.50.47 lakhs (2017-18, 58.50 lakhs)

b) Employee’s welfare expenses includes contribution to Employee’s Sate Insurance Plan Rs. 12.36 Lakhs (2017-18 Rs. 12.55 lakhs)

27 Finance costs		
(a) Interest expenses	261.82	279.39
(b) Other borrowing costs		
- Guarantee Charges	7.70	9.19
	269.52	**288.58**

Notes to the Standalone Financial Statements - Part B

	Year Ended March 31,2019 Rs. in Lakhs	Year Ended March 31,2018 Rs. in Lakhs
28 Other expenses		
(a) Consumption of Stores and tools	5.36	9.29
(b) Power and fuel	62.83	58.25
(c) Rent		
- Warehouse	359.65	376.07
- Others	45.27	47.39
(d) Repairs to buildings		
- Warehouse	20.85	43.39
- Others	63.36	35.77
(e) Repairs to machinery and office vehicles	19.00	3.23
(f) Fuel for office vehicles	10.73	12.72
(g) Insurance		
- Office vehicles	23.18	9.70
- Others	1.04	2.02
(h) Rates and taxes	28.36	31.62
(i) Travel and conveyance	75.15	97.92
(j) Security Services	82.75	91.98
(k) Diminution in value of investments	0.95	4.05
(l) Allowance for credit loss	16.49	-
(m) Others	169.07	181.49
	984.04	**1,004.90**

28.1 Others include :		
Payment to auditors		
Statutory Audit fee	3.00	3.00
Taxation matters	0.50	0.50
Other matters	0.32	0.32

Notes to the Standalone Financial Statements - Part B

		Year Ended March 31,2019 Rs. in Lakhs	Year Ended March 31,2018 Rs. in Lakhs
29	**Income tax expense (income) for the year reconciled to accounting profit (loss):**		
	Profit (loss) before tax	(51.55)	(202.55)
	(i) Applicable Income tax rate	26.00%	26.00%
	(ii) Income tax expense calculated at above rates	(13.40)	(52.66)
	(iii) Effect of concessions/deductions(80IA etc..)	-	(3.91)
	(iv) Effect of timing difference on account of expense	(1.37)	-
	(v) Effect of reversal of deferred tax liability other than that pertaining to revalued assets	0.49	(48.36)
	(vi) Others	-	(19.79)
	Income tax expense recognised in statement of profit and loss	(14.28)	(124.72)

30 Analysis of deferred tax assets/liabilities Rs. in Lakhs

March 31,2018	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Recognised in other equity	Closing balance
Deferred tax (liabilities) assets in relation to :					
PPE and intangible assets	(434.61)	48.41		47.62	(338.58)
Land	(53.21)	-		29.27	(23.94)
Provisions	49.51	(31.00)		-	18.51
	(438.31)	17.41		76.89	(344.01)

March 31,2019	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Recognised in other equity	Closing balance
Deferred tax (liabilities) assets in relation to :					
PPE and intangible assets other than land	(338.58)	(31.99)		46.66	(323.91)
Land	(23.94)	-		23.94	-
Provisions	18.51	(1.34)		-	17.17
	(344.01)	(33.33)		70.60	(306.74)

Notes to the Standalone Financial Statements - Part B

31. Deferred tax liability on 01.04.2016 on immovable property revalued as at March 31,2009 was recognised by adjustment in Retained Earnings. Consequently, the reversal to the extent of such liability in FY 2018-19 is also recognised in Retained Earnings in terms of Paragraph 61A of Ind AS 12. No deferred tax asset on immovable property is recognised given that lands may never be sold or sold in the very distant future by which time either tax laws may have changed or the company may have tax losses with the benefit of indexation not being realised.

32. Unrecognised deductible temporary differences, unused tax losses and unused tax credits

Rs . In Lakhs

Particulars	March 31,2019	March 31,2018
Unused tax credits	287.47	331.01

These will expire in the years from financial year 2025 -26 to 2031 -32

33. Events after the Reporting Period

The Board of Directors have recommended dividend of Rs. 0.90 per fully paid up equity share of Rs. 10 each, aggregating Rs. .. lakhs for the financial year 2018-19, which is based on relevant share capital as on March 31,2019. The actual dividend amount will be dependent on relevant share capital outstanding as on the record date/ book closure.

	Year Ended March 31,2019 Rs. in Lakhs	Year Ended March 31,2018 Rs. in Lakhs
34.1 Earnings per share		
Basic earnings per share	(2.07)	(4.41)
Diluted earnings per share	(2.07)	(4.41)
Face value per share	10.00	10.00
34.2 Basic and diluted earnings per share		
Profit (loss) for the year attributable to equity shareholders	(37.27)	(79.29)
	No's in lakhs	No's in lakhs
Weighted average number of equity shares used in calculation of basic earnings per share	18	18
Weighted average number of equity shares used in calculation of diluted earnings per share	18	18

35. Segment information - The Company's Operating segment is identified based on nature of services, risks, returns and the internal business reporting System. The Company is primarily engaged in Logistics - Operating Segment.

Notes to the Standalone Financial Statements - Part B

36. Information about major customers - Disclosure of amount of revenues from transactions with single customer amount to 10 % or more of Company revenue.

Rs. In Lakhs

Revenue from	**2018-19**	**2017-18**
Customer -1	1,362.54	1,159.26
Customer -2	1261.02	-

37. Related Parties as per Ind AS 24 with whom the company has had transactions #

(i) List of Related Parties

(a) Key Management Personnel (KMP)

Shri V Upendran	-	Managing Director
Shri S Sathyanarayanan	-	Joint Managing Director
Shri U Udayabhaskar Reddy	-	Whole time Director
Shri S R Srinivasan	-	Director - Finance

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

Sudharsan Logistics Private Limited (SLPL)

(c) Fully owned Subsidiary

Sanco Clearance Limited

(d) Entity which is Post Employment Benefit Plan :

Sanco Trans Limited Employees Group Gratuity Trust Fund

(e) Entities in which KMP has control

Sakthi Hitech Constructions Pvt Ltd

(f) Relative of KMP

Srimathi - Devaki Santhanam

	Year Ended March 31,2019 Rs. in Lakhs	Year Ended March 31,2018 Rs. in Lakhs
(ii) Related Party Transactions and Closing balance		
(a) Key Management Personnel		
Remuneration*		
Short term employee benefits	132.00	126.00
Rent Payment	1.42	1.42
Amounts due at year end	50.45	50.22

Notes to the Standalone Financial Statements - Part B

	Year Ended March 31,2019 Rs. in Lakhs	Year Ended March 31,2018 Rs. in Lakhs
(b) Enterprise where significant influence is exercised on the Company		
Tractor/Trailer hire charges paid	175.20	189.09
Tractor/Trailer hire charges earned	-	-
Lease rent paid	43.53	29.43
Operating and maintenance charges earned	1,362.54	1,159.26
Dividend paid	4.17	4.17
Trade Receivables	961.14	750.29
Other Receivables	-	-
Trade Payable	-	26.71
Rent advance outstanding	5.00	5.00
(c) Fully owned Subsidiary		
Tractor/Trailer hire charges paid	-	-
Interest received	0.72	0.99
Loan given	3.00	-
Loan Repaid	3.50	1.61
Trade payables outstanding	-	-
Trade receivable	-	-
Loan due from subsidiary companies	6.89	7.39
Interest receivable	-	-
Investment in subsidiary(net)	-	0.95
(d) Post Employment Benefit Plan		
Contribution towards gratuity	16.69	14.41
Other Comprehensive Income	17.62	(5.61)
Prepaid expenses	-	4.71
Gratuity laibilty	28.76	-
(e) Entities over which KMP has control		
Handling earnings	-	0.38
Equipment hire earnings	-	0.09
Warehouse earnings	-	0.34
(f) Relative of KMP		
Sitting fees	0.50	0.50

* Managerial Remuneration above does not include gratuity benefit since the same is actuarially computed for all the employees and the amount attributable to the managerial personnel cannot be ascertained separately.

Notes to the Standalone Financial Statements - Part B

\# The above transactions does not includes reimbursement of expenses

As per section 149(6) of the Companies Act,2013, Independent Directors are considered as “Key Managerial Personal” Also, Considering the roles and functions of independent directors stated under Schedule IV of the Companies Act, 2013, They have not been disclosed as KMP for the purpose of disclosure requirements of Ind AS -24 “Related - Parties”

38. Related Parties with whom the company has not had any transactions

(i) Entities in which KMP has control : 1. Premium Mint and Herb Pvt Ltd , 2. Sanco Estates and Farms Pvt Ltd , 3. Shreyas Wheels Pvt Ltd, 4. The Nellikuppam Industires,5. Sri Sathyanaraynan & Co.

39. Disclosures required by Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 186 (4) of the Companies Act,2013.

Rs. in Lakhs

Particulars	As at March 31,2019	As at March 31,2018	Purpose
a) Loans outstanding	-		
- Sanco Clearance Limited	6.89	7.39	Funding for operations
b) Investments	-	0.95	-

40 Contingent Liabilities	As at March 31,2019 Rs. in Lakhs	As at March 31,2018 Rs. in Lakhs
(a) Claims against the company not acknowledged as debts		
(i) Income Tax	19.81	19.81
(ii) Service Tax	20.32	46.00
(iii) Others	31.78	34.37
(b) Bank guarantees	114.11	685.38

Note : Future cash outflows in respect of above are determinable only on receipt of judgement / decisions pending with various forums / authorities.

41.1 Accounting for business combination

The scheme of amalgamation for the merger of Sanco Transport Limited (“ the amalgamating company”) with the company was approved the Board of Directors at its meeting held on February 28 ,2018 with the appointed date of March 1,2018. The said scheme has been approved by various statutory and regulatory bodies and final order of National Company Law Tribunal (“NCLT”) has been received on April 15 ,2019. This common control business combination has been accounted as per the scheme and in accordance with Ind AS 103 “Business Combination” notified under the Companies Act, 2013.

41.2. Accounting Treatment

The business combination has been accounted by using the Pooling of Interest method in accordance with the said approved Scheme of Amalgamation and Ind AS 103 Accordingly, the Company has recorded all the assets, liabilities and reserves of amalgamating company at their respective book values , the details of which as as follows

Notes to the Standalone Financial Statements - Part B

Particulars	March 31, 2019 Rs. in Lakhs
Assets	
Property, plant and equipment	371.13
Rent deposit	0.50
Other non current assets	14.09
Trade receivables	90.55
Cash and cash equivalents	0.19
other current assets	35.48
	511.94
Liabilities	
Borrowings	504.62
Trade Payables	260.27
other financial liabilities	144
other current liabilities	1.39
	910.28
Reserves	
Retained earnings	**(403.34)**

42. Corporate Social Responsibility (CSR) Obligation:

The Provisions of section 135 of Companies Act 2013,(Corporate Social Responsibility) are not applicable to the company for current and previous financial year.

43. Foreign Currency Transactions

Foreign exchange and foreign currency transactions and derivatives - (i) Imports – Rs. 52.69 lakhs (2017-18 Rs 3.48 lakhs); (ii) Other expenditure in foreign currency Rs. 3.32 lakhs (2017-18 Rs. 1.26 lakhs); (iii) Other earnings in foreign exchange Rs. 76.01 lakhs (2017-18 Rs.83.51 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$. 8,087 equivalent Rs. 5.59 lakhs (March 31, 2018 US $ 17382.71 equivalent Rs 11.33 lakhs); Amount payable on account of services obtained US $ .9,736.39 equivalent Rs. 6.73 lakhs, GBP 392.80 equivalent Rs. 0.36 (March 31,2018 US $ 3,148.84 equivalent Rs. 1.95 lakhs, GBP 392.80 equivalent 0.36 lakhs).

