

**Sical Logistics Ltd**

South India House  
73 Armenian Street

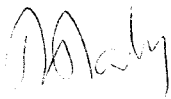
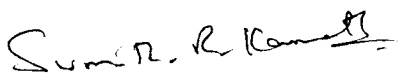
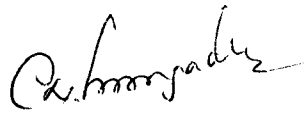
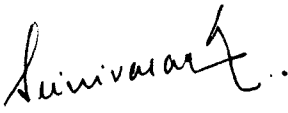

Chennai 600 001 India

Phone : 91.44.66157016 Fax : 91.44.66157017

**SICAL**  
COFFEE DAY CO.

**FORM A**

**Format of Covering Letter of the annual audit report to be filed with the stock exchanges**

1.	Name of the Company	Sical Logistics Limited
2.	Annual financial statements for the year ended	31 <sup>st</sup> March, 2014
3.	Type of Audit observation	Unqualified
4.	Frequency of observation	Not Applicable
5.	<div>Managing Director </div> <div>CFO </div> <div>Auditor of the Company </div> <div>Audit Committee Chairman </div> <div></div>	

Website

India House, 73, Armenian Street, Chennai :: 600001

CIN : L51909TN1955PLC002431







SICAL LOGISTICS LTD.

SICAL  
COFFEE DAY CO.

Lean. Fast. Agile  
India's Leading Integrated Logistics Solution Provider

Annual Report  
2013-14



P O R T \* R A I L \* R O A D \* C F S \* M I N I N G



To be the most Reliable, Trusted and Preferred logistics partner across Business, providing Cost Effective, Innovative and Best-Fit solutions for customers, ultimately enhancing value for all its Stakeholders.

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Disclaimer: The information and opinions contained in this document do not constitute an offer to buy any of Sical's securities, businesses, products, or services. The document might contain forward looking statements qualified by words such as 'expect', 'plan', 'estimate', 'believe', 'project', 'intends', 'exploit', and 'anticipates', that we believe to be true at the time of the preparation of the document. The actual events may differ from those anticipated in these statements because of risk, and uncertainty of the validity of our assumptions. Sical does not take on any obligation to publicly update any forward looking statement, whether as a result of new information, future events or otherwise.

QUICK INFORMATION

Board

R Ram Mohan	Managing Director
Kush Desai	Director
Sunil Sudhakarrao Deshmukh	Director (from 01 July 2014)
HR Srinivasan	Director
AS Sundaresha	Director
H Rathnakar Hegde	Director
SR Ramakrishnan	Director (upto 30 June 2014)

Registered office	Bankers	Auditors
South India House	Bank of Baroda	CNGSN & Associates
73 Armenian Street	Canara Bank	Chartered Accountants
Chennai 600001	IDBI Bank	20 Raja Street T Nagar
Voice +91 44 66157016	IIFCL	Chennai 600017
Fax +91 44 66157017	IndusInd Bank	
Email secl@sical.com	ING Vysya Bank	Company secretary
Web www.sical.in	The Ratnakar Bank	V Radhakrishnan
	UCO Bank	
	United Bank of India	
	YES Bank	

# BUSINESS SNAPSHOT

## Port Operations

Handling of dry and liquid bulk cargo at various ports. Services include customs house agency, shipping agency and stevedoring.

## Container Terminals

Handling of containers at Tuticorin container terminal in association with PSA International Pte Ltd.

## CFS/ICD

Container freight stations at Chennai, Vizag, Tuticorin and ICD at Melpakkam

## Trucking and Warehousing

Bulk (dry and liquid), project, ODC, fertilizer, metals, and packaged goods transported across India.

## Bulk Terminals

Exclusive berth, namely, Jawahar Dock 5 at Chennai port to handle large vessels.

Iron ore terminal at Ennore Port.

Deep draft berth for handling iron ore under implementation at New Mangalore Port.

## Container Trains

Pan India container rail operations

Being operated on pan India basis for the movement of edible oil, glasses, pipes, scraps, cereals, granite, marbles, tiles, and copper concentrates.

## Mining Operations

Surface mining

Bulk handling solutions at mines

## Integrated Logistics

End to end integrated logistics solutions for bulk and containerized cargo

# BUSINESS STRUCTURE

22% | Promoters

53% | Co-promoters

25% | Public



## Sical Logistics

Port operations, Trucking and Warehousing



- › Sical Iron Ore Terminal (Mangalore) | 100%  
Iron ore terminal at Mangalore port
- › Bergen Offshore Logistics | 100%  
Offshore logistics
  - › Norsea Global Offshore | 100%  
Offshore logistics
- › Norsea Offshore India | 100%  
Offshore logistics
- › Sical Adams Offshore | 100%  
Offshore logistics
- › Sical Iron Ore Terminal | 63%  
Iron ore terminal at Ennore
- › Sical Infra Assets | 53.60%  
SPV for asset intensive businesses
  - › Sical Multimodal and Rail Transport | 100%  
Pan India container train operations and CFS/ICD
  - › Sical Sattva Rail Terminals | 50%  
Container terminal operations in JV with Sattva
- › Ennore Automotive Logistics | 40.92%  
Automotive yard logistics in JV with MOL & Toyofuji, Japan
- › PSA Sical | 37.50%  
Container terminal in JV with PSA International Pte. Ltd. at Tuticorin

# END-TO-END INTEGRATED MULTIMODAL DELIVERY

## Container Cargo

Sea



Port/terminal



CONTAINER TERMINAL at Tuticorin in JV with PSA International Pte. Ltd., Singapore.

ICD/CFS



CONTAINER FREIGHT STATIONS at Chennai, Tuticorin, Visakhapatnam. Value added services such as bagging, palletizing, strapping, and shrink packing.

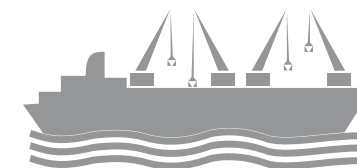
Multimodal  
transportation



Pan India CONTAINER TRAIN operations with multiple rakes carrying exim and domestic cargo on the strategic north south, east north and east west corridors.

customers

## Bulk Cargo



SHIP AGENCY at all major and intermediate ports in India.



STEVEDORING, CUSTOMS CLEARING at Chennai, Tuticorin, Visakhapatnam, Kandla, Haldia, Paradip, Goa, Mangalore.

IRON ORE TERMINALS at Ennore and Mangalore.

COAL TERMINAL at Ennore port.



Pan India TRUCKING FLEET with GSM/GPS systems for real time tracking of high value cargo.



customers

DELIVERY NETWORK



PRODUCTS WE MOVE

Ores	Containers	Dry bulk	Over-dimensional cargo
Iron ore and pellets	20' 40' open top	Coal	Plant and machinery
Manganese	ISO tanks	Coke	Heavy duty handling equipment
Chrome	Packaged goods	Dolomite	Project cargo
Steel	Fertilizer	Limestone	Transformers
HR coils	Cement	Sulfur/rock phosphate	Generators
CR coils	Sugar	Urea	Gases
Slabs	Food	DAP	LPG
Billets	FMCG	MOP	Chlorine
Plates	Consumer electronics	Liquid bulk	Oxygen
Metals	Computers	Diesel	
Copper anode	Tubes	Petrol	
Aluminium ingots		LAB	
		Benzene	
		Ethanol	
		Furnace oil	
		Ammonia	

KEY CUSTOMERS

Andhra Pradesh Paper Mills	Gokul Refoils & Solvent	Precious Carrying Corporation
Adani Enterprises	GTL Infrastructure	Rajshree Cements
Asahi India Glass	Hindustan Copper	Rashtriya Ispat Nigam
Asias Freight Forwarders	Hindalco Industries	Royal Logistics
A to Z Logistics	Hindustan Aeronautics	Saint Gobain Glass India
AM Transport	India Cements	Shell India
Balaji Mines	Indo Arya Central Transport	Seaways Shipping
BEML	Ispat Industries	Shrinivasa Roadways
Bharat Heavy Electricals	JSW Steel	South Eastern Carriers
Bhatia International	Krishak Bharat Co Operative	Steel Authority Of India
Empee Sugars and Chemicals	Mahanadi Coal Field Limited	Sterlite Industries (India)
Engineers India	Manali Petrochemical	Shayam Metaliks
Emami Biotech	Maersk Line India	Tamilnadu News Print & Papers
Ford India	Mother Dairy	Tamilnadu Petroproducts
Grasim Industries	NYK Lines	Tamilnadu Electricity Board
Gupta Coal (India)	Phulchand Exports	Ultra Tech Cements
	Pepsico India	Welspun Maxsteel

The above list is neither complete nor exhaustive; its purpose is merely to showcase Sical's customer engagements.