44. The Company has taken land and buildings under operating lease for which lease rent of Rs. Nil (2017-18 Rs.275.64 lakhs) paid has been included in Other expenses note no. 28

Rs. in Lakhs

Particulars	Minimum Future Lease rentals		
Lease rental	Due within 1 year	Due later 1 year and not later than 5 years	Due later than 5 years
2018-19	-	-	-
2017-18	275.64	-	-

Notes to the Standalone Financial Statements - Part B

The Company has purchased vehicles on hire purchase loan, Details of Repayments are as follows:

Rs. in Lakhs

Particulars	Minimum Future Lease rentals		
	Due within 1 year	Due later 1 year and not later than 5 years	Due later than 5 years
(i) Principal Repayments (2018-19)	139.03	310.28	-
(ii) Interest Repayments(2018-19)	25.40	28.40	-
(i) Principal Repayments (2017-18)	294.59	734.53	-
(ii) Interest Repayments(2017-18)	14.87	2.35	-

45. Revenue from contracts with customers:

(a) Disaggregated revenue information

Particulars	March 31, 2019 Rs. in Lakhs
Type of goods and service	
Revenue from logistics service	11,644.69
Less: Commission, rebate and discounts	1,075.21
Total revenue from contract with customers	**10,569.48**
India	10,505.00
Outside India	64.48
Total revenue from contract with customers	**10,569.48**
(b) Contract balances	
Trade receivables	2,610.33
Contract assets (Refer note (c) below)	183.23
Contract liabilities	2.97

(c) Trade receivables are non-interest bearing and are generally on terms of “Cash and Carry”. Contract assets are unbilled revenue earned which are recognised upon completion of obligation. Upon billing as per the terms of the contract, the amounts recognised as contract assets are reclassified to trade receivables.

(d) Reconciliation of revenue recognised in the statement of profit and loss with the contracted price

Particulars	March 31, 2019 Rs. in Lakhs
Revenue as per contracted price	
Adjustments	11,647.66
Less: Commission, rebate and discounts	1,075.21
Contract liabilities - Unearned revenue	2.97
Revenue from contract with customers	**10,569.48**

‘* Pursuant to the transitional provision in IND AS 115, the relevant disclosures for the comparative period are not furnished.

(e) Changes in accounting policy - on account of adoption of IND AS 115

The Company applied Ind AS 115 for the first time by using the modified retrospective method of adoption with the date of initial application of 1 April 2018. Under this method, the Company recognised the cumulative effect of initially applying Ind AS 115 as an adjustment to the opening balance of retained earnings as at 1 April 2018. Comparative prior period has not been adjusted. The Company has applied the revenue standard only to contracts that are not completed as at the date of initial application. The impact of applying the erstwhile Ind AS 18 Revenue instead of Ind AS 115 Revenue from Contracts with customers on the financial results of the Company for the year ended March 31, 2019 and other adjustments as at March 31, 2019 on account of adoption of Ind AS 115 is as given below.

The following table presents the amounts by which each financial statement line item is affected in the current year ended 31 March 2019 by the application of Ind AS 115 as compared with the previous revenue recognition requirements. Line items that were not affected by the changes have not been included. As a result, the sub-totals and totals disclosed cannot be recalculated from the numbers provided. The adjustments are explained in more detail by standard below.

Currency impact	March 31, 2019 (if IND AS 115 is not adopted)	Adjustments on account of adoption of IND AS 115	Reported March 31, 2019
Statement of Profit and Loss for the year ended March 31, 2019	Nil adjustments		
Balance Sheet	-	-	
Assets			
Current Assets			
Financial assets			
Other financial assets	368.50	(183.23)	185.27
Contract assets	-	183.23	183.23
Current liabilities			
Contact Liabilities -Unearned Revenue	-	2.97	2.97
Other current liabilities	155.74	(2.97)	152.77

46 Net debt reconciliation: Rs. Lakhs

	As at March 31, 2019	**As at March 31, 2018**
1. Cash and cash equivalents	48.87	134.39
2. Current borrowings	(1,539.48)	(1,433.13)
3. Non-current borrowings	(1,097.90)	(1,437.23)
Net debt	**(2,588.51)**	**(2,735.96)**

	Other assets		Non-current borrowings	Current borrowings	Total
	cash and bank overdraft	Liquid investments			
Net debt as at March 31, 2018	134.39	-	(1,437.23)	(1,433.13)	(2,735.96)
Cash flows	(85.52)	-	884.21	(109.09)	689.60
Interest expense	-	-	(130.69)	(131.13)	(261.82)
Interest paid	-	-	(414.19)	133.87	(280.32)
Net debt as at March 31, 2019	48.87		(1,097.90)	(1,539.48)	(2,588.51)

47. Financial risk management objectives and policies

The Company's principal financial liabilities, comprise of loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company also holds investments.

The Company is exposed to market risk, credit risk,and liquidity risk. The Company's risk management is undertaken by the senior management under the guidelines and framework approved by the financial risk committee.The committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives which is reviewed and adopted by The Board of Directors for managing each of these risks, which are summarised below.

A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include Long term borrowings, Advances and deposits.

i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency). Since the value of foreign currency exposed risk is not material, The company has natural hedging where applicable.

Currency	Net exposure on the currency		Net overall exposure on the currency
	Liabilities	Assets	
2019(USD)	9,736.39	8,087.00	(1,649.39)
2019(GBP)	392.80	-	(392.80)
2018(USD)	3,148.84	17,382.71	14,233.87
2018(GBP)	392.80	-	(392.80)

“Movement in the functional currencies of the various operations of the Company against major foreign currencies may impact the Company’s revenues from its operations. Any weakening of the functional currency may impact the Company’s cost of borrowings and consequently may increase the cost of financing the Company’s capital expenditures.

The following table details the Company’s sensitivity movement in the foreign currencies. The foreign exchange rate sensitivity is calculated for each currency by aggregation of the net foreign exchange rate exposure of a currency and a simultaneous parallel foreign exchange rates shift in the foreign exchange rates of each currency by 2%. This 2% represents management’s assessment of the reasonably possible change in foreign exchange rates. The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financials instruments.In management’s opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.”

	(USD)		(GBP)	
Currency impact	2019	2018	2019	2018
Profit/Loss	(32.99)	284.68	(7.86)	(7.86)
Equity	-	-	-	-

ii) Interest rate risk

The Company is exposed to interest rate risk pertaining to funds borrowed at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings

The sensitivity analysis below has been determined based on the exposure to interest rates at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming that the amount of the liability as at the end of the reporting period was outstanding for the whole year. A 25 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents Management’s assessment of the reasonably possible change in interest rates. If interest rates had been 25 basis points higher/ lower, the Company’s profit for the year ended March 31, 2019 would decrease/ increase by Rs. 0.65 lakhs (2017-18: decrease/ increase by Rs. 0.70 lakhs). This is mainly attributable to the Company’s exposure to interest rates on its variable rate borrowings.

iii) Other Price risk

There is no security price risk since there are only investments in wholly owned subsidiaries.

B) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, resulting in a financial loss to the Company. Credit risk arises from outstanding trade receivables and from its financing activities, including deposits with banks and institutions and investments.

Customer credit risk is managed by each business unit based on the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored. The Company has customer base across diverse industries.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively.The Company makes an allowance for doubtful debts using expected credit loss model and on a case to case basis.The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

C) Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts and bank loans . Rs. 321.73 lakhs of the Company's borrowing will mature in less than one year at 31 March 2019 (31 March 2018: 692.12 lakhs) based on the carrying value of borrowings reflected in the financial statements. The Company has obtained fund and non-fund based working capital limits from banks. The Company invests its surplus funds in bank fixed deposit which carry minimal mark to market risks.

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2019.

Year ended	Rs. In Lakhs		
	On demand	Less than 1 year	More than 1 year
Borrowings	1,539.48	321.73	793.74
Other financial liabilities	-	1,564.03	49.51
Trade and other payables	-	800.10	-
Total	**1,539.48**	**2,685.86**	**843.25**

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2018.

Year ended	Rs. In Lakhs		
	On demand	Less than 1 year	More than 1 year
Borrowings	1,433.13	692.12	766.27
Other financial liabilities	-	1,501.12	46.38
Trade and other payables	-	967.43	-
Total	**1,433.13**	**3,160.67**	**812.65**

D) Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company's objective when managing capital are to ensure their ability to continue as going concern, so that they can leverage maximise returns for shareholders and benefits of other stakeholders; and to maintain an optimal capital structure to reduce cost of capital.Capital management and funding requirements is met through equity, internal accruals and long and short term debt instruments. The Company monitors capital management though gearing ratio which considers Debt (net of cash and cash equivalents) and equity.

Particulars	Rs. In Lakhs	
	March 31,2019	March 31,2018
Borrowings	2,654.95	2,891.52
Less : cash and cash equivalents and Bank Balances	(268.65)	(638.09)
Net debt	2,386.30	2,253.43
Equity	9,322.49	9,326.27
Equity and net debt	11,708.79	11,579.70
Gearing ratio	0.26	0.24

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

Post Employment Obligations:

48.a. Defined Contribution plan

The Company has certain defined contribution plans. Contributions are made to provident fund in India for the employees at the rate of 12% of the basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation so the company is restricted to the amount contributed and it has no further contractual or constructive obligation. The expense recognised during the period towards defined contribution plans Rs. 50.47 lakhs.

48.b. Defined benefit plans

Gratuity -

In respect of Gratuity plan, the most recent actuarial valuation of the plan assets and present value of the defined benefit obligation were carried out as at March 31,2019. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method. The following table sets forth the status of Gratuity Plan of the Company and the amount recognised in the Balance Sheet and the Statement of Profit and Loss. The Company provides the Gratuity Plan of the Company and the amount recognised in the Balance Sheet and Statement of Profit and Loss. The Company provide the gratuity benefit through annual contributions to a fund managed by the Life Insurance Corporation of India (LIC). The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service.

The Company is exposed to various risks in providing the above gratuity benefit which are follows.

Risk	Particulars
Interest Rate Risk	The Plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in value of the liability (as shown in the financial statements)
Investment Risk	The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.
Salary Escalation Risk	The present value of defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine present value of obligation will have bearing on the plan's liability.
Longevity Risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

49.(i) The principal assumptions used for the purpose of the actuarial valuation were as follows:

	As at March 31,2019	As at March 31,2018
Discount rate	7.50%	8.00%
Rate of increase in compensation levels	5.00%	5.00%
Attrition rate fixed by Enterprise	1-3%	1-3%

The estimate of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market

(ii) Amounts recognised in total comprehensive income in respect of defined benefit plans are as follows:

Notes to the Standalone Financial Statements - Part B

	As at March 31,2019 Rs. In Lakhs	As at March 31,2018 Rs. In Lakhs
Gratuity -		
Current service cost	13.35	13.39
Net Interest on Net Defined Benefit Obligations	26.66	26.07
Expected Return on Plan Assets	(24.24)	(25.05)
Components of defined benefit cost recognised in profit or loss	**15.77**	**14.41**
Remeasurement on the net defined benefit liability comprising :		
Actuarial (gain) loss for year - obligation	17.62	(5.61)
Actuarial (gain) loss for year - plan assets	-	-
Components of defined benefit costs recognised in other comprehensive income	**17.62**	**(5.61)**
Total	**33.39**	**8.80**

The current service cost and the net interest on Net Defined Benefit Obligations for the year are included in “ contribution to provident and other funds” under employment benefits expense in profit or loss (Refer Note . 26 (b))

(iii) The amount included in the balance sheet arising from the Company’s obligation in respect of its defined benefit obligations (funded)

	As at March 31,2019 Rs. In Lakhs	As at March 31,2018 Rs. In Lakhs
Gratuity -		
Present Value of defined benefit obligation	335.51	333.23
Fair Value of Plan Assets	306.75	337.37
Net liability arising from defined benefit obligation (funded)	28.76	(4.14)

(iv) Movement in present value of defined benefit obligation in the current year were as follows:

	As at March 31,2019 Rs. In Lakhs	As at March 31,2018 Rs. In Lakhs
Gratuity -		
Present value of defined benefit obligation as at the beginning	333.23	325.92
Interest Cost	26.66	26.07
Current service cost	13.35	13.40

Notes to the Standalone Financial Statements - Part B

Past service cost	-	-
Benefits paid	(55.36)	(26.55)
Actuarial loss/(gain) on obligation	17.62	(5.61)
Present value of defined benefit obligation as at the end	335.51	333.23

(v) Movement in fair value of the plan assets in the current year were as follows :

	As at March 31,2019	As at March 31,2018
Gratuity -		
Fair value of plan assets as at the beginning of the period	**337.37**	**336.63**
Expected return on plan assets	24.24	25.05
Contributions	0.49	2.24
Benefits paid	(55.35)	(26.55)
Actuarial gain/(loss) on plan assets [balancing figure]	-	-
Fair value of plan assets as at the end of the period	**306.75**	**337.37**

(vi) The Company funds the cost of the gratuity expected to be earned on a yearly basis to Life Insurance Corporation of India, which manages the plan assets.