Customer profile

	FY14	FY13	FY12	FY11
Percentage of revenue from no 1 customers	58%	45%	44%	32%
Percentage of revenue from top 5 customers	79%	69%	70%	69%
Percentage of revenue from top 10 customers	85%	76%	79%	80%
No of customers that account for more than 10% of total revenue	2	2	2	2
No of customers that account for over INR 100 lakhs annual revenue	37	43	47	26
No of customers that account for over INR 500 lakhs annual revenue	13	13	12	16
No of customers that account for over INR 1000 lakhs annual revenue	3	5	7	9

KEY FINANCIALS

(consolidated, in INR lacs)

Year To 31 March	2014	2013	2012
Revenue	88300	77620	79118
EBIDTA	12748	10862	9235
Year To 31 March	2014	2013	2012
Equity share capital	5562	5562	5562
Net worth	41982	43404	41779
Current assets	34999	35196	27223
Cash and bank balance	9991	12317	7772
Net working capital	2688	2189	2400

10-year financials

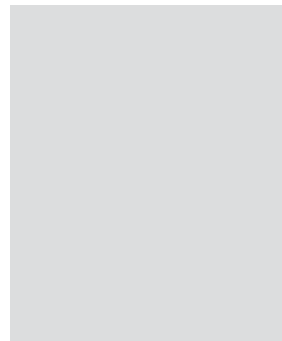
(stand alone, in INR lacs)

Year to 31 March	2014	2013	2012	2011	2010	2009	2008	2007@	2006@	2005@
Sales and other income	60095	51321	50787	57048	53740	47962	57096	101086	96922	122150
EBITDA	8447	6800	5380	2757	4427	4177	4228	6169	11900	9387
Interest	5808	4705	3148	1144	1719	1694	1321	1755	2653	4357
Depreciation	1669	1454	1337	1133	1163	1193	1230	1383	1378	1281
Tax	(55)	(754)	(296)	(822)	(6)	(66)	(402)	860	1358	350
Exceptional items	80	132	137	225	(1086)	810	1,548	1090	-	-
Net profit	1067	1172	1329	1076	2636	546	3626	3262	5369	3113
Equity capital	5562	5562	5562	3954	3954	3954	3954	3019	3019	5155
Net worth	41348	40781	39609	38907	31883	22974	27081	31696	28252	17565

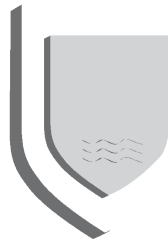
@includes revenue from non logistics operations also

VOLUMES MIX

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Container (20-foot equivalent units TEUs)	649697	628625	585638	587154	592000	570000	570000	429911	379467	327650
Bulk (Million tonnes)	25	21	29	27	26	26	26	22	20	19



## RECOGNITION



Tamil Chamber of Commerce EXIM achievement award “Stevedore of the Year” for consecutive 3 years 2011, 2012 & 2013

Best Transporter for 2013-14” award from Tata Chemicals Limited for Haldia operations by trucking division

“Master Haulier” award for the third consecutive year 2013 by Shell India Markets Limited

South East Conclave award for “Best CFS of the year” 2012

Mahindra Transport Excellence Award 2012 Certificate of Excellence under the Fleet Owner category from Southern Zone.

“Stevedore of the year 2011-2012” award from Ennore Port Limited

Chamber of Commerce EXIM achievement award for Best Stevedore & Best CFS 2011

South East Conclave awards for Best Logistics Company of the year 2010



## DIRECTORS’ REPORT

Your directors are pleased to present this fifty eighth annual report of your company and the audited accounts for the year ended 31 March 2014.

### FINANCIAL REVIEW

The financial results for the year ended 31 March 2014 are summarized below:-

	(Rs In lakhs)	
Year ended 31 March	2014	2013
Sales and other income	<b>60094</b>	51321
Profit before interest, depreciation and tax	<b>8447</b>	6800
Interest	<b>5808</b>	4705
Cash profit	<b>2638</b>	2095
Depreciation	<b>1668</b>	1454
Profit before tax	<b>970</b>	641
Provision for tax	<b>(55)</b>	(754)
Exceptional Items	<b>80</b>	132
Prior period items	<b>(38)</b>	<b>(355)</b>
Net profit	<b>1067</b>	1178
Earnings per share (EPS) in Rs (after exceptional items)	<b>1.92</b>	2.11

### DIVIDEND

The directors have been steering the Company in the path to reach the dividends paying stage. Your Company's new initiatives of Integrated Logistics to move coal for NLC Tamilnadu Power Limited, vide Road-Rail-Sea route after washing the coal from Odisha to Tuticorin, Tamilnadu (expected to commence during the second quarter of the current financial year) and contracts for Surface Mining and transportation of coal for Mahanadhi Coal Fields in its Lajkura and Bharatpur mines at Odisha (already commenced business during the current financial year) coupled with conversion of iron ore terminal at Ennore Port to coal terminal (proposal under the review of the Central Government) will enable your company to reach dividend paying stage.

### DEBENTURES

During the year under review, the Company had raised funds by way of issue of 12.75% secured Non-convertible Debentures for a value of Rs.100 crores with 50% maturity in 2017 and balance 50% in 2018. These debentures are listed with National Stock Exchange Limited. The Company has created the debenture redemption reserve in accordance with the regulations.

### PERFORMANCE

The company's revenues for 2013-14 stood at Rs. 60094 lakhs as against Rs.51320 lakhs in the previous year while profit after tax was Rs.1066 lakhs as against Rs.1171 lakhs in the previous fiscal. Profit before interest, depreciation and tax for the fiscal 2013-14 was Rs.8447 lakhs as against Rs.6800 lakhs in the previous year.

The performance of various divisions of the company during the year under review is summarized below.

#### Port Handling

This division operates in ports like Chennai, Ennore, Tuticorin, Visakhapatnam and Mangalore. Mainly this division performs stevedoring operations for movement of coal for TNEB and for various other private sector customers. Cargoes handled at the various ports vary from Coal, Dolomite, Iron Ore, Steel products and fertilizers. The total volume handled by Sical at the various ports during FY 2013-14 was 26.01 million MT as against 20.76 million MT in FY 2012-13. The increase in volume is attributable to better capacity utilization and increase in power capacity by TNEB requiring higher volume of coal.

#### Customs House Agency

This division acts as an agency for clearing and forwarding goods through customs for imports and exports. This division handled 16.34 million MTs (12.57 million MTs in the previous year) of bulk cargo and 4025 TEUs (4240 TEUs in the previous year) of containerized cargo during the year under review. The cargoes handled vary from Coal, Iron Ore, Project Cargo, Capital Goods, Cement, Pulses, Non Ferrous Alloys and Steel in various forms.

#### Ship Agency

This division facilitates and ensures quick turnaround of the ships at berth at all major ports. During the year under review, the division handled 121 vessels (143 vessels in the previous year) at various ports in the country handling both dry and liquid bulk

## DIRECTORS’ REPORT

### Road Logistics

This division was impacted by the economic instability experienced by the key sectors of the country especially the construction, steel, fertiliser and chemical industries. To overcome this, the division selected high profile customers with consistent operation yielding a reasonable margin.

### Goodwill Travels Division

This division carries out rail and airline ticketing for domestic as well as international and booking of worldwide hotels and tour packages, car rentals, online visas, and travel insurances apart from operating as an authorized dealer for full fledged money changing business. During the year under review the division has operated full fledged packaged tours to Bangkok and far east countries and has plans for operating packaged tours to other destinations.

### New Initiatives

#### Surface Mining and transportation of coal

The Company has bagged prestigious contract for surface mining and transportation of 44.36 million ton of coal from Lajukura and Bharatpur mines of Mahanadhi Coal Fields in Odisha. The operations have commenced during first quarter of 2014-2015.

#### Integrated coal logistics

The prestigious integrated coal logistics contract from NLC Tamilnadu Power Limited is expected to commence in the second quarter of 2014-2015. The Company has received the communication from NLC Tamilnadu Power Limited to commence the project.

#### Port handling

The Company has commenced stevedoring and logistics operations at Kandla Port during the first quarter of 2014-2015.

## DIRECTORS’ REPORT

### SUBSIDIARIES AND JOINT VENTURES

The performance on the Company's key subsidiaries and joint ventures are furnished in the succeeding paragraphs.

#### 1. Sical Infra Assets Limited

Sical Infra Assets Limited is the infrastructure holding company currently having Sical Multimodal and Rail Transport Limited comprising of container rail and container freight station divisions.

Due to non-viability of the Road and Rail Terminal Projects at MIHAN, Nagpur, the company had opted to withdraw from the same and accordingly a settlement was reached with MADC by Nagpur Sical Gupta Road Terminal Limited and Nagpur Sical Gupta Logistics Limited. Subsequent to this, the Company has divested its investment in these entities effective 25th March, 2014.

#### Sical Multimodal and Rail Transport Limited

This Company operates container rail as well as CFS. CFS business is continuing its operations at Chennai and Tuticorin subsequent to the completion of the Strategic Alliance Management Operation with CWC at Vizag. The total volume handled during 2013-14 was 123705 TEUs as against 135879 TEUs in the previous year. The fall in volume handled is due to dip in import traffic as well as cessation of the contract at Vizag.

Container Rail business operates own rakes pan India under category 1, licence. The Company ran 368 trains during the year on multiple sectors. The company also handled export cargo during the year in its pursuit to engage in the EXIM business. The project activities relating to development of its own rail terminals ICD/CFS at Chennai and Bangalore are in progress.

The overall revenue for the company during the financial year was Rs.22384 lakhs and Profit was at Rs.1464 lakhs, as against the profit of Rs. 1020 lakhs in the previous year. The real turnaround for this business will start once the terminals become operational.

#### 2. Sical Iron Ore Terminals Ltd

Sical Iron Ore Terminals Limited has developed a 6 million ton Iron ore terminal at Ennore Port [now known as Kamarajar Port] on BOT basis. As has been stated earlier, the project was completed in all respects and is ready for commercial operation which could not be commenced for want of cargo viz. iron ore on account of the prevailing ban on export of iron ore from out of Karnataka Region and subsequent stoppage of mining activities in the region. Though the mining activities have started in restricted manner, the strong demand of the commodity in the domestic market, coupled with restrictive conditions imposed by Supreme Court of India, would continue to pose challenge for exports. The Company has approached the Kamarajar Port as well Shipping Ministry for obtaining necessary approvals for handling alternate cargoes.

#### 3. Sical Iron Ore Terminal [Mangalore] Limited

Sical Logistics Limited has entered into a Concession Agreement with the New Mangalore Port Trust for the setting up of mechanize Iron Ore handling facilities at the deep draft multipurpose berth of New Mangalore Port on BOT basis. This project is also impacted for the same reasons that affect SIOT, Ennore project, explained above.

#### 4. Norsea Offshore India Limited

Norsea Offshore India Limited, a wholly owned subsidiary of the Company now owns and operates a Cutter Suction Dredger “SICAL Portofino”.

#### 5. Sical Adams Offshore Limited

This company was incorporated in the year 2012 and is exploring the possibility of entering into the offshore segment.

#### 6. PSA Sical Terminals Ltd

PSA SICAL Terminals Limited, a joint venture with Port of Singapore Authority operates a container terminal at Tuticorin. In 2013-14, the company handled container volumes of 507,294 TEUs as against 461,011 TEUs in the previous year. The operation of this joint venture company was affected on account of the mismatch in the royalty being paid to the Port authorities and the tariff charged to customers as per the rules of Tariff Authority for Major Ports. The Company is in the process of resolving the tariff issue.

## DIRECTORS’ REPORT

#### 7. Ennore Automotive Logistics Limited

Ennore Automotive Logistics Limited is a Joint Venture with Mitsui OSK Lines Limited, Japan and Toyofuji Shipping Company Limited, Japan for the operation and maintenance of car yard at Ennore Port [now known as Kamarajar Port] for handling the export cars. This company handled cars for Nissan, Honda and Toyota during the year.

### SUBSIDIARY COMPANIES ACCOUNTS

As per Section 212 of the Companies Act, 1956, we are required to attach Director's report, Balance sheet, Profit and loss account of subsidiaries. The Ministry of Corporate Affairs, Government of India vide its circular no. 2/2011 dated 8 February 2011 has provided an exemption to companies from complying with Section 212, provided such companies publish the audited consolidated financial statements in the Annual Report. Accordingly, the Annual Report for 2013-14 does not contain the financial statements of the subsidiaries. The audited annual accounts and related information of subsidiaries, where applicable, will be made available upon request. These documents will also be available for inspection during business hours at the registered office at Chennai, India.

### AWARDS AND ACCREDITATIONS THE COMPANY RECEIVED

- During the year under review the company received
- Award of the “Master Haulier” status for the third consecutive year by Shell India Markets Limited by trucking division
- “Best Transporter for 2013/14” award from Tata Chemicals Limited
- Award from Tamil Chamber of Commerce for achieving No.1 place in Stevedoring and dry bulk handling as well for CFS

### DIRECTORS

Shri S.R. Ramakrishnan, Director resigned from the Directorship effective close of working hours of 30th June, 2014.

Shri Sunil Sudhakar Rao Deshmukh was appointed additional director effective 01st July, 2014. He can be in office only until the conclusion of the ensuing Annual General Meeting. He seeks election to the Board.

In accordance with the provisions of the new Companies Act, 2013, the appointment of Independent Directors Shri A.S. Sundaresha, Shri H. Rathnakar Hegde and Shri H.R. Srinivasan for a term of 5 years is being placed before the shareholders for their approval at the ensuing Annual General Meeting.

Shri Kush S Desai, Director retire by rotation at the ensuing Annual General Meeting and being eligible offer himself for re-appointment.

### AUDITORS

M/s CNGSN & Associates, Chartered Accountants, retire at the conclusion of this annual general meeting and being eligible offer themselves for re-appointment for the current financial year.

### FIXED DEPOSITS

The provisions of Section 58-A of the Companies Act, 1956, relating to the acceptance/renewal of fixed deposits, have been complied with. The Board of Directors at the meeting held on 27th May, 2010 decided not to invite deposits from the public from the year 2010 onwards. Accordingly no fresh deposits were accepted/ renewed by the Company. The value of matured and unclaimed deposits as on 31 March 2014 amounted to Rs 1.06 lakh.

### DEMATERIALISATION OF EQUITY SHARES

5,41,53,413 equity shares representing 97.40% of the paid-up share capital, have been dematerialized upto 31.03.2014. Shareholders who continue to hold shares in physical form are advised to dematerialize their shares. The Company has sent the final reminder to the shareholders to whom new share certificates were sent during the year 1999 arising on account of mergers and the same being returned undelivered.

CORPORATE GOVERNANCE

The company has complied with the provisions of Clause 49 of the Listing Agreement relating to Corporate Governance. A report on corporate governance along with the statutory auditors' certificate and the management discussion and analysis report form part of this annual report.

STATUTORY INFORMATION

1. Under Section 217 [2AA] of the Companies Act, 1956, the board of directors report that:
  - in the preparation of annual accounts, the applicable accounting standards have been followed with no material departures;
  - they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period;
  - they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions ofthe Companies Act, 1956, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
  - they have prepared the annual accounts on a going concern basis.
2. The particulars required under Section 217 [1] [e] of the Companies Act, 1956, read with the rules framed under it are not applicable since the company is engaged in the business of providing logistics services. However, details of foreign exchange earnings and outgo are furnished in Annexure I to this report.
3. The particulars required under Section 217[2A] of the Companies Act, 1956 and the Companies(Particulars of Employees). Amendment Rules, 2011, are not applicable since none of the employees are in receipt of remuneration in excess of the limits as prescribed in the said Rules.