The actual return on plan assets was Rs. 24.24 lakhs (2017-18 Rs. 25.05 lakhs)

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase.

50. Details of terms of Secured Loans - Refer seperate statement annexed

For and on behalf of the Board

For **R.Sundararajan & Associates**
Chartered Accountants
Firm Registration No. 008282S
S.Krishnan - Partner
Memb. No. 26452

V Upendran
Chairman and
Managing Director
DIN: 00557511

S Sathyanarayanan
Joint Managing
Director
DIN: 00446573

M V M Sundar
Company Secretary

S R Srinivasan
Director- Finance
DIN: 03559408

Chennai
May 30, 2019

50. Details of terms of Secured Loans

(Rs. in Lakhs)

LOAN A/C	LOAN AMOUNT		NO. OF INSTALMENTS		INTEREST RATE RANGE		INSTALMENT RANGE		LOAN CLOSURE DATE	
	As on March 31,2019	As on March 31,2018	As on March 31,2019	As on March 31,2018	As on March 31,2019	As on March 31,2018	As on March 31,2019	As on March 31,2018	As on March 31,2019	As on March 31,2018
LA 18	666.15	805.86	45	57	9.55%	9.90%	14.32-13.10	8.33-20.83	15.12.22	15.12.22
LA 28	100.84	304.34	---	---	7.90%	9.15%	---	----	---	----
LA 29	---	8.29	---	02	---	11.25%	----	3.70-4.17	20.05.18	20.05.18
LA 30	69.76	180.28	07	19	10.04%	10.04%	9.70-10.22	7.96-10.22	15.10.19	15.10.19
LA 31	0.00	34.70	---	09	---	11.26%	----	3.32-5.16	20.12.18	20.12.18
LA 32	84.22	---	40	---	8.71%	---	1.80-2.43	---	15.07.22	---
LA 33	81.73	---	42	---	9.00%	---	1.65-2.25	---	20.09.22	---
LA 34	85.21	---	46	---	9.25%	---	1.53-2.19	---	15.01.23	---
LA 35	25.17	---	59	---	9.00%	---	0.34-0.53	---	07.02.24	---
LA 36	---	16.04	---	13	10.46%	10.46%	2.80-3.44	2.80-3.44	15.04.19	15.04.19
LA 37	---	13.45	---	13	10.46%	10.46%	2.32-2.88	2.32-2.88	15.04.19	15.04.19
LA 38	---	44.66	---	13	11.25%	11.25%	2.75-3.63	2.75-3.63	20.04.19	20.04.19
LA 39	2.39	50.77	9	23	10.01%	10.01%	0.84-2.16	0.84-2.16	20.02.20	20.02.20
TOTAL	**1,115.47**	**1,458.39**								

INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

TO THE MEMBERS OF SANCO TRANS LIMITED

Report on the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of SANCO TRANS LIMITED ("the Holding Company") and its subsidiary (the Company and its subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2019, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

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 Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2019, the consolidated loss, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Other matters:

Financial statement of the Subsidiary which reflect total assets of Rs.1.35 Lakhs, Total assets (net) of Rs.(5.69) Lakhs as at March 31,2019, Total Revenue of Rs. Nil and Net cashflows amounting to Rs. (2.25) Lakhs for the year ended on that date have been audited by us.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

A. Revenue Recognition

Reference may be made to Note 3(1) of significant accounting policies and Note 42 to the financial statements of the Group.

During the year, on account of adoption of new revenue standard Ind AS 115 – Revenue from contracts with customer, there have been changes in revenue recognition policy with regards to timing of recognition and related disclosures.

Revenue recognition is inherently an area of audit risk, which we have substantially focused on mainly covering the aspects of cut off. Considering the above impact of Ind AS 115 and cut-off are key audit matters.

Response to Key Audit Matter

Principal Audit Procedures

Our audit procedures relating to revenue comprised of test of controls and substantive procedures including the following:

i. We assessed whether the policy of recognizing revenue was in line with Ind AS – 115.

ii. We performed procedures to assess the design and internal controls established by the management and tested the operating effectiveness of relevant controls related to the recognition of revenue.

iii. Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, reperformance and inspection of evidence in respect of operation of these controls.

iv. We have tested, on a sample basis, whether specific revenue transactions around the reporting date has been recognised in the appropriate period by comparing the transactions selected with relevant underlying documentation, including vehicle ticket, customer acknowledgement/proof of acceptance and the terms of sales.

v. We have also validated subsequent credit notes and sales returns up to the date of this Report to ensure the appropriateness and accuracy of the revenue recognition.

vi. We tested journal entries on a sample basis to identify any unusual or irregular items.

vii. We also considered the adequacy of the disclosures in Group's financial statements in relation to Ind AS 115 and were satisfied they meet the disclosure requirements.

Conclusion

Based on the procedures performed above, we did not find any material exceptions with regards to adoption of Ind AS 115 and timing of revenue recognition.

B. Actuarial valuation

Reference may be made to Note 3(4) of significant accounting policies and Note 45 to the financial statements of the Group.

There is a risk of material misstatement relating to the judgements made in valuing the defined benefit obligation including the use of key assumptions specifically the discount rate, life expectancy and inflation level. These variables can have a material impact in calculating the quantum of the retirement benefit liability.

Response to Key Audit Matter

Principal Audit Procedures

Our audit procedures comprised of the following:

a) We determined whether the key assumptions are reasonable.

b) We have taken the report from External actuaries were engaged to determine the amount of pension provisions.

c) We assessed the competence, capabilities and objectivity of the experts, gained an understanding of their work and the suitability of the results as audit evidence for the relevant assertions.

d) We examined the data made available to the experts for completeness and accuracy and gained an understanding of the process to determine the calculation and inputs used.

Conclusion

Based on the procedures performed above, we did not find any material exceptions with regards to the use of assumptions and actuarial valuation.

C. Impairment in Trade Receivables

Reference may be made to Note 6 and 26 to the financial statements of the Group.

The Group is exposed to potential risk of financial loss when there is the risk of default on receivables from the customers for which the Management would make specific provision against individual balances with reference to the recoverable amount.

For the purpose of impairment assessment, significant judgements and assumptions, including the credit risks of customers, the timing and amount of realization of these receivables, are required for the identification of impairment events and the determination of the impairment charge.

Response to Key Audit Matter

Principal Audit Procedures

We have performed the following procedures in relation to the recoverability of trade receivables:

a) Tested the accuracy of aging of trade receivables at year end on a sample basis.

b) Obtained a list of outstanding receivables and identified any debtors with financial difficulty through discussion with management.

c) Assessed the recoverability of the unsettled receivables on a sample basis through our evaluation of management's assessment with reference to the credit profile of the customers, historical payment pattern of customers, publicly available information and latest correspondence with customers and to consider if any additional provision should be made;

d) Tested subsequent settlement of trade receivables after the balance sheet date on a sample basis.

Conclusion

Based on the above procedures we found the key judgements and assumptions used by management in the recoverability assessment of trade receivables to be supportable based on the available evidence.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Group's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India . The respective Board of Directors of the companies included in the Group are responsible for maintenance of the 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; 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error..

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group and its subsidiary companies which are companies incorporated in India, has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit 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 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.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows 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 Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   e) On the basis of the written representations received from the directors of the Group as on March 31, 2019 taken on record by the Board of Directors of the Holding Company and its subsidiary incorporated in India 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, 2019 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditor's reports of the Holding Company and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for reasons stated therein.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Group to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) 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, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose impact of pending litigations on the consolidated financial position of the Group.

ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.

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 R. Sundararajan Associates
Chartered Accountants
Registration No. 008282S

30th May, 2019
Chennai

S. Krishnan -Partner
Membership No. 26452

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1 (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of SANCO TRANS LIMITED 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”)

In conjunction with our audit of the consolidated financial statements of the Holding Company as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of SANCO TRANS LIMITED (hereinafter referred to as “Holding Company”) and its subsidiary companies, which are companies incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Holding Company and its subsidiary companies, 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 respective Companies 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 (“ the 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 Act.

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company and its subsidiary companies, which are companies incorporated in India, 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.

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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Holding Company and its subsidiary companies, which are companies incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting

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

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

In our opinion and 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, 2019, based on the internal control over financial reporting criteria established by the respective companies 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 R. Sundararajan Associates
Chartered Accountants
Registration No. 008282S

30th May, 2019
Chennai

S. Krishnan -Partner
Membership No. 26452

CONSOLIDATED BALANCE SHEET AS AT MARCH 31,2019

	Note No In Part B	**As at March 31,2019 Rs. in Lakhs**	As at March 31,2018 Rs. in Lakhs
ASSETS			
Non - current assets			
(a) Property, Plant and Equipment	1	9,976.87	10,394.77
(b) Capital work - in - progress	1	582.04	464.52
(c) Intangible assets	2	13.61	14.72
(d) Financial Assets			
- Others	3	97.32	155.39
(e) Other non - current assets	4	761.27	1,009.30
Total non - current assets		11,431.11	12,038.70
Current assets			
(a) Inventories	5	**11.15**	10.48
(b) Financial Assets			
(i) Trade receivables	6	2,610.33	2,131.93
(ii) Cash and cash equivalents	7.1	49.70	137.47
(iii) Bank balances other than (ii) above	7.2	212.16	503.70
(iv) Others	8	185.27	345.85
(c) Contract asset - unbilled revenue		183.23	-
(d) Other current assets	9	83.54	123.34
Total current assets		3,335.38	3,252.77
Total assets		**14,766.49**	**15,291.47**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	10	180.00	180.00
(b) Other Equity	11	9,136.85	9,141.32
Equity attributable to owners to Sanco Trans Limited		9,316.85	9,321.32
Non - controlling interests		-	-
Total Equity		**9,316.85**	9,321.32
Liabilities			
Non - current liabilities			
(a) Financial Liabilities			
(i) Borrowings	12	793.74	766.27
(ii) Other financial liabilities	13	49.51	46.38
(b) Other non -current liabilities	14	11.83	15.22
(c) Deferred tax liabilities (Net)	15	168.28	249.09
Total non - current liabilities		**1,023.36**	1,076.96
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	1,539.48	1,433.13
(ii) Trade payables (Refer Note 17.1)	17	800.10	967.43
(iii) Other financial liabilities	18	1,885.84	2,193.45
(b) Contract liabilty - unearned revenue		2.97	-
(c) Other current liabilities	19	152.80	239.18
(d) Provisions	20	45.10	60.00
Total current liabilities		**4,426.29**	4,893.19
Total Liabilities		**5,449.64**	5,970.15
Total Equity and Liabilities		**14,766.49**	**15,291.47**

The accompanying notes form an integral part of the consolidated financial statements

This is the consolidated Balance Sheet referred to in our report of even date.