RELATIONSHIP WITH EMPLOYEES

The directors wish to place on record their sincere appreciation to all the employees for their continued support in the Company's activities.

ACKNOWLEDGEMENT

The directors wish to thank the Port Authorities, Governmental Agencies, company's bankers, financial institutions, customs authorities, foreign collaborators, suppliers, statutory regulators, investors, customers and all stakeholders for their continued support.

For and on behalf of the Board		
Place Bengaluru	<b>R. Ram Mohan</b>	<b>Kush S Desai</b>
Date 11 August 2014	Managing Director	Director

ANNEXURE – I TO THE DIRECTORS' REPORT

PARTICULARS REQUIRED UNDER THE COMPANIES [DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS] RULES, 1988.				
A.	CONSERVATION OF ENERGY	:	NA	
B.	TECHNOLOGY ABSORPTION	:	NA	
C.	FOREIGN EXCHANGE EARNINGS AND OUTGO			
	Total Foreign Exchange Earned	:	Rs. 1210.56 lacs	
	Used	:	Rs. 117.09 lacs	
DISCLOSURE OF PARTICULARS WITH REFERENCE TO CONSERVATION OF ENERGY		:	NIL	

MANAGEMENT DISCUSSION AND ANALYSIS REPORT [2013-14]

Industry overview

Logistics is considered as the backbone of the economy. This industry has become the basis in providing efficient, cost effective flow of goods on which other commercial sectors depend. The logistics industry in India is evolving rapidly and it is the interplay of infrastructure, technology and new types of service providers thereby enabling the service receivers reduce their logistics costs and provide effective services.

Despite weak economic sentiments, though the industry currently continues to remain challenging as the global economy is still limping towards normalcy, the logistics and warehousing industry continued to witness growth largely due to growth in retail, e commerce and manufacturing sectors. With a forward looking attitude of inclusive growth of the logistics sector in the coming years and considered as a promise of growth and improvements, the service oriented logistics industry is all set to expand beyond the horizons in the latter half of this decade utilizing this fiscal year as its launch pad. The growth of logistics sector is directly proportional to overall economic growth of India. Logistics in India will surely grow by around 3 to 4 per cent in coming years consistently as it is pegged to India's GDP growth.

India currently spends around 14 per cent of its GDP on logistics compared with developed countries where this percentage is around 8 – 9 per cent and the industry on the whole is very fragmented and unorganized. However, the freeze of infrastructure projects along with trade woes have led to some consolidation in the sector starting last year. In spite of all the impediments, India has come a long way ahead from the traditional godowns to multimodal transport, container freight stations, inland container depots, cold storage and supply chain management.

With road and rail having its own challenges as medium of transportation, coastal shipping will lead the way as the most timely and efficient medium of transportation within India, but realistically speaking we have a long way to travel before this becomes an impactful reality.

The focus of companies both domestic as well as international is to leverage the cost effectiveness of India, especially in terms of imports, exports as well as manufacturing. Thus cost rationalization across logistics value chain as well as value addition to existing services is what is emerging as a trend. Thus integrated logistics is the new norm of the industry, wherein a single service provider, provides end to end logistics services not only covering India, but also all through international network. This enhances the efficiency and productivity of logistics function as a whole and directly contributes to saving all around. Thus integrated logistics is the new trend in the industry not only in India, but also globally.

Certain segments of the logistics industry which appear to have borne the brunt of the on going slowdown and lack of level playing field for private operators are the container freight stations / inland container depots [CFS/ICD], container train operators and companies catering to specific sectors such as steel etc. CFS/ICD companies typically have high leverage owing to the large borrowings to fund the establishment of the necessary infrastructure; with the slowdown in container volumes from FY13 translating into lower margins, leverage has increased. Over the long term, CFS/ICD operators would benefit from the revival in India's international trade volumes. Margins in the CTO segment would continue to be under pressure in the foreseeable future till the play becomes a bit more balanced towards the private operators, who are still waiting for real opening up of the sector through policy interventions. Survival in this segment would depend on high efficiency operations leading private industry players to persist with load sharing to ensure high utilization.

Logistics an insight

Indian ports have improved in terms of different productivity parameters but the existing levels are a little below those of most of the world's biggest ports. One of the biggest problems facing Indian ports is draft inadequate draft prevents some of the ports from handling bigger ships.

Positive development in this sector has been the increased participation by private players. Expansion in the form of hub ports seems like an ideal solution. Hub ports can be developed along both the coastlines of India with deep drafts that would help to tackle the cargo load significantly.

Despite the slowdown in the global economy after the financial crisis of 2008, India's maritime trade has been growing over the years. The volume of cargo handled at the major port witnessed a year on year decline whereas the cargo volumes at the non major ports increased at a CAGR of 16 per cent during the last five years. Commodity wise a major decline was witnessed in the export of iron ore during the last three years which was due to the restrictions imposed by the Supreme Court on the export of iron ore since 2009 10. The demand for coking coal is expected to witness a significant increase in the near future also due to increase in the demand from the steel industry.

Challenges

The challenges facing the port sector could be divided into four broad categories infrastructure, operational, financial and statutory or mandatory. Infrastructure continues to remain the biggest concern for Indian ports, particularly major ports. Infrastructure challenges can be further divided into three categories dredging, mechanization of berths and connectivity.

One of the major impediment of the Indian Port sector particularly for major ports is the regulation of tariffs by the Tariff Authority for Major Ports [TAMP] that has adversely affected the profitability of major ports vis à vis non major ports. Delays in obtaining mandatory clearances are another major concern for the sector since this increases project risk. Further excessive dependence on the hinterland for cargo affects ports profitability as they are highly susceptible to business cycles. On the financial front, due to limited financing avenues available to port projects, the cost of debt tends to be higher.

The sector also faces issues related to the slow process of development of infrastructure on public private partnership basis. There is a long gap between project conceptualization and award, which causes approval and implementation delays. Unlike private ports, the major ports do not have the flexibility to change the plan or detailed project report.



Apart from the above, the sector also suffers the challenges due to trade regulations, lack of trained manpower and training institutions, IT, poor warehousing and storage as well poor facilities and management for loss, damage and deterioration of stock, especially in the perishables sector and it could be even attributable to insufficient specialist equipment i.e. proper refrigerated storage and containers apart from lack of research and development in the industry.

Other major issues that hinder sector development include complex regulatory mechanism for land acquisition for new projects, lack of supporting infrastructure and connectivity at ports, and inadequate planning and preparation at the project conception stage. Low draft at Indian ports remains a major concern among port users. Against the international standard of 16 metres to 18 metres, the Indian ports have an average draught of 13.5 metres. The ports lack the capacity to handle very large carriers resulting in the lack of economies of scale, implying higher freight costs.

Complex taxation and the use of different road permits / documents in different states impose additional constraints on the movement by road. One of the biggest concerns apart from demand and infrastructure gaps is the issue of taxation. The best alternative to reduce transit costs and implement a world class hub and spoke model in India would be to immediately introduce GST, which will act as major fillip to the sector.

Lack of adequate connectivity is one of the major concerns for Indian ports. Major ports have double line connectivity, but routes to major destinations are congested, resulting in excessively long detention of landed cargo. Some non major ports have adequate connectivity in place but inadequate rail infrastructure has a bearing on these ports too.

#### **Logistics way forward Measures to overcome the challenges**

Needless to say, infrastructure is the backbone of every country's growth and prosperity and for the logistics industry to flourish in the developed countries, special emphasis has to be laid on the enhancement of the infra structural facilities. Particular focus needs to be given on building world class road networks, integrated rail corridors, modern cargo facilities at airports and creation of logistics parks which need to be given a status equivalent to Special Economic Zones.

Overcoming the skill gap in Indian logistics industry requires establishing training institutions. It is necessary to realize the benefits which best practice in logistics can bring to the companies so that the overall service quality of the sector is improved. Gaps in training have to be filled not only at the entry level but also in the management cadre which could be made possible through specialized graduation and post graduation courses focused on operations and supply chain management.

Good storage and warehousing facilities are essential to the growth of the logistics industry. With the increase in the transportation of perishable products, agencies associated with logistics will have to give a lot of importance to enhancing the warehousing facilities. Warehousing will also need to go to the next level taking into account the changing dynamics of JIT manufacturing, global procurement and new models of sales and distribution.

Emphasizing on R&D is essential mainly because it encourages the use of indigenous technology which can make the industry more cost competitive and it also leads to the improvement in services due to the use of better and more streamlined services. Particular focus needs to be given on research in process excellence which can help eliminate inefficiencies and bring Indian logistics on par with global practices.

The Indian logistics sector's growth also depends on the growth of its soft infrastructure like education, training and policy framework as much as the hard infrastructure. To support India's fast paced economy, growth of logistics industry is very essential. It is estimated that the Indian logistics sector will continue to show robust growth of 10-15% annually, leading the pace of growth of the economy at large.

According to the Maritime Agenda 2010-2020 capacity at major and non major ports is likely to increase to 1459 mt and 1670 mt respectively, while traffic is projected to reach 1214 mt and 1280 mt by 2020. To achieve these targets, a framework of "ten commandments" has been proposed for the Indian port sector with a special focus on major ports.

The 10 commandments are the creation of competitiveness amongst major and non major ports; acquisition and creation of land banks; development of industrial zones in port surroundings; deepening of navigational channels to serve large vessels; mechanization and automation to add capacity and improve efficiency, building supporting infrastructure and connectivity; corporatization of major ports; development of industrial and commercial port cities; liberalization of the financing norms for port projects; and development of green ports.

There is a need to use benchmarking to improve the quality of port operations. To this end, increased cargo volumes will be the driving factor. At the same time, there is a need to formulate progressive tariff guidelines for major ports as well as incorporate incentive clauses in the concession agreements to improve performance. Level playing field has to be created to allow inter port and intraport competition. Further, capacity has to be accurately assessed in order to realize the maximum benefits. The factors to be taken into account in assessing port capacities include berth capacity, technology deployed, discharge rate, and port connectivity and need to improve coastal shipping to ensure faster movement of cargo along the coast.

Despite several challenges, India's bulk trade is expected to grow for all commodities due to strong demand. Coal and iron ore imports are expected to witness significant growth due to the increasing domestic demand from the power and steel industries respectively. Moreover, due to the high cost of domestic production, the imports of fertilisers are also expected to increase in the future. However, to support this increasing demand it is necessary to develop port infrastructure. This includes providing deeper draft at channels and berths, enhancing port connectivity and enabling the development of inland waterways.

In order to increase the efficiency of operations, the authorities should develop dedicated coastal terminals, provide night navigation services and regularly upgrade their equipment. All these facilities will reduce the turnaround time at ports.

Apart from this, ports could take up coordination of ship husbanding services repairs, bunkering, crew change, etc. Ports could also charge a certain fee for providing these services. There have been instances when a ship has had to wait for hours to get repairs done. Going forward, there is a need to hire experienced pilots, capable of handling operations even during rough weather conditions.

For a number of reasons, many projects are facing significant delays. Lack of adequate funds is one of the major reasons for the slow pace of project implementation. Projects have been sanctioned but the funds for their execution are not available. Due to various issues, not many private players are willing to invest.

Acquisition of land is another major concern, that is holding back the development of various connectivity projects. Slow and cumbersome processes of approval add to the delays in project implementation.

Given the current downturn in volumes and revenue demands, terminal operators increasingly need to adopt new methods to provide the same level of services at lower labour and equipment costs. Also there is an urgent need for continuously improving efficiency and productivity of terminal operations to be competitive in the market. Adopting new technologies to achieve a level of automation will be the key to success.

Logistics service providers contributing to the dominant themes may show much healthier growth than plain vanilla logistics players. The agri and cold chain logistics services is one of the fastest industry segments where the demand is driven by the large demand supply mismatch and growth in organized retail in the country. Although the segment has attracted large investment in the past five years, the business opportunities in the segment remain under exploited considering the large contribution of agriculture and related activities to the economy. Permitting FDI in multi brand retail throughout the country would lead to the creation of an efficient and robust back end supply chain. In such a scenario, the large investments in logistics and warehousing infrastructure by foreign players would lead to further the growth of the Indian logistics sector.

Companies in the road transportation, freight forwarding and courier businesses differ from others in the logistics space in terms of their business model which typically is asset light, with most operating premises taken on lease. The advantage is that it allows for a rapid scale up of operations when demand for services is strong and a scaling down when service demand is muted. Hence with the uptick in demand from sectors such as manufacturing and mining, significant growth can be expected in the revenues of basic logistics providers.

The ability to offer value added or end to end logistics solutions while maintaining high operational efficiency is emerging as a key success factor for logistics industry participants. The larger companies in various industry segments have a competitive advantage over smaller players in terms of superior infrastructure enabling them to offer complete end to end logistics solutions or value added services such as time definite delivery solutions. It is hoped that in the event of implementation of GST by the Government would cause a spurt in investments in the logistics sector with the large players investing in hub and spoke transportation infrastructure on pan India basis.

#### **SICAL - Financial and Operational Performance**

Sical has its presence in almost all the major and minor ports. As has been enumerated in earlier paragraphs on the industry overview, Sical provides integrated solutions for multimodal logistics of bulk and containerized cargo by providing end to end services. Sical extends services under the categories of bulk logistics and container logistics. The bulk logistics comprises of port handling, CHA, Shipping Agency and road logistics.

The Port Handling division handles cargo for TNEB at Kamarajar Port [erstwhile Ennore Port] and also handles various other commodities such as dolomite and limestone at various ports. Customs House Agency division provides services for clearing and forwarding of goods through customs for imports and exports. Ship Agency facilitates and ensures quick turnaround of the ships at berth at all major ports. Road logistics transports various cargoes ranging from dry bulk to project equipments through own trucks as well as hired trucks. The Company is in the process of executing the contract of NTPL Limited [Neyveli Lignite Corporation] for transportation of coal through Road Rail Sea route for their power plant at Tuticorin and is to be on stream during the second quarter of this fiscal. The Company has also been awarded surface mining contract by Mahanadhi Coalfields for two of their mines in Odisha [Lajhukura and Bharatpur]. These contracts are expected to improve the efficiency of the company to a greater extent.

Sical Multimodal and Rail Transport Limited comprises of Container Rail and CFS operations. Rail division operates with 7 rakes and has own as well as leased containers for its operation. The container trains are run on Pan India basis in various sectors based on requirement. Apart from handling containers through train for various customers apart from executing the contract for movement of materials for Hindustan Copper Limited during the year under review. The CFS Division of the company is engaged in the CFS operations at Chennai and Tuticorin. Vizag operations were carried out until November, 2013 until expiry of the Strategic Alliance Management contract with CWC.

The commissioning of the iron ore terminal project at Kamarajar Port [erstwhile Ennore Port] could not be commenced during the year due to the prevailing ban imposed by the Government of Karnataka on the mining and transportation of iron ore from out of the state of Karnataka though the Apex body allowed mining for domestic consumption imposing restrictions. The Company is constantly representing before the appropriate authorities seeking permission to handle alternate cargoes in this terminal. Similarly, the project activities of mechanization of the deep draft berth at the New Mangalore Port could not be continued due to the prevailing situation on iron ore export.

The profitability of the Joint Venture operation by PSA Sical at Tuticorin continues to be under pressure due to royalty and tariff related policy matters. The Company is in the process of resolving these policy issues.

#### **Sical The way forward**

Sical is in the process of consolidating its operations in the ports and exploring opportunities in Ports where there is no presence. Further to this Sical is venturing into surface mining as well transportation of coal through Road Rail Sea. With this opportunity, Sical is poised for a tremendous growth in the years to come. Sical is also in the process of strengthening its activities in the area of road transportation and other related areas. With the unstinted co operation of employees at all levels, the Management expects Sical to be progressing high on year on year.

#### **Internal Control Systems and their adequacy**

The Company has in place proper and adequate internal control systems which would automatically have the internal checks complied with then and there when transactions are executed. The Company has been in compliance with the various statutes of the Government and statutory authorities. Internal Audit has been entrusted to an external auditor and periodical review is being carried out by the Management. The Internal Audit findings involving high risks are reviewed by the Audit Committee at their meetings to check on the adequacy of internal controls and suggest measures for further improvement as well for mitigating risks.