For and on behalf of the Board

For **R.Sundararajan & Associates**
Chartered Accountants
Firm Registration No. 008282S

S.Krishnan - Partner
Memb. No. 26452

Chennai
May 30, 2019

V Upendran
Chairman and Managing Director
DIN: 00557511

M V M Sundar
Company Secretary

S Sathyanarayanan
Joint Managing Director
DIN: 00446573

S R Srinivasan
Director- Finance
DIN: 03559408

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31,2019

		Note No. In Part B	**Year ended March 31,2019 Rs. in Lakhs**	Year ended March 31,2018 Rs. in Lakhs
	Income			
I	Revenue from Operations	21	10,569.48	8,790.57
II	Other Income	22	260.38	331.54
III	**Total Income (I+II)**		**10,829.86**	**9,122.11**
IV	**Expenses**			
	Equipment and fleet hire		3,638.39	2,745.63
	Operating expenses	23	4,351.93	3,565.22
	Employee benefits expense	24	1,104.39	1,070.45
	Finance costs	25	269.52	288.58
	Depreciation and amortization expense	1,2	533.86	650.71
	Other expenses	26	984.01	1,001.77
	Total expenses (IV)		**10,882.10**	**9,322.36**
V	**Profit/(loss) before exceptional items and tax(III-IV)**		(52.24)	(200.25)
VI	Exceptional items		-	-
VII	**Profit/(loss) before tax (V-VI)**		**(52.24)**	**(200.25)**
VIII	**Tax expense :**			
	Current tax		-	3.75
	Prior year tax		(4.06)	(14.68)
	Deferred tax		(10.22)	(112.33)
			(14.28)	**(123.26)**
IX	**Profit/(Loss) for the year (VII-VIII)**		**(37.96)**	**(76.99)**
X	Other Comprehensive Income			
	A (I) Items that will not be reclassified to profit or loss			
	- Remeasurement of Defined Benefits Plan		(17.62)	5.61
	(ii) Income tax relating to items above		-	(1.46)
	(B) (i) Items that will reclassified to profit or loss		-	-
XI	(ii) Income tax relating to items that will be reclassified to profit or loss			
XII	**Total Other Comprehensive Income for the period**		**(17.62)**	**4.15**
XIII	**Total Comprehensive Income for the period (IX+X)**		**(55.58)**	**(72.84)**
	Earnings per equity share (Face value of Rs.10 each)			
	- Basic and Diluted	32	(2.11)	(4.28)

The accompanying notes form an integral part of the Consolidated financial statements
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 **R.Sundararajan & Associates**
Chartered Accountants
Firm Registration No. 008282S
S.Krishnan - Partner
Memb. No. 26452

Chennai
May 30, 2019

V Upendran
Chairman and
Managing Director
DIN: 00557511

M V M Sundar
Company Secretary

S Sathyanarayanan
Joint Managing
Director
DIN: 00446573

S R Srinivasan
Director- Finance
DIN: 03559408

Consolidated Statement of Changes in Equity for the the period ended March 31,2019

A. Equity Share Capital

Rs. In Lakhs

Balance at the beginning of April 1,2017	Changes in equity share capital during the year	Balance at the end of March 31, 2018	Changes in equity share capital during the year	Balance at the end of March 31,2019
180.00	-	180.00	-	180.00

B. Other Equity

Rs. In Lakhs

Particulars	Reserves and Surplus		Items of Other Comprehensive Income	Total
	General Reserve	Retained Earnings		
Balance at the end of April 1, 2017	**4,731.08**	**4,425.71**	**-**	**9,156.79**
Profit for the year	-	(76.99)		(76.99)
Other comprehensive income	-	4.15		4.15
Total Comprehensive Income for the year	-	(72.84)	-	(72.84)
Tax Reversal /(Expenses) recognised in Retained Earnings	-	76.89	-	76.89
Dividend including tax thereon	-	(19.52)	-	(19.52)
Transfer from retained earnings	-	-	-	-
Balance at the end of March 31, 2018	**4,731.08**	**4,410.24**	**-**	**9,141.32**
Profit for the year	-	(37.96)	-	(37.96)
Other comprehensive income	-	(17.62)	-	(17.62)
Total Comprehensive Income for the year	**-**	**(55.58)**	**-**	**(55.58)**
Tax Reversal /(Expenses) recognised in Retained Earnings		70.60		70.60
Dividends including tax thereon	-	(19.49)	-	(19.49)
Transfer from retained earnings	-	-	-	-
Balance at the end of March 31,2019	**4,731.08**	**4,405.77**	**-**	**9,136.85**

The accompanying notes form an integral part of the Consolidated financial statements

This is the Consolidated Statement of changes in Equity referred to in our report of even date.

For and on behalf of the Board

For **R.Sundararajan & Associates**
Chartered Accountants
Firm Registration No. 008282S
S.Krishnan - Partner
Memb. No. 26452

Chennai
May 30, 2019

V Upendran
Chairman and Managing Director
DIN: 00557511

M V M Sundar
Company Secretary

S Sathyanarayanan
Joint Managing Director
DIN: 00446573

S R Srinivasan
Director- Finance
DIN: 03559408

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

		31-Mar-19 (Rs. In lakhs)	31-Mar-18 (Rs. In lakhs)
I. Cash flows from operating activities			
Profit before tax		(52.24)	(200.25)
Adjustments to reconcile profit before tax to net cash flows:			
Depreciation and impairment of property, plant and equipment		524.09	644.03
Amortisation and impairment of intangible assets		9.77	6.68
Provision for doubtful debts		16.49	-
Gain/Loss on disposal of property, plant and equipment		(82.61)	(22.71)
Interest income		(76.92)	(100.09)
Interest expense		261.82	279.39
Movement in -			
(a) Other non current financial assets		80.60	5.53
(b) Other non current assets		15.33	(1.01)
(c) Other non current liabilities		(3.39)	(3.15)
(d) Other non current financial liabilities		3.13	5.85
Working capital adjustments:			
(a) Inventories		(0.67)	2.53
(b) Trade receivables		(494.89)	(268.59)
(c) Other current assets		39.80	(4.29)
(d) Other current financial Assets		113.75	137.62
(e) Contract asset - unbilled revenue		(183.23)	-
(f) Trade payables		(167.33)	45.39
(g) Other financial liabilities		48.76	223.21
(h) Other current liabilities		(86.38)	(23.87)
(j) Contract liabilitiy - unearned revenue		2.97	-
(i) Provisions		(14.90)	(100.22)
		(46.06)	**626.05**
Income tax paid		236.76	(94.04)
Net cash flows from operating activities	**(A)**	**190.70**	**532.01**

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

		31-Mar-19 (Rs. In lakhs)	31-Mar-18 (Rs. In lakhs)
II. Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		209.03	97.21
Purchase of property, plant and equipment		(232.61)	(61.26)
Movement in Capital work in progress		(117.52)	(47.79)
Movements in Other Bank Balances		310.08	(30.15)
Purchase of Intangible assets		(8.66)	(15.17)
Interest received		82.68	95.75
Net cash flows used in investing activities	**(B)**	**243.00**	**38.59**
III. Cash flows from financing activities			
Interest Paid		(265.41)	(281.06)
Repayment of borrowings		(236.57)	(387.98)
Dividends paid		(16.20)	(16.20)
Dividend distribution tax		(3.29)	(3.32)
Net cash flows from/(used in) financing activities	**(C)**	**(521.47)**	**(688.56)**
Net movement in cash and cash equivalents	**(A+B+C)**	**(87.77)**	**(117.95)**
Cash and cash equivalents at the beginning of the year		137.47	255.39
Add: Pursuant to business combination		-	0.03
Cash and cash equivalents at year end		**49.70**	**137.47**

The accompanying notes form an integral part of the Consolidated financial statements
This is the Consolidated Cashflow statement
referred to in our report of even date.

For and on behalf of the Board

For **R.Sundararajan & Associates**
Chartered Accountants
Firm Registration No. 008282S
S.Krishnan - Partner
Memb. No. 26452
Chennai
May 30, 2019

V Upendran
Chairman and
Managing Director
DIN: 00557511

M V M Sundar
Company Secretary

S Sathyanarayanan
Joint Managing
Director
DIN: 00446573

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, 2019

Notes to Consolidated Financial Statements – Part – A

1. CORPORATE INFORMATION & DESCRIPTION OF BUSINESS

(“The Group”) consists of Sanco Trans Limited (Holding Company) and Sanco Clearance Limited (Wholly Owned Subsidiary) Public companies domiciled in India and is incorporated under the provisions of the Companies Act 2013 as applicable in India. The registered offices headquartered in Chennai, India,

The Consolidated financial statements were approved by the Board of Directors on 30th May 2019.

The Group is principally engaged in providing specialised logistics services across multimodal transport operators and container freight station operations,

2. BASIS OF PREPARATION & PRESENTATION

Compliance with Indian Accounting Standard (Ind AS):

The financial statements have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015.

The same accounting policies have been applied for all the periods presented except when the Group has made use of certain exceptions and/ or exemptions.

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

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 Act. Based on the nature of products and the time between the acquisition of assets for processing and their realisation 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.

The financial statements are presented in Indian Rupees (Rs.) and all values are rounded to the nearest lakhs, except where otherwise indicated.

The financial statements were approved for issue by the board of directors on May 30, 2019.

The significant accounting policies are detailed below.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Principles of Consolidation:

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an equity when the group is exposed to, or has right to, variable returns from its involvement with the entity and has ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Inter group transactions, balances and unrealised gains on transactions between group companies are eliminated unless the transactions provides evidence of an impairment of the transferred asset. Accounting Policies of subsidiaries have been changed where necessary to ensure consistency with policies adopted by the group.

Non Controlling interests in the results and equity of subsidiaries are shown separately in the Statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

3.2 Revenue Recognition:

Rendering of Services:

Revenue from contracts with customers is recognised when control of the services are transferred to the customer or upon fulfilment of obligations at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services and excludes amounts collected on behalf of third parties. Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, Discounts, rebates and any indirect taxes. The Company recognises revenue when the amount of revenue can be reliably measured and it is probable that future economic benefit will flow to the entity based on specific criteria and for each of the company activities. Based on historical results, taking into consideration the type of customer and his historic payments, the type of transaction and the specifics of each arrangement. Income from Container is recognised on completion of the movement and delivery of goods to the party/designated place. Income from Ground Rent is recognised for the chargeable period the container is lying in the Container Freight Station.

However, in case of long standing containers, the income from Ground Rent is not accrued unless the collectability is assured. Income from goods lying in the container freight station auctioned by the customs department is recognised at the bid money, net of related expenses on clearance of goods from the yard.

Income from warehousing operations, equipments and fleet hire and other executed work at contracted rates.

Contract balances

Trade receivables/Unbilled revenue represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities

A contract liability is the obligation to transfer services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract

Contract Cost

The Company pays incentives as a part of contract obligation, wherever applicable. The Company has elected to apply the optional practical expedient for costs to obtain a contract which allows the Company to immediately expense incentives because the amortization period of the asset that the Company otherwise would have used is one year or less. Costs to fulfil a contract i.e. freight, insurance and other selling expenses are recognized as an expense in the period in which related revenue is recognised.

Other revenue streams

Dividend:

Dividend income from investments is recognised when the Group's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

Interest Income:

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

3.3 Foreign currency transactions:

The Group's financial statements are presented in INR, which is also its functional currency. Transactions in currencies other than the entity's functional currency are translated using the exchange rates at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currency are retranslated at the rates prevailing at that date. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date are recognized as profit or loss in the period in which they arise.

Consolidated Significant Accounting Policies

3.4 Borrowing costs:

Borrowings costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

3.5 Employee benefits:

Short term employee obligations:

A liability is recognised for benefits accruing to employees in respect of salaries, wages, compensated absences, medical benefits and other short term benefits in the period the related service is rendered, at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Post-employment obligations and termination benefits:

The Group operates the following post-employment schemes-

a. Defined Contribution plan such as provident fund, superannuation fund and Employee State Insurance

b. Defined Benefit Plan such as gratuity and other retirement benefits.

Defined contribution plan

Payments to defined contribution plans i.e., 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. The Group has no further payment obligations once the contributions have been paid.

Defined benefit plan

The cost of providing benefits under the defined benefit plan i.e. Gratuity (funded) and other retirement benefits is determined using the projected unit credit method with actuarial valuations being carried out at each balance sheet date, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation.

Defined benefit costs are comprised of

a. service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);

b. net interest expense or income; and

c. Re-measurement.

Re-measurement of net defined benefit liability/asset is reflected immediately in the balance sheet with a charge or credit in other comprehensive income in the period in which they occur and is not reclassified to profit or loss.

A liability for termination benefits is recognised at the earlier of when the Group can no longer withdraw the offer of termination benefit or when the Group recognises any related restructuring costs.

3.6 Income Taxes:

Income tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised directly in other comprehensive income or in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or in equity respectively.

Current tax:

Current tax is determined on taxable profits for the year chargeable to tax in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 including other applicable tax laws that have been enacted or substantively enacted.

Deferred tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised for all unused tax credits, deductible temporary differences and unused tax losses to the extent that it is probable that taxable profits will be available against which those unused tax credits, deductible temporary differences and unused losses can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current tax and deferred tax is recognised outside profit or loss if the tax relates to items that are recognised, in the same or a different period, outside profit or loss. Therefore, current tax and deferred tax that relates to items that are recognised, in the same or a different period:

(a) in other comprehensive income, is recognised in other comprehensive income.