#### **Human Resources / Industrial Relations**

Cordial industrial relations prevailed in all divisions throughout the year. Employees are considered to be the assets of the Company who dedicate



themselves in reaching the targets and goals as envisioned. With the focus on development of skills in the employees, the Management has evolved best practices in evaluating the performance of the employees at all levels and provide growth opportunities in their career. Employees were sponsored for various seminars, symposiums and workshops organized by external agencies to enrich their knowledge and implement the best practices in their work place wherever feasible.

Cautionary Statement

Except for the historical information contained herein, statements in this Management Discussion and Analysis Report which may include words or phrases such as “will”, “aim”, “will likely result”, “would”, “believe”, “may”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “contemplate”, “seek to”, “future”, “objective”, “goal”, “likely”, “project”, “should”, “potential”, “will pursue” and similar expressions or variations of such expressions may constitute "forward looking statements". These forward looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward looking statements. These risks and uncertainties include, but are not limited to our ability to successfully implement our strategy, our growth and expansion plans, obtain regulatory approvals, our provisioning policies, technological changes, investment and business income, cash flow projections, our exposure to market risks as well as other risks.

REPORT ON CORPORATE GOVERNANCE

Your company is pleased to present the following report on Corporate Governance for the Financial Year 2013-14 [01 April 13 – 31 Mar 14].

1. GOVERNANCE PHILOSOPHY

Sical defines corporate governance as a set of guidelines that are followed by the company's board of directors, management and employees to create value for Sical's various stakeholders : investors, employees, customers, business partners, lenders and the communities we work in and live with.

We strive to conduct our business with integrity, fairness, accountability and transparency in all our dealings with our stakeholders and regulatory authorities.

The Company is committed to good corporate governance practices aimed at increasing value for all stakeholders namely, Shareholders, Employees, Government, Lenders, Customers, Dealers, Vendors, Bankers, Community, Government, Regulators and the Promoters.

2. BOARD OF DIRECTORS

The composition of the Board of Directors of the Company is as per the provisions of the Companies Act, 1956, Articles of Association of the Company and Clause 49 of the Listing Agreement entered into with the Stock Exchanges.

As on 31st March, 2014, the Board comprised of

Promoter Director	:	2
Whole-time / Executive Director	:	1
Non-whole time Directors	:	3

BOARD PROCEDURE

Sical's board of directors meet regularly to discuss, apprise and approve matters relating to Sical's strategy, plans, budgets, financials, and operations. The detailed agenda and relevant information is sent to every director in advance of each board / committee meeting. Among other things, the board considers the following:

- Strategy and plans
- Operating and expenditure budgets
- Statutory compliance
- Quarterly / half yearly / annual results

Several board committees have been constituted to deal with specific matters and functional areas.

3. NUMBER OF BOARD OF DIRECTORS MEETINGS AND THE DATES ON WHICH HELD DURING THE FINANCIAL YEAR 2013-14.

Total Number of Board Meetings : 8

I Quarter [April – June 2013]	II Quarter [July – September 2013]	III Quarter [October – December 2013]	IV Quarter [January – March 2014]
22 <sup>nd</sup> May, 2013 30 <sup>th</sup> May, 2013	25 <sup>th</sup> July, 2013 09 <sup>th</sup> August, 2013	31 <sup>st</sup> October 2013 13 <sup>th</sup> November 2013	14 <sup>th</sup> February 2014 28 <sup>th</sup> March 2014

REPORT ON CORPORATE GOVERNANCE

Attendance of Directors at the Board of Directors Meetings held during 2013-14 and the last Annual General Meeting [AGM] held on 24.09.2013 is as follows.

Director's Name	Category of Membership	Attendance Particulars		Number of other directorships and committee member/chairmanships as at 31.03.2014	
		Board Meetings	Last AGM	Other Directorship	Committee Memberships
Shri R. Ram Mohan	Managing Director [Executive Director]	8	✓	-	-
Shri Kush S Desai	Non-executive & Non-Independent Director	8	✓	Who e-time Director-1 Director – 3	1
Shri S R Ramakrishnan	Non-executive & Non-independent Director	4	✓	Managing Director - 1 Director 6	2
Shri A S Sundaresha	Non-executive & Independent Director	7	✓	-	-
Shri H Rathnakar Hegde	Non-executive & Independent Director	7	✓	Director 3	-
Shri H.R. Srinivasan	Non-executive & Independent Director	2	-	Managing Director - 1 Director 5	1

Note

For reckoning the other Directorships – Private Limited Companies, Foreign Companies and Sec 25 companies have been exc uded. For reckoning the Committee Memberships and Committee Chairmanships – Audit Committee and Shareho ders / Investors Grievance Committee a one have been considered.

Regarding disc osure of a pecuniary re ationships / transactions of the non-executive Directors vis-à-vis the Company, as per Cause 49[B] of the Listing Agreement, there were no materia y significant re ated party transactions during the year having conf ict with the interests of the Company.

REPORT ON CORPORATE GOVERNANCE

4. AUDIT COMMITTEE

The composition of the Audit Committee as on 31.03.2014 is as follows:-

- 1. Shri H.R. Srinivasan
- 2. Shri A.S. Sundaresha
- 3. Shri H. Rathnakar Hegde
- 4. Shri R. Ram Mohan

The Committee met four times during the year i.e. on 30th May, 2013, 09th August, 2013, 13th November, 2013 and 14th February, 2014.

Attendance of Directors at the Audit Committee Meetings held during 2013-14.

Directors Name	Attendance Particulars			
	30.05.2013	09.08.2013	13.11.2013	14.02.2014
Shri H.R. Srinivasan	-	-	✓	-
Shri A.S. Sundaresha	✓	✓	✓	✓
Shri R. Ram Mohan	✓	✓	✓	✓
Shri H.Rathnakar Hegde	✓	✓	✓	✓

The broad terms of reference of the Audit Committee are:-

- 1. Overseeing the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- 2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- 3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- 4. Reviewing with the management, the annual financial statements before submission to the board for approval, with particular reference to:-
  - a. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause [2AA] of Sec 217 of the Companies Act, 1956.
  - b. Changes, if any, in accounting policies and practices and reasons for the same.
  - c. Major accounting entries involving estimates based on the exercise of judgement by management.
  - d. Significant adjustments made in the financial statements arising out of audit findings.
  - e. Compliance with the listing and other legal requirements relating to financial statements.
  - f. Disclosure of any related party transactions.
  - g. Qualifications in the draft audit report.
- 5. Reviewing, with the Management, the quarterly financial statements before submission to the board for approval.
- 6. Reviewing, with the Management, performance of statutory and internal auditors, adequacy of the internal control systems.
- 7. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- 8. Discussion with internal auditors any significant findings and follow up there on.
- 9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.

REPORT ON CORPORATE GOVERNANCE

- 10. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- 11. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders [in case of non payment of declared dividends] and creditors.
- 12. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
- 13. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- 14. Review of risk management policies and practices including the following:-
  - [a] to investigate any activity within its terms of reference.
  - [b] to seek information from any employee.
  - [c] to obtain outside legal or other professional advice.
  - [d] to secure attendance of outsiders with relevant expertise.

As per the terms of reference prescribed by the Board, the Committee performs such duties and tasks as are assigned by the Board and the Committee has access to all records and documents of the Company. The Committee reviews the report of the internal auditors and the statutory auditors and exercises internal control systems and also addresses the requirements of the Companies Act, 1956 and the Listing Agreement with the Stock Exchanges.

5. DETAILS OF REMUNERATION PAID TO THE DIRECTORS FOR THE FINANCIAL YEAR ENDED 31.03.2014.

Name of the Director	(in Rs.)	
	Sitting Fee	Commission
H.R. SRINIVASAN	140000	226333
S.R. RAMAKRISHNAN	80000	-
A.S. SUNDARESHA	220000	-
H. RATHNAKAR HEGDE	580000	226333
<b>TOTAL</b>	<b>1020000</b>	<b>452666</b>

6. SHAREHOLDERS / INVESTORS GRIEVANCE AND SHARE & DEBENTURE COMMITTEE

The Committee comprises as of 31.03.2014

Shri H.R. Srinivasan	:	Chairman of the Committee
Shri R. Ram Mohan	:	Member
Shri Kush S Desai	:	Member
Shri H. Rathnakar Hegde	:	Member

As per SEBI Circulars D&CC/FITT/CIR-15/2002 dated 27.12.2002 and D&CC/FITT/CIR-18/2002 dated 12.03.2004, the Company has appointed M/s. Cameo Corporate Services Limited, as common agency for shares relating to both electronic and physical segments. The appointment is effective 07.04.2003.