(b) directly in equity, is recognised directly in equity

3.7 (a) Property, Plant and Equipment:

Property, Plant and equipment held for use in the supply of services, or for administrative purposes, are stated in the balance sheet at cost (net of eligible credit for duties and taxes) less accumulated depreciation and accumulated impairment losses, if any and inclusive of expenses attributable to bringing the asset to its working condition and also borrowing cost in respect of qualifying assets. Costs of civil works (including electrification and fittings is capitalised).

Depreciation on Property, Plant and Equipment is recognised from the date the assets are ready for their intended use so as to write off the cost of the assets less their residual values over their useful lives using the straight-line method.

The useful life of assets is estimated by the Management based on technical assessment. Estimated useful life of assets different from those prescribed under Schedule II to the 2013 Act are disclosed in the Notes to the financial statements.

Depreciation on Property, Plant and Equipment which are added/disposed off during the year, is provided on pro-rata basis with reference to the date of addition/ deletion.

When significant parts of an item of property, plant and equipment have different useful lives they are accounted for as separate items (major components) of Property, Plant and Equipment.

Property, Plant and Equipment that are not ready for their intended use are carried at costs

Comprising direct costs and other incidental/attributable expenses and are reflected under Capital work in progress.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

3.6 (b) Intangible Assets:

Intangible assets are capitalised when it is probable that the future economic benefits that are attributable to the assets will flow to the Group and the cost of the asset can be measured reliably. Intangible assets comprising software acquired are carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, is recognised in profit or loss when the asset is derecognised.

The Group has elected to continue with the carrying value of all its intangible assets recognised as of April 1,2016 (the transition date) measured as per the previous GAAP and use such carrying values as its deemed cost as of the transition date.

3.8 Impairment of assets:

Plant, Property and Equipment and intangible assets are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or Group's of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

3.9 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date, whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in the arrangement.

3.10 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. Costs also include all other costs incurred in bringing the inventory to their present condition.

3.11 Cash and Cash Equivalents:

Cash and Cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

3.12 Provisions and Contingent Liabilities:

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is management's best estimate of the consideration required to settle the present obligation at the end of the reporting period. When a provision is measured using the cash flows estimated to settle the present obligation its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent liability is disclosed in case of:

- A present obligation arising out of past events, when it is not probable that there will be an outflow of resources that will be required to settle the obligation.
- A present obligation arising from past events, when no reliable estimate is possible.
- A possible obligation arising from past events, unless the probability of outflow of resources is remote.
- Provisions, Contingent liabilities, Contingent assets and commitments are reviewed at each Balance sheet date.
- Provision for litigation related obligation represents liabilities expected to materialise in respect of matters in appeal.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursements will be received and the amount of the receivable can be measured reliably.

3.13 Exceptional Items:

On certain occasions, the size, the type or incidence of an item of expense or income, pertaining to the ordinary activities of the Group is such that its disclosure improves the understanding of the performance of the Group, In that event such income or expense is classified as an exceptional item and accordingly disclosed in notes to the financial statements.

3.14 Financial instruments:

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss (FVTPL) are recognised immediately in profit or loss.

A. Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Classification of financial assets:

Financial instruments that meet the following conditions are subsequently measured at amortised cost if the asset is held within a business model/structure whose objective is to hold assets in order to collect contractual cash flows; and the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments on principal and interest on the principal amount outstanding.

Financial instruments that meet the following conditions are subsequently measured at FVTOCI if the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at fair value.

Financial assets which are not classified in any of the above categories are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in profit or loss.

Investments in equity instruments of subsidiaries

The Group measures its investments in equity instruments of subsidiaries at cost in accordance with Ind AS 27. At transition date, the Group has elected to continue with the carrying value of such investments measured as per the previous GAAP and use such carrying value as its deemed cost.

Impairment of financial assets:

The Group applies expected credit loss model for recognising impairment loss on financial assets not designated as at FVTPL.

Expected credit losses are measured through a loss allowance at an amount equal to:

a. the 12 months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

b. full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

De-recognition of financial assets:

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the Statement of profit and loss.

Effective interest method:

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest is the rate that exactly discounts estimated future cash receipts.

B. Financial liabilities and equity instruments

Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Group entity are recognised at the proceeds received, net of direct issue costs.

Financial liabilities:

All financial liabilities are subsequently measured at amortised cost using the effective interest rate method or at FVTPL.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- It has been incurred principally for the purpose of repurchasing it in the near term; or
- On initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- It is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading, may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other expense' line item.

Gains or losses on financial guarantee contracts issued by the Group that are designated by the Group as at FVTPL are recognised in profit or loss.

3.14.5 Financial liabilities subsequently measured at amortised cost:

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the "Finance Costs" line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument. Financial guarantee contracts issued by the Group are initially measured at their fair values and are subsequently measured (if not designated as at Fair value though profit or loss) at the higher of:

- the amount of impairment loss allowance determined in accordance with requirements of Ind AS 109;
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

3.14.6 De-recognition of financial liabilities:

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange between a lender of debt instruments with subs7tantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the Group) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

4. Critical Accounting Judgments and key sources of estimation uncertainty:

4.1 Use of Estimates:

The preparation of financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of financial statements and the reported amounts of revenues and expenses during the period.

The estimates and underlying assumptions are reviewed on an ongoing basis.

The following are the critical judgements and estimations that have been made by the management in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements and or key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Consolidated Significant Accounting Policies

5.0 Critical accounting estimates:

a. Revenue recognition:

The revenue from services is recognised based on the actual service provided till the end of the reporting period, provided that the same can be estimated reliably. When the outcome of the transactions involving the rendering of services cannot be estimated reliably, revenue shall be recognised only to the extent of expenses recognised that are recoverable.

The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement. Revenue is recognised where there is no uncertainty as to measurement or collectability of consideration.

Estimates of revenues, costs or extent of progress towards completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in Profit or Loss in the period in which the circumstances that give rise to the revision become known by the management.

b. Taxation

Tax expense is calculated using applicable tax rate and laws that have been enacted or substantially enacted. In arriving at taxable profit and all tax bases of assets and liabilities, the Group determines the taxability based on tax enactments, relevant judicial pronouncements and tax expert opinions, and makes appropriate provisions which includes an estimation of the likely outcome of any open tax assessments / litigations. Any difference is recognised on closure of assessment or in the period in which the they are agreed.

Deferred income tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, unabsorbed depreciation and unused tax credits could be utilised.

6. Recent Accounting Pronouncements:

The Company has prepared the Financials report as per Ind AS and also made appropriate disclosures in the Notes on Accounts.

The Companies (Indian Accounting Standards) Amendment Rules, 2018 issued by Ministry of Corporate Affairs (MCA) notified that Ind As 115 on ‘Revenue from Contracts with Customers’ is effective from 1st April 2018.

The Indian Accounting Standard (Ind AS) 116 on Leases is applicable from FY 2019-20, the management believes that the adoption of Ind AS 116 may not have any significant net impact on the Consolidated financial statements.

The Company has not early adopted any standards or amendments that have been issued but are not yet effective.

Note 1 Property Plant and Equipment and Capital Work in Progress

2018-19 Rs. In Lakhs

Property, plant and equipment (PPE)	Gross carrying amount				Accumulated depreciation				Net carrying amount
	Balance as at 1 April,2018	Additions	Disposals	Balance as at 31 March, 2019	Balance as at 1 April,2018	Depreciation / amortisation expense for the year	Disposals/ Adjustments	Balance as at 31 March, 2019	Balance as at 31 March, 2019
(a) Land - Freehold	6,356.71	-	-	6,356.71	-	-	-	-	6,356.71
(b) Buildings	3,444.02	10.41	1.02	3,453.41	421.97	216.40	1.02	637.35	2,816.06
(c) Operating fleet/ equipments	1,628.20	214.74	200.34	1,642.60	689.17	280.08	76.69	892.56	750.04
(d) Machinery	37.42	-	-	37.42	7.10	3.54	-	10.64	26.78
(e) Office Vehicles	42.66	-	20.54	22.12	31.62	8.21	17.76	22.07	0.05
(f) Furniture	6.83	0.17	-	7.00	2.81	0.78	0.01	3.58	3.42
(g) Office equipment	79.15	7.29	-	86.44	47.55	15.08	-	62.63	23.81
Total	**11,594.99**	**232.61**	**221.90**	**11,605.70**	**1,200.22**	**524.09**	**95.48**	**1,628.83**	**9,976.87**
Capital work - in - progress									582.04

Notes:

(a) (Details of assets pledged as security for borrowings - Refer Note 12.2 and 16.1

(b) Amount of contractual commitments(net of advances) for acquisition of property, plant and equipment -Rs. Nil (March 31,2018 Rs. Nil)

(c) Buildings includes buildings on leasehold having net carrying amount of Rs. 1653.85 lakhs (March 31,2018 1,832.97 lakhs)

Note 2 Intangible Assets

Software acquired	23.43	8.66	-	32.09	8.71	9.77	-	18.48	13.61
Total	**23.43**	**8.66**	**-**	**32.09**	**8.71**	**9.77**	**-**	**18.48**	**13.61**

Note :

(a) Amount of contractual commitments for acquisition of intangible assets - Rs. Nil (March 31, 2018 Rs. Nil)

Note 1 Property Plant and Equipment and Capital Work in Progress

2017-18 Rs. In Lakhs

Property, plant and equipment (PPE)	Gross carrying amount					Accumulated depreciation					Net carrying amount
	Balance as at 1 April, 2017	Additions	Disposals	Acquistions through business combinations	Balance as at 31 March, 2018	Balance as at 1 April, 2017	Depreciation / amortisation expense for the year	Disposals/ Adjustments	Acquistions through business combinations	Balance as at 31 March, 2018	Balance as at 31 March, 2018
(a) Land - Freehold	6,356.71	-	-		6,356.71	-	-	-	-	-	6,356.71
(b) Buildings	3,387.74	56.28	-		3,444.02	210.81	211.16	-		421.97	3,022.05
(c) Operating fleet/ equipments	1,354.72	0.33	97.99	371.14	1,628.20	323.53	389.12	23.49	-	689.17	939.03
(d) Machinery	37.42	-	-		37.42	3.55	3.55	-		7.10	30.32
(e) Office Vehicles	42.66	-	-		42.66	16.68	14.94	-		31.62	11.04
(f) Furniture	6.83	-	-		6.83	1.40	1.41	-		2.81	4.02
(g) Office equipment	74.50	4.65	-		79.15	23.70	23.85	-		47.55	31.60
Total	**11,260.58**	**61.26**	**97.99**	**371.14**	**11,594.99**	**579.67**	**644.03**	**23.49**	**-**	**1,200.22**	**10,394.77**
Capital work - in - progress											464.52

Notes:

(a) Details of assets pledged as security for borrowings - Refer Note 12.2 and 16.1

(b) Amount of contractual commitments(net of advances) for acquisition of property, plant and equipment - Rs. Nil (March 31,2017 -Rs .Nil)

(c) Buildings includes buildings on leasehold having net carrying amount of Rs. 1,832.97 lakhs (March 31, 2017 Rs. 1,958.12 lakhs)

Note 2 Intangible Assets

Software acquired	8.26	15.17	-		23.43	2.03	6.68	-		8.71	14.72
Total	**8.26**	**15.17**	**-**	**-**	**23.43**	**2.03**	**6.68**	**-**	**-**	**8.71**	**14.72**

Note :

(a) Amount of contractual commitments for acquisition of intangible assets - Rs. Nil (March 31,2017 Rs . Nil)

Notes to the Consolidated Financial Statements - Part B

	As at March 31,2019 Rs. in Lakhs	As at March 31,2018 Rs. in Lakhs
3 Non - Current Financial Assets - Investments		
Unsecured, considered good		
(a) Security deposits	48.75	35.01
(b) Interest accrued on fixed deposits	10.25	1.73
(c) Bank deposits with remaining maturity of more than 12 months	14.47	0.46
(d) Other advances		
- Rent deposit	15.99	97.02
- Earnest money deposit	7.86	21.17
Notes :	97.32	155.39
3.1 The above assets carried at amortised cost.		
4 Other Non - Current Assets		
Unsecured, considered good		
(a) Advance Income tax-net of provisions	738.24	970.94
(b) Prepaid expenses	2.57	24.50
(c) Taxes paid under Protest	20.46	13.86
	761.27	1,009.30
5 Current Assets - Inventories		
- Stores and spares	11.15	10.48
	11.15	10.48
6 Current Financial Assets - Trade Receivables		
Trade receivables		
- Unsecured, considered good		
(a) Related parties (Refer Note .35 and 36)	961.14	750.29
(b) Others	1,649.19	1,381.64
	2,610.33	2,131.93
- Unsecured, considered doubtful	29.27	-
Less: Allowance for credit losses	(29.27)	-
	2,610.33	2,131.93

Notes to the Consolidated Financial Statements - Part B

Rs. in Lakhs

6.1 Movement in allowance for credit losses is as follows	Opening	Additions (net)	Closing
- March 2019	-	29.27	29.27

7.1 Cash and cash equivalents	**As at March 31,2019 Rs. in Lakhs**	As at March 31,2018 Rs. in Lakhs
(a) Balance with banks		
- in current account	46.45	92.35
(b) Cheques on hand	-	42.46
(c) Cash on hand	3.25	2.66
	49.70	**137.47**
7.2 Bank Balances other than 9.1 above		
(a) Earmarked bank balances - unclaimed Dividend account	10.98	12.50
(b) Earmarked bank balances - Others	1.15	
(c) Balance with banks held as Margin money	21.59	64.72
(d) Bank deposits with original maturity between 3 to 12 months	178.44	426.48
	212.16	**503.70**
8 Current Financial Assets - Others		
Unsecured, considered good		
(a) Interest accrued :		
- Fixed deposits with banks	15.71	29.99
(b) Unbilled revenue	-	158.15
(c) Advances to Others	78.70	36.34
(d) Earnest Money Deposit	-	-
(e) Employee advance	5.51	3.47
(f) Bank deposits with remaining maturity less than 12 months	85.35	117.90
	185.27	**345.85**
9 Other Current Assets		
Unsecured, considered good		
(a) Advances to suppliers, contractors and others	46.36	70.51
(b) Prepaid expenses	34.03	52.18
(c) Balance with government authorities	0.61	0.65
(e) Contract Cost	2.54	-
	83.54	**123.34**

Notes to the Consolidated Financial Statements - Part B

10 Equity Share Capital	**As at March 31,2019 Rs. in Lakhs**	As at March 31,2018 Rs. in Lakhs
Authorised		
70,00,000 (March31,2018: 70,00,000)		
Equity shares of Rs. 10 each with voting rights	700.00	700.00
Issued and Subscribed and fully paid up	700.00	700.00
18,00,000 (March 31,2018: 18,00,000) Equity		
Shares of Rs.10 each with voting rights	180.00	180.00
	180.00	**180.00**

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

	As at March 31,2019		As at March 31,2018	
Name of the shareholder	**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	200500	11.14%	199400	11.08%
Sudharsan Logistics Private Ltd	496883	27.60%	463583	25.75%
Sanco Estates and Farms Private Ltd	150100	8.34%	150100	8.34%

10.2 Reconciliation of number of shares (No.s in lakhs)

	As at March 31,2019	As at March 31,2018
Opening	18.00	18.00
Additions/Deletions	-	-
Closing	18.00	18.00

10.3 Rights, Preferences and Restrictions attached to shares 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.

		As at March 31, Rs. in Lakhs	
11 Other Equity	**Note**	**2019**	**2018**
General Reserve	A	4,731.08	4,731.08
Retained Earnings	B,C	4,405.77	4,410.24
		9,136.85	**9,141.32**

Refer “ Statement of Changes in Equity” for additions/ deletions in each reserve

Notes to the Consolidated Financial Statements - Part B

Notes :

A. General reserve is created from time to time by transferring profits from retained earnings can be utilised for the purpose such as dividend payout, bonus issue, etc.

B. In respect of the year ended March 31,2019, the Board of Directors has proposed a dividend of Rs. 0.9 per equity share subject to approval by the shareholders at the ensuing Annual General Meeting. Revaluation reserve of Rs. 4,660.00 lakhs transferred to retained earnings on transition date (April 1,2016) in terms of Ind AS 101 may not be available for distribution of dividend.

C. Pursuant to the business combination , the reserves and surplus of the amalgamating company have been taken over at carrying values(refer note .41).

	As at March 31,2019 Rs. in Lakhs	As at March 31,2018 Rs. in Lakhs
12 Non - Current Financial Liabilities - Borrowings		
Term loans from Banks - Secured		
(i) Loan for acquisition of Land and building - Head Office	483.46	664.77
(ii) Loan for acquisition of Capital assets under deferred		-
payment Scheme	310.28	101.50
	793.74	**766.27**

Notes:

12.1 Refer Note. 18(a) for current maturities of non - current borrowings.

12.2 Security details for borrowings in Note 12 and 18(a)

(a) Loan Sanctioned of Rs. 1,383 lakhs from Bank for acquisition of Land and building - Head Office is secured by the said immovable property and guaranteed by three directors

(b) Loan for acquisition of capital assets under deferred payment scheme is secured by hypothecation of related capital assets and guaranteed by Joint Managing Director.

12.3 For other terms of the borrowings ; Refer Note .46

13 Non - Current Financial Liabilities - Others		
Rental Deposit	49.51	46.38
	49.51	**46.38**

Note : These are carried at amortised cost

Notes to the Consolidated Financial Statements - Part B

14 Non - Current Liabilities - Others	As at March 31,2019 Rs. in Lakhs	As at March 31,2018 Rs. in Lakhs
Rental received in advance	11.83	15.22
	11.83	**15.22**

15 Deferred Tax Liabilities (Net)		
(a) Deferred tax liabilities	323.91	362.52
(b) Deferred tax asset	17.17	18.51
	306.74	**344.01**
c) MAT credit entitlement	(138.46)	(94.92)
	168.28	**249.09**

Note: Refer note..29 and 31 details of deferred tax liabilities and assets

16 Current Financial Liabilities - Borrowings		
Loans repayable on demand - Secured	1,539.48	1,433.13
	1,539.48	**1,433.13**

Notes:

16.1 Security details :

- Cash credit facility is secured by first charge on the book debts and other movable assets both current and future of the company, land and structures thereon at Container Freight Station and guaranteed by three Directors.'

17 Current Financial Liabilities - Trade payables		
Trade payables		
Total outstantanding dues of micro enterprises and small enterprises		
Total outstanding dues of creditors other than micro enterprises and small enterprises	800.10	967.43
	800.10	**967.43**

17.1 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..

Notes to the Consolidated Financial Statements - Part B

18 Current Financial Liabilities - Others	As at March 31,2019 Rs. in Lakhs	As at March 31,2018 Rs. in Lakhs
(a) Current maturities of long term debt - Secured	321.73	692.12
(b) Interest accrued but not due	17.57	21.16
(c) Creditors for expenses	1,374.49	1,222.29
(d) Employee benefits	48.38	52.24
(e) Capital creditors	11.64	11.64
(f) Unclaimed dividend	10.98	12.50
(g) Due to directors	50.45	50.22
(h) Advance for purchase of PPE - Related Party	-	106.08
(i) Other payables	50.60	25.20
	1,885.84	**2,193.45**

18.1 Security and other details for current maturities of long term debt: Refer Note 12 and 12.3

19 Other Current Liabilities		
a) Refund liability	53.00	127.62
b) Unearned income	-	6.15
c) Statutory dues	96.41	102.26
d) Rent received in advance	3.39	3.15
	152.80	**239.18**

20 Provisions		
Provision for employee benefits - Bonus	45.10	60.00
	45.10	**60.00**

20.1 Movement in Bonus is as follows	Opening	Additions (net)		Closing
- March 2019	60.00	-14.90		45.10
- March 2018	58.06	1.94		60.00

21 Revenue from Operations		
Sale of Services		
(a) Handling earnings	5,314.25	4,619.05
(b) Equipment and fleet hire earnings	4,113.46	3,571.40
(c) Warehouse earnings	749.79	277.16
(d) Agency and other earnings	391.98	322.96
	10,569.48	**8,790.57**

Notes to the Consolidated Financial Statements - Part B

21.1 Warehouse earnings is net of incentives/ rebates/ trade discounts of Rs. 1075.21 lakhs (2017-18 Rs.977.31 lakhs)

21.2 Tax deducted at source on Revenue from operations Rs. 162.39 lakhs (2017-18 Rs 210.04 lakhs);

22 Other Income	As at March 31,2019 Rs. in Lakhs	As at March 31,2018 Rs. in Lakhs
(a) Interest Income	76.92	100.09
(b) Other non - operating income	-	
(i) Net gain on disposal of property, plant and equipment	82.61	22.71
(ii) Rent received	90.06	90.26
(iii) Others	10.79	5.95
(iv) Provisions no longer required written back	-	112.53
	260.38	**331.54**

22.1 Tax deducted at source on Interest income Rs. 3.72 lakhs (2017-18 Rs 1.80 lakhs).

23 Operating expenses		
(a) Handling expenses	2,330.18	1,653.91
(b) Container repairs	226.26	242.95
(c) Hired equipments upkeep	113.87	83.91
(d) Operating equipments upkeep	1,596.92	1,497.70
(e) Others	84.70	86.75
	4,351.93	**3,565.22**

24 Employee benefits expense	Year ended March 31,2019 Rs. in Lakhs	Year ended March 31,2018 Rs. in Lakhs
(a) Salaries, wages and bonus	838.82	798.60
(b) Contribution to provident and other funds	74.68	76.65
(c) Staff welfare expenses	190.89	195.20
	1,104.39	**1,070.45**

24.1 Contribution to Defined Contribution Plans, recognised as expense for the year is as under

a) Employer's Contribution towards provident fund Rs.50.47 lakhs (2017-18, 58.50 lakhs)

b) Employee's welfare expenses includes contribution to Employee's Sate Insurance Plan Rs. 12.36 Lakhs (2017-18 Rs. 12.55 lakhs)

Notes to the Consolidated Financial Statements - Part B

25 Finance costs		
(a) Interest expenses	261.82	279.39
(b) Other borrowing costs		
- Guarantee Charges	7.70	9.19
	269.52	**288.58**
26 Other expenses		
(a) Consumption of Stores and tools	5.36	9.29
(b) Power and fuel	62.83	58.25
(c) Rent		
- Warehouse	360.36	376.07
- Others	45.27	48.10
(d) Repairs to buildings		
- Warehouse	20.85	43.40
- Others	63.36	35.77
(e) Repairs to machinery and office vehicles	19.00	3.23
(f) Fuel for office vehicles	10.73	12.72
(g) Insurance		
- Office vehicles	23.18	9.70
- Others	1.04	2.02
(h) Rates and taxes	28.39	31.65
(i) Travel and conveyance	75.15	97.92
(j) Security Services	82.75	91.98
(k) Allowance for credit loss	16.49	
(l) Others *	169.25	181.67
	984.01	**1,001.77**

26.1 Others include :	**Year ended March 31,2019 Rs. in Lakhs**	Year ended March 31,2018 Rs. in Lakhs
Payment to auditors		
Statutory Audit fee	3.06	3.06
Taxation matters	0.50	0.50
Certification fees and other services	0.32	0.32

Notes to the Consolidated Financial Statements - Part B

27 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:

a) The Consolidated Financial Statements have been prepared in accordance with Ind AS 110 "Consolidated Financial Statements", specified under Section 133 of the Companies Act, 2013.

b) 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.

c) The following subsidiary companies are considered in the Consolidated Financial Statements

S.No.	Name of the Subsidiary	Country of Incorporation	% of ownership interest
1	Sanco Clearance Limited	India	100%

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

S.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
	Holding Company				
1	Sanco trans Limited	100.06%	9,142.49	98%	(37.27)
	Indian Subsidiaries				
2	Sanco Clearance Limited	(0.12%)	(10.69)	4%	(1.64)
	Sub Total		9,131.80		(38.91)
	Add: Effect of Intercompany	0.06%	5.05	(-2%)	0.95
	adjustments/eliminations				
	TOTAL	**100%**	**9,136.85**	**100%**	**(37.96)**