The broad terms of reference of this Committee shall be:-

- 1. To oversee the performance of share and debentures transfer and recommend measures to improve the shareholders / investors service.
- 2. To look into the redressal of investors' complaints and requests such as transfer of shares / debentures, non-receipt of dividend, annual report, etc.

The Board of Directors have authorized Chairman of the Committee and the Company Secretary to approve share transfers and resolve shareholders grievances.

The Board of Directors have designated the Company Secretary as Compliance Officer. During the year under report, the Company did not receive any significant complaints from the Shareholders, Investors, Stock Exchanges, Securities and Exchange Board of India or investors associations.

During the year, no complaints were received

REPORT ON CORPORATE GOVERNANCE

7. INSIDER TRADING

Pursuant to the Securities and Exchange Board of India [Prohibition of Insider Trading] Regulations, 1992, the Company has prescribed a Code of Conduct for Prevention of Insider Trading and a Code of Corporate Disclosure Practices.

8. CODE OF CONDUCT

The Company has formulated a Code of Conduct for the Board members and Senior Management Personnel. The same has also been posted on the website of the Company. A declaration by the Managing Director affirming the compliance on the Code of Conduct applicable to the Board members and the Senior Management personnel forms part of this report.

9. RECONCILIATION OF SHARE CAPITAL AUDIT

Periodical audits were carried out by a qualified Practising Company Secretary for reconciling the total admitted capital with National Securities Depository Limited [NSDL] and Central Depository Services [India] Limited [CDSL] and the total issued and listed capital. The audit confirms that the total issued / paid up capital is in agreement with the total number of shares held in physical form and the total number of dematerialized shares held with NSDL and CDSL.

10. GENERAL BODY MEETINGS

Location and time of last three Annual General Meetings [AGM] held

Year	Date & Time	Venue
2011	19th September, 2011 at 2.00 p.m.	“Rajah Annamalai Hall”, Esplanade, Near High Court, Chennai 600 108
2012	28th September, 2012 at 10.25 a.m.	“Rajah Annamalai Hall”, Esplanade, Near High Court, Chennai 600 108
2013	24th September, 2013 at 10.35 a.m.	“Rajah Annamalai Hall”, Esplanade, Near High Court, Chennai 600 108

The following special resolutions were passed by the members during the past 3 Annual General Meetings:

Annual General Meeting held on 24th September, 2013	Confirmation of Postal Ballot resolution passed by the shareholders vide Postal Ballot Notice dated 10th August, 2012 for giving corporate guarantees / providing securities/ loans/advances / making investments not exceeding Rs.450 crores [Rupees four hundred and fifty crores only] to other bodies corporate.
Annual General Meeting held on 28th September, 2012	Payment of Commission to Directors other than the Managing/Whole-time Director[s] for a period of 5 years from the financial year commencing from 01st April, 2012.
Annual General Meeting held on 19th December, 2011	Appointment of Shri R. Ram Mohan as Managing Director for a period of 5 years w.e.f. 26th September, 2011.

11. POSTAL BALLOT

The Company did not transact any business through Postal Ballot during the financial year.

12. DISCLOSURES

Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the directors, the subsidiaries or relatives, etc. that may have potential conflict with the interest of the Company at large:-

- i

There are no materially significant transactions with the related party viz. Promoters, Directors, or the Management, their subsidiaries or relatives that may have potential conflict with the interest of the Company at large.
- ii

There are no pecuniary relationships or transactions with the Non-executive Directors of the Company except the remuneration paid to them for services rendered as Directors of the Company.

Details of non compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets during the last three years:

The Company has complied with the various rules and regulations prescribed by the Stock Exchanges or any statutory authority on all matters related to capital markets during the last three years. No penalties or strictures have been imposed by them on the Company.

REPORT ON CORPORATE GOVERNANCE

13. MINUTES OF SUBSIDIARY COMPANIES

The minutes of the meeting of the Board of Directors of the subsidiary companies viz. Sical Infra Assets Limited, Sical Iron Ore Terminals Limited, Sical Multimodal and Rail Transport Limited, Nagpur Sical Gupta Logistics Limited [upto 25 Mar 2014], Nagpur Sical Gupta Road Terminal Limited [upto 25 Mar 2014], Bergen Offshore Logistics Pte. Ltd., Sical Iron Ore Terminal [Mangalore] Limited and Norseia Offshore India Limited were placed before the Board of the holding company i.e. Sical Logistics Limited.

14. GENERAL SHAREHOLDERS INFORMATION

i Disclosures regarding appointment or re-appointment of directors

Board has constituted various committees viz. Audit Committee and Shareholders/Investors and Share & Debenture Committee of the Directors. Whenever there is a change in the Directorate and whenever such change warrants induction of new members into these Committees at such times the committees are reconstituted.

ii Committees of Board of Directors

Board has constituted various committees viz. Audit Committee and Shareholders/Investors and Share & Debenture Committee of the Directors. Whenever there is a change in the Directorate and whenever such change warrants induction of new members into these Committees at such times the committees are reconstituted.

iii Communication with shareholders

Quarterly / half yearly / annual results and information relating to convening of Annual General Meeting and Extra-ordinary General Meetings are published in leading newspapers and / or posted on the website of the Company and also notified to the Stock Exchanges as required under the Listing Agreement. The Balance Sheet, Profit & Loss Account, Directors Report, Auditors Report, Cash Flow Statements, Quarterly and Half Yearly Financial Statements, Corporate Governance Report, Shareholding Pattern, etc. can be retrieved by the investors from the website of the stock exchanges viz. BSE and NSE. Notices relating to Annual General Meeting and Extra-ordinary General Meetings and disclosure of Directors' interest in respect of contracts appointing Director[s] are sent to the members at their registered address.

iv Date, time and venue for 59th AGM:

26th September, 2014 at 10.00 a.m. at Rajah Annamalai Hall, Esplanade, Chennai

v Financial Calendar [2014-15]:

Financial reporting for the quarter ending [tentative]

1	June 30, 2014	Second week of August 2014
2	September 30, 2014	Second week of November 2014
3	December 31, 2014	Second week of February 2015
4	March 31, 2015	Audited results before last week of May 2015

Annual General Meeting [tentative]: By second / third week of September, 2015.

vi Dates of Book Closure: From : 22.09.2014 To : 26.09.2014 [both days inclusive].

vii Listing of Equity Shares on the Stock Exchanges and the Trade Name / Stock Code / Series :

Particulars	Bombay Stock Exchange Limited	National Stock Exchange of India Limited	Bloomberg Code	ISIN No.
Trade Name Stock Code / Series5	SICAL 520086	SICAL SICAL	SICAL SICL:IN	INE075B01012
Listing Fees for 2014-15 Depositories	: :	Paid to the above stock exchanges National Securities Depository Limited 4th Floor, 'A' wing Trade World Kamala Mills Compound Senapati Bapat Marg, Lower Parel, Mumbai : 400 013  Central Depository Services [India] Limited P.J. Towers, Dalal Street Fort, Mumbai : 400 023		
Custodial Fees for 2014-15	:	Paid to all the above depositories		

## REPORT ON CORPORATE GOVERNANCE

**viii Registered Office :** "South India House" 73, Armenian Street Chennai :: 600 001  
Website : www.sical.in

**ix Investor Services**

Investor Complaints	2013-14		2012-13	
	Received	Attended to	Received	Attended to
Grievances / complaints	Nil	Nil	2	2

Most of the investors grievances / correspondences were attended to within a period of 10 days from the date of receipt of such grievances. The exceptions have been for cases constrained by disputes or legal impediments.