28 Income tax expense (income) for the year reconciled to accounting profit (loss):	**Year Ended March 31,2019 Rs. in Lakhs**	Year Ended March 31,2018 Rs. in Lakhs
Profit (loss) before tax	(52.24)	(200.25)
(i) Applicable Income tax rate	26.00%	26.00%
(ii) Income tax expense calculated at above rates	(13.58)	(52.07)
(iii) Effect of concessions/deductions(80IA etc..)	-	(3.91)
(iv) Effect of timing difference on account of expense	(1.37)	-
(v) Effect of reversal of deferred tax liability other than that pertaining to revalued assets	0.49	(48.36)
(vi) Others	0.18	(20.39)
Income tax expense recognised in statement of profit and loss	(14.28)	(124.72)

Notes to the Consolidated Financial Statements - Part B

29 Analysis of deferred tax assets/liabilities

Rs in lakhs

March 31,2019	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Recognised in other equity	Closing balance
Deferred tax (liabilities) assets in relation to :					
PPE and intangible assets other than land	(338.58)	(31.99)		46.66	(323.91)
Land	(23.94)	-		23.94	-
Provisions	18.51	(1.34)		-	17.17
	(344.01)	(33.33)		70.60	(306.74)

March 31,2018	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Recognised in other equity	Closing balance
Deferred tax (liabilities) assets in relation to :					
PPE and intangible assets	(434.61)	48.41		47.62	(338.58)
Land	(53.21)	-		29.27	(23.94)
Provisions	49.51	(31.00)		-	18.51
	(438.31)	17.41		76.89	(344.01)

30. Deferred tax liability on 01.04.2016 on immovable property revalued as at March 31,2009 was recognised by adjustment in Retained Earnings. Consequently, the reversal to the extent of such liability in FY 2018-19 is also recognised in Retained Earnings in terms of Paragraph 61A of Ind AS 12. No deferred tax asset on immovable property is recognised given that lands may never be sold or sold in the very distant future by which time either tax laws may have changed or the Group may have tax losses with the benefit of indexation not being realised.

30.1 Unrecognised deductible temporary differences, unused tax losses and unused tax credits.

Rs . In Lakhs

Particulars	March 31,2019	March 31,2018
Unused tax credits	287.47	331.01

These will expire in the years from financial year 2025 -26 to 2031 -32

31. Events after the Reporting Period

The Board of Directors have recommended dividend of Rs.09 per fully paid up equity share of Rs. 10 each, aggregating Rs. 19.49 lakhs for the financial year 2018-19, which is based on relevant share capital as on March 31,2019. The actual dividend amount will be dependent on relevant share capital outstanding as on the record date/ book closure.

Notes to the Consolidated Financial Statements - Part B

	Year Ended March 31,2019 Rs. in Lakhs	Year Ended March 31,2018 Rs. in Lakhs
32.1 Earnings per share		
Basic earnings per share	(2.11)	(4.28)
Diluted earnings per share	(2.11)	(4.28)
Face value per share		
32.2 Basic and diluted earnings per share		
Profit (loss) for the year attributable to equity shareholders	(37.96)	(76.99)
	No's in lakhs	No's in lakhs
Weighted average number of equity shares used in calculation of basic earnings per share	18	18
Weighted average number of equity shares used in calculation of diluted earnings per share	18	18

33. Segment information - The Company's Operating segment is identified based on nature of services, risks, returns and the internal business reporting System. The Company is primarily engaged in Logistics - Operating Segment.

34. Information about major customers - Disclosure of amount of revenues from transactions with single customer amount to 10 % or more of Company revenue.

Rs. In Lakhs

Revenue from	2018-19	2017-18
Customer -1	1,362.54	1,159.26
Customer -2	1,261.02	-

35. Related Parties as per Ind AS 24 with whom the company has had transactions #

(i) List of Related Parties

(a) Key Management Personnel (KMP)

Shri V Upendran	-	Managing Director
Shri S Sathyanarayanan	-	Joint Managing Director
Shri U Udayabhaskar Reddy	-	Whole time Director
Shri S R Srinivasan	-	Director - Finance

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

Sudharsan Logistics Private Limited (SLPL)

(c) Entity which is Post Employment Benefit Plan :

Sanco Trans Limited Employees Group Gratuity Trust Fund

(d) Entities in which KMP has control

Sakthi Hitech Constructions Pvt Ltd

(e) Relative of KMP

Srimathi - Devaki Santhanam

Notes to the Consolidated Financial Statements - Part B

	Year Ended March 31,2019 Rs. in Lakhs	Year Ended March 31,2018 Rs. in Lakhs
(ii) Related Party Transactions and Closing balance		
(a) Key Management Personnel		
Remuneration*		
Short term employee benefits	132.00	126.00
Rent Payment	1.42	1.42
Amounts due at year end	50.45	50.22
(b) Enterprise where significant influence is exercised on the Company		
Tractor/Trailer hire charges paid	175.20	189.09
Tractor/Trailer hire charges earned	-	-
Lease rent paid	44.24	29.43
Operating and maintenance charges earned	1,362.54	1,159.26
Dividend paid	4.17	4.17
Trade Receivables	961.14	750.29
Other Receivables	-	-
Trade Payable	-	26.71
Rent advance outstanding	5.50	5.00
(c) Post Employment Benefit Plan		
Contribution towards gratuity	16.69	14.41
Other Comprehensive Income	17.62	(5.61)
Prepaid expenses	-	4.71
Gratuity liability	28.76	-
(d) Entities over which KMP has control		
Handling earnings	-	0.38
Equipment hire earnings	-	0.09
Warehouse earnings	-	0.34
(e) Relative of KMP		
Sitting fees	0.50	0.50

* Managerial Remuneration above does not include gratuity benefit since the same is actuarially computed for all the employees and the amount attributable to the managerial personnel cannot be ascertained separately.

Notes to the Consolidated Financial Statements - Part B

The above transactions does not includes reimbursement of expenses.

As per section 149(6) of the Companies Act,2013, Independent Directors are considered as "Key Managerial Personal" Also, Considering the roles and functions of independent directors stated under Schedule IV of the Companies Act, 2013, They have not been disclosed as KMP for the purpose of disclosure requirements of Ind AS -24 "Related - Parties"

36. Related Parties with whom the company has not had any transactions

(i) Entities in which KMP has control : 1. Premium Mint and Herb Pvt Ltd , 2. Sanco Estates and Farms Pvt Ltd , 3. Shreyas Wheels Pvt Ltd, 4. The Nellikuppam Industires,5. Sri Sathyanaraynan & Co.

37 Contingent Liabilities	As at March 31,2019	As at March 31,2018
(a) Claims against the company not acknowledged as debts		
(i) Income Tax	19.81	19.81
(ii) Service Tax	20.32	46.00
(iii) Others	31.78	34.37
(b) Bank guarantees	114.11	685.38

Note : Future cash outflows in respect of above are determinable only on receipt of judgement / decisions pending with various forums / authorities.

38. Corporate Social Responsibility (CSR) Obligation:

The Provisions of section 135 of Companies Act 2013,(Corporate Social Responsibility) are not applicable to the company for current and previous financial year.

39. Foreign Currency Transactions

Foreign exchange and foreign currency transactions and derivatives - (i) Imports – Rs. 52.69 lakhs (2017-18 Rs 3.48 lakhs); (ii) Other expenditure in foreign currency Rs. 3.32 lakhs (2017-18 Rs. 1.26 lakhs); (iii) Other earnings in foreign exchange Rs. 76.01 lakhs (2017-18 Rs.83.51 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$. 8,087 equivalent Rs. 5.59 lakhs (March 31, 2018 US $ 17382.71 equivalent Rs 11.33 lakhs); Amount payable on account of services obtained US $ .9,736.39 equivalent Rs. 6.73 lakhs, GBP 392.80 equivalent Rs. 0.36 (March 31,2018 US $ 3,148.84 equivalent Rs. 1.95 lakhs, GBP 392.80 equivalent 0.36 lakhs).

40. The Company has taken land and buildings under operating lease for which lease rent of Rs. Nil (2017-18 Rs.275.64 lakhs) paid has been included in Other expenses note no. 28

Notes to the Consolidated Financial Statements - Part B

Rs. in Lakhs

Particulars	Minimum Future Lease rentals		
Lease rental	Due within 1 year	Due later 1 year and not later than 5 years	Due later than 5 years
2018-19	-	-	-
2017-18	275.64	-	-

The Company has purchased vehicles on hire purchase loan, Details of Repayments are as follows:

Rs. in Lakhs

Particulars	Minimum Future Lease rentals		
	Due within 1 year	Due later 1 year and not later than 5 years	Due later than 5 years
(i) Principal Repayments (2018-19)	139.03	310.28	-
(ii) Interest Repayments(2018-19)	25.40	28.40	-
(i) Principal Repayments (2017-18)	294.59	734.53	-
(ii) Interest Repayments(2017-18)	14.87	2.35	-

41.1 Accounting for business combination

The scheme of amalgamation for the merger of Sanco Transport Limited (" the amalgamating company") with the company was approved the Board of Directors at its meeting held on February 28 ,2018 with the appointed date of March 1,2018. The said scheme has been approved by various statutory and regulatory bodies and final order of National Company Law Tribunal ("NCLT") has been received on April 15 ,2019. This common control business combination has been accounted as per the scheme and in accordance with Ind AS 103 "Business Combination" notified under the Companies Act, 2013.

41.2. Accounting Treatment

The business combination has been accounted by using the Pooling of Interest method in accordance with the said approved Scheme of Amalgamation and Ind AS 103 Accordingly, the Company has recorded all the assets, liabilities and reserves of amalgamating company at their respective book values, the details of which as as follows.

Particulars	**Rs. In Lakhs**
Assets	
Property, plant and equipment	371.13
Rent deposit	0.50
Other non current assets	14.09
Trade receivables	90.55
Cash and cash equivalents	0.19
other current assets	35.48
	511.94

Liabilities	
Borrowings	504.62
Trade Payables	260.27
other financial liabilities	144.00
other current liabilities	1.39
	910.28
Reserves	
Retained earnings	(403.34)

42. Revenue from contracts with customers:

	Particulars	'March 31, 2019* Rs. in Lakhs
(a)	**Disaggregated revenue information**	
	Type of goods and service	
	Revenue from logistics service	11,644.69
	Less: Commission, rebate and discounts	1,075.21
	Total revenue from contract with customers	**10,569.48**
	India	10,505.00
	Outside India	64.48
	Total revenue from contract with customers	10,569.48
(b)	**Contract balances**	**March 31, 2019***
	Trade receivables	2,610.33
	Contract assets (Refer note (c) below)	183.23
	Contract liabilities	2.97

(c) Trade receivables are non-interest bearing and are generally on terms of "Cash and Carry". Contract assets are unbilled revenue earned which are recognised upon completion of obligation. Upon billing as per the terms of the contract, the amounts recognised as contract assets are reclassified to trade receivables.

(d) Revenue recognised in relation to contract liabilities

Particulars	March 31, 2019* Rs. in Lakhs
Amounts included in contract liabilities at the beginning of the year	6.15
Performance obligations satisfied in previous years	3.19

(e) Reconciliation of revenue recognised in the statement of profit and loss with the contracted price

Particulars	March 31, 2019* Rs. in Lakhs
Revenue as per contracted price	11,647.66
Adjustments	
Commission, rebate and discounts	1,075.21
Less: Contract liabilities - Unearned revenue	2.97
Revenue from contract with customers	**10,569.48**

'* Pursuant to the transitional provision in IND AS 115, the relevant disclosures for the comparative period are not furnished.

(f) Changes in accounting policy - on account of adoption of IND AS 115

The Company applied Ind AS 115 for the first time by using the modified retrospective method of adoption with the date of initial application of 1 April 2018. Under this method, the Company recognised the cumulative effect of initially applying Ind AS 115 as an adjustment to the opening balance of retained earnings as at 1 April 2018. Comparative prior period has not been adjusted. The Company has applied the revenue standard only to contracts that are not completed as at the date of initial application. The impact of applying the erstwhile Ind AS 18 Revenue instead of Ind AS 115 Revenue from Contracts with customers on the financial results of the Company for the year ended March 31, 2019 and other adjustments as at March 31, 2019 on account of adoption of Ind AS 115 is as given below.

The following table presents the amounts by which each financial statement line item is affected in the current year ended 31 March 2019 by the application of Ind AS 115 as compared with the previous revenue recognition requirements. Line items that were not affected by the changes have not been included. As a result, the sub-totals and totals disclosed cannot be recalculated from the numbers provided. The adjustments are explained in more detail by standard below.

Currency impact	March 31, 2019 (if IND AS 115 is not adopted)	Adjustments on account of adoption of IND AS 115	Reported March 31, 2019
Statement of Profit and Loss for the year ended March 31, 2019	Nil adjustments		
Balance Sheet	-	-	
Assets			
Current Assets			
Financial assets			
Other financial assets	368.50	(183.23)	185.27
Contract assets	-	183.23	183.23
Current liabilities			
Contact Liabilities -Unearned Revenue	-	2.97	2.97
Other current liabilities	155.76	(2.97)	152.80

43 Net debt reconciliation: Rs. Lakhs

	As at March 31, 2019	As at March 31, 2018
1. Cash and cash equivalents	49.70	137.47
2. Current borrowings	(1,539.48)	(1,433.13)
3. Non-current borrowings	(1,115.35)	(1,458.39)
Net debt	**(2,605.13)**	**(2,754.05)**

	Other assets		Non-current borrowings	Current borrowings	Total
	cash and bank overdraft	Liquid investments			
Net debt as at March 31, 2018	137.47	-	(1,458.39)	(1,433.13)	(2,754.05)
Cash flows	(87.77)	-	342.19	(109.09)	145.33
Interest expense	-		-138.14	(131.13)	(269.27)
Interest paid	-		138.99	133.87	272.86
Net debt as at March 31, 2019	49.70		(1,115.35)	(1,539.48)	(2,605.13)

Note:

Assets to be represented by positive numbers

Liabilities to be represented by negative numbers

44. Financial risk management objectives and policies

The Company's principal financial liabilities, comprise of loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company also holds investments..

The Company is exposed to market risk, credit risk,and liquidity risk. The Company's risk management is undertaken by the senior management under the guidelines and framework approved by the financial risk committee.The committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives which is reviewed and adopted by The Board of Directors for managing each of these risks, which are summarised below.

A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include Long term borrowings, Advances and deposits.

i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency). Since the value of foreign currency exposed risk is not material, The company has natural hedging where applicable.

Currency	Net exposure on the currency		Net overall exposure on the currency
	Liabilities	Assets	
2019(USD)	9,736.39	8,087.00	(1,649.39)
2019(GBP)	392.80	-	(392.80)
2018(USD)	3,148.84	17,382.71	14,233.87
2018(GBP)	392.80	-	(392.80)

"The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financials instruments.

	(USD)		(GBP)	
Currency impact	2019	2018	2019	2018
Profit/Loss	(32.99)	284.68	(7.86)	(7.86)
Equity	-	-	-	-

ii) Interest rate risk

The Company is exposed to interest rate risk pertaining to funds borrowed at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings.

The sensitivity analysis below has been determined based on the exposure to interest rates at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming that the amount of the liability as at the end of the reporting period was outstanding for the whole year. A 25 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents Management's assessment of the reasonably possible change in interest rates. If interest rates had been 25 basis points higher/ lower, the Company's profit for the year ended March 31, 2019 would decrease/ increase by Rs. 0.67 lakhs (2017-18: decrease/ increase by Rs. 0.66 lakhs). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

B) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, resulting in a financial loss to the Company. Credit risk arises from outstanding trade receivables and from its financing activities, including deposits with banks and institutions and investments.

Customer credit risk is managed by each business unit based on the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored. The Company has customer base across diverse industries.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively.The Company makes an allowance for doubtful debts using expected credit loss model and on a case to case basis.The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

C) Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts and bank loans . Rs. 321.73 lakhs of the Company's borrowing will mature in less than one year at 31 March 2019 (31 March 2018: 692.12 lakhs) based on the carrying value of borrowings reflected in the financial statements. The Company has obtained fund and non-fund based working capital limits from banks. The Company invests its surplus funds in bank fixed deposit which carry minimal mark to market risks.

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2019..

Year ended	Rs. In Lakhs		
	On demand	Less than 1 year	More than 1 year
Borrowings	1,539.48	321.73	793.74
Other financial liabilities	-	1,564.03	49.51
Trade and other payables	-	800.10	-
Total	**1,539.48**	**2,685.86**	**843.25**

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2018.

Year ended	Rs. In Lakhs		
	On demand	Less than 1 year	More than 1 year
Borrowings	1,433.13	692.12	766.27
Other financial liabilities	-	2,193.45	46.38
Trade and other payables	-	967.43	-
Total	**1,433.13**	**3,853.00**	**812.65**

E) Excessive concentration risk

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry. In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

D) Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company's objective when managing capital are to ensure their ability to continue as going concern, so that they can leverage maximise returns for shareholders and benefits of other stakeholders; and to maintain an optimal capital structure to reduce cost of capital.Capital management and funding requirements is met through equity, internal accruals and long and short term debt instruments. The Company monitors capital management though gearing ratio which considers Debt (net of cash and cash equivalents) and equity.

Particulars	Rs. In Lakhs	
	March 31,2019	March 31,2018
Borrowings	5,068.59	2,891.52
Less : cash and cash equivalents and Bank Balances	(268.65)	(641.17)
Net debt	4,799.94	2,250.35
Equity	9,316.85	9,321.32
Equity and net debt	14,116.79	11,571.67
Gearing ratio	0.52	0.24

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

Post Employment Obligations:

45.a. Defined Contribution plan

The Company has certain defined contribution plans. Contributions are made to provident fund in India for the employees at the rate of 12% of the basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation so the company is restricted to the amount contributed and it has no further contractual or constructive obligation. The expense recognised during the period towards defined contribution plans Rs. 50.47 lakhs

Notes to the Consolidated Financial Statements - Part B

45.b. Defined benefit plans

Gratuity -

In respect of Gratuity plan, the most recent actuarial valuation of the plan assets and present value of the defined benefit obligation were carried out as at March 31,2019. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method. The following table sets forth the status of Gratuity Plan of the Company and the amount recognised in the Balance Sheet and the Statement of Profit and Loss. The Company provides the Gratuity Plan of the Company and the amount recognised in the Balance Sheet and Statement of Profit and Loss. The Company provide the gratuity benefit through annual contributions to a fund managed by the Life Insurance Corporation of India (LIC). The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service.

The Company is exposed to various risks in providing the above gratuity benefit which are follows.

Risk	Particulars
Interest Rate Risk	The Plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in value of the liability (as shown in the financial statements).
Investment Risk	The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.
Salary Escalation Risk	The present value of defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine present value of obligation will have bearing on the plan's liability.
Longevity Risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

45.(i) The principal assumptions used for the purpose of the actuarial valuation were as follows:

	As at March 31,2019	As at March 31,2018
Discount rate	7.50%	8.00%
Rate of increase in compensation levels	5.00%	5.00%
Attrition rate fixed by Enterprise	1-3%	1-3%

The estimate of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Notes to the Consolidated Financial Statements - Part B

(ii) Amounts recognised in total comprehensive income in respect of defined benefit plans are as follows:

	As at March 31,2019	As at March 31,2018
Gratuity -		
Current service cost	13.35	13.39
Net Interest on Net Defined Benefit Obligations	26.66	26.07
Expected Return on Plan Assets	(24.24)	(25.05)
Components of defined benefit cost recognised in profit or loss	**15.77**	**14.41**
Remeasurement on the net defined benefit liability comprising :		
Actuarial (gain) loss for year - obligation	17.62	(5.61)
Actuarial (gain) loss for year - plan assets	-	-
Components of defined benefit costs recognised in other comprehensive income	**17.62**	**(5.61)**
Total	**33.39**	**8.80**

The current service cost and the net interest on Net Defined Benefit Obligations for the year are included in " contribution to provident and other funds" under employment benefits expense in profit or loss (Refer Note . 24 (b))

(iii) The amount included in the balance sheet arising from the Company's obligation in respect of its defined benefit obligations (funded).

	As at March 31,2019	As at March 31,2018
Gratuity -		
Present Value of defined benefit obligation	335.51	333.23
Fair Value of Plan Assets	306.75	337.37
Net liability arising from defined benefit obligation (funded)	**28.76**	**(4.14)**

(iv) Movement in present value of defined benefit obligation in the current year were as follows:

	As at March 31,2019	As at March 31,2018
Gratuity -		
Present value of defined benefit obligation as at the beginning	333.23	325.92
Interest Cost	26.66	26.07
Current service cost	13.35	13.40
Past service cost	-	-
Benefits paid	(55.36)	(26.55)
Actuarial loss/(gain) on obligation	17.62	(5.61)
Present value of defined benefit obligation as at the end	**335.51**	**333.23**

(v) Movement in fair value of the plan assets in the current year were as follows ::

	As at March 31,2019	As at March 31,2018
Gratuity -		
Fair value of plan assets as at the beginning of the period	**337.37**	**336.63**
Expected return on plan assets	24.24	25.05
Contributions	0.49	2.24
Benefits paid	(55.36)	(26.55)
Actuarial gain/(loss) on plan assets [balancing figure]	-	-
Fair value of plan assets as at the end of the period	**306.75**	**337.37**

(vi) The Company funds the cost of the gratuity expected to be earned on a yearly basis to Life Insurance Corporation of India, which manages the plan assets.

The actual return on plan assets was Rs. 24.24 lakhs (2017-18 Rs. 25.05 lakhs)

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase.

46 Details of terms of Secured Loans - Refer seperate statement annexed

For and on behalf of the Board

For **R.Sundararajan & Associates**
Chartered Accountants
Firm Registration No. 008282S
S.Krishnan - Partner
Memb. No. 26452

V Upendran
Chairman and Managing Director
DIN: 00557511

S Sathyanarayanan
Joint Managing Director
DIN: 00446573

Chennai
May 30, 2019

M V M Sundar
Company Secretary

S R Srinivasan
Director- Finance
DIN: 03559408

46. Details of terms of Secured Loans

LOAN A/C	LOAN AMOUNT		NO. OF INSTALMENTS		INTEREST RATE RANGE		INSTALMENT RANGE		LOAN CLOSURE DATE	
	As on March 31,2019	As on March 31,2018	As on March 31,2019	As on March 31,2018	As on March 31,2019	As on March 31,2018	As on March 31,2019	As on March 31,2018	As on March 31,2019	As on March 31,2018
LA 18	666.15	805.86	45	57	9.55%	9.90%	14.32-13.10	8.33-20.83	15.12.22	15.12.22
LA 28	100.84	304.34	---	---	7.90%	9.15%	---	----	---	----
LA 29	---	8.29	---	02	---	11.25%	----	3.70-4.17	20.05.18	20.05.18
LA 30	69.76	180.28	07	19	10.04%	10.04%	9.70-10.22	7.96-10.22	15.10.19	15.10.19
LA 31	0.00	34.70	---	09	---	11.26%	----	3.32-5.16	20.12.18	20.12.18
LA 32	84.22	---	40	---	8.71%	---	1.80-2.43	---	15.07.22	---
LA 33	81.73	---	42	---	9.00%	---	1.65-2.25	---	20.09.22	---
LA 34	85.21	---	46	---	9.25%	---	1.53-2.19	---	15.01.23	---
LA 35	25.17	---	59	---	9.00%	---	0.34-0.53	---	07.02.24	---
LA 36	---	16.04	---	13	10.46%	10.46%	2.80-3.44	2.80-3.44	15.04.19	15.04.19
LA 37	---	13.45	---	13	10.46%	10.46%	2.32-2.88	2.32-2.88	15.04.19	15.04.19
LA 38	---	44.66	---	13	11.25%	11.25%	2.75-3.63	2.75-3.63	20.04.19	20.04.19
LA 39	2.39	50.77	9	23	10.01%	10.01%	0.84-2.16	0.84-2.16	20.02.20	20.02.20
TOTAL	**1,115.47**	**1,458.39**								

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