**x Stock Market Data [Share prices on stock exchanges]**

Monthly high and low closing quotation of shares traded on the National Stock Exchange and Bombay Stock Exchange:-

Month & Year		NSE			BSE		
		Low	High	Average	Low	High	Average
April 2013		58.50	69.10	63.80	58.50	69.30	63.90
May 2013		58.00	60.35	59.18	58.50	60.90	59.45
June 2013		57.50	58.00	57.75	57.50	59.45	58.48
July 2013		57.40	57.95	57.68	57.50	58.80	58.15
August 2013		56.00	57.55	56.78	56.00	58.20	57.10
September 2013		56.00	57.50	56.75	55.95	61.00	58.48
October 2013		55.00	58.00	56.50	55.00	57.70	56.35
November 2013		54.05	56.10	55.08	54.00	56.05	55.03
December 2013		54.00	55.25	54.63	54.00	55.25	54.63
January 2014		53.00	59.60	56.30	53.00	60.85	56.93
February 2014		50.15	55.55	52.85	50.45	55.00	52.73
March 2014		51.30	56.40	53.85	51.40	58.75	55.08

**xi Registrar and Share Transfer Agents [for Physical and Electronic mode]**

Address for communication : Cameo Corporate Services Limited  
Unit : Sical Logistics Limited  
"Subramanian Building", 5th Floor 1, Club House Road Chennai 600 002  
Telephone : 044 28461073 Fax : 044-28460129  
e-mail : cameo@cameoindia.com

**xii Share Transfer System**

Share transfers are effected on requests in Demat form as well as in physical form periodically at frequent intervals.

**xiii Distribution of shareholding as on 31.03.2014**

Number of shares Category	No. of Shares	% to total	No. of Shareholders	% to total
Upto 500	2108273	3.79	39446	96.03
501-1000	715417	1.29	926	2.25
1001-2000	487531	0.88	326	0.79
2001-3000	326065	0.59	123	0.30
3001-4000	154000	0.28	43	0.10
4001-5000	220569	0.40	47	0.11
5001-10000	563871	1.01	74	0.18
10001 & above	51025968	91.77	93	0.23
<b>Total</b>	<b>55601694</b>	<b>100.00</b>	<b>41078</b>	<b>100</b>

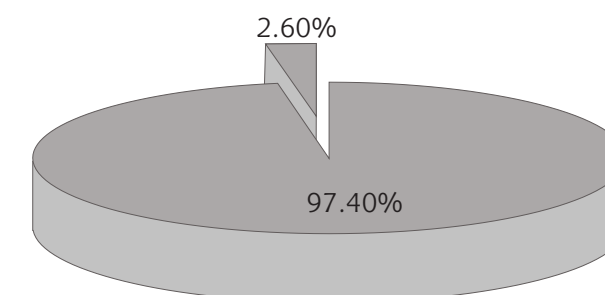
## REPORT ON CORPORATE GOVERNANCE

**xiv Shareholding Pattern as on 31.03.2014**

Category	Shareholders [No.]	Number of shares held	Voting Strength [%]
<b>PROMOTER HOLDING</b>			
Promoters & Associates	16	41701270	75.0000
<b>NON-PROMOTER HOLDING</b>			
<i>Institutional Investors</i>			
Financial Institutions	4	164837	0.30
FII	1	752681	1.35
Banks	15	10658	0.02
Mutual Funds	5	1211	0.00
<b>OTHERS</b>			
Other Bodies Corporate	487	3624607	6.52
Trusts	1	1551	0.00
NRIs	173	147934	0.27
Clearing Members	34	206945	0.37
Public	40342	8990000	16.17
<b>Total</b>	<b>41078</b>	<b>55601694</b>	<b>100</b>

**xv Dematerialisation of Shares**

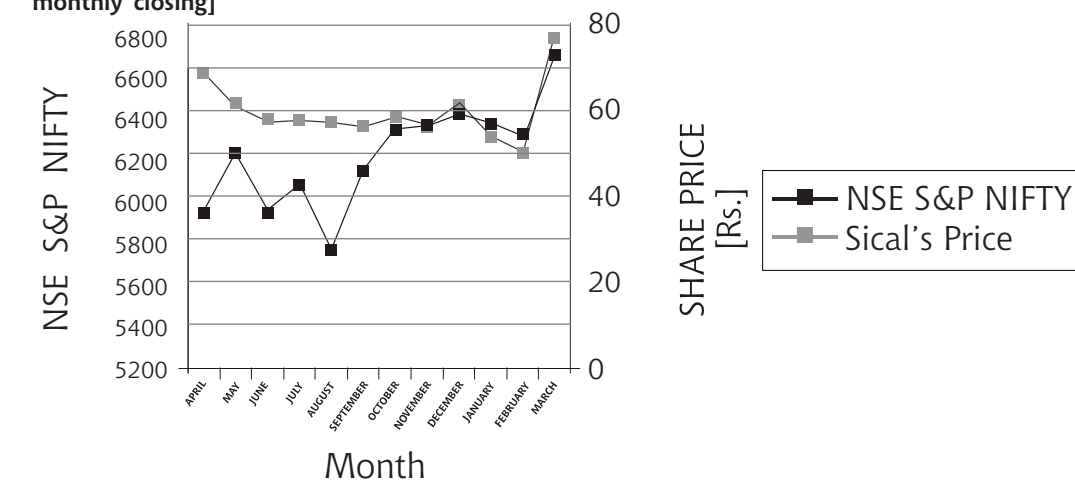
5,41,53,413 equity shares representing 97.40% of the paid-up share capital, have been dematerialized upto 31.03.2014. Trading in equity shares of the Company is permitted only in dematerialized form with effect from 28.08.2000 as per SEBI's orders dated 29.05.2000.



**xvi Nomination of Physical Shares**

Members holding shares in physical form are encouraged to nominate a person to whom the shares in the Company shall vest in the event of death. Nomination forms will be sent to the Members on request.

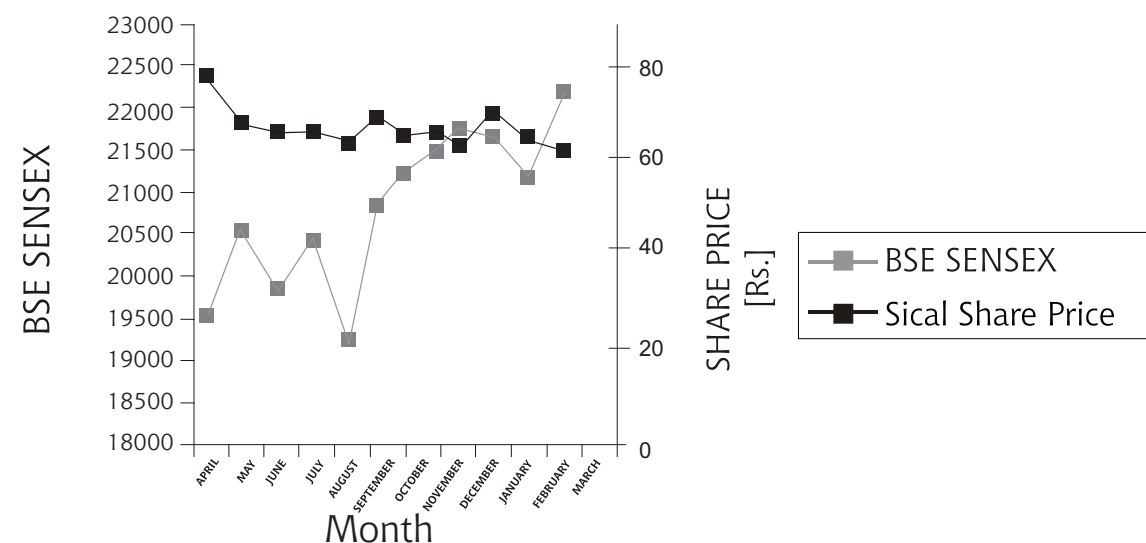
**xvii Performance of SICAL Share price in comparison to National Stock Exchange – S&P CNX NIFTY Index. [highest monthly closing]**





## REPORT ON CORPORATE GOVERNANCE

xviii Performance of SICAL Share price in comparison to Bombay Stock Exchange - BSE Sensex [highest monthly closing].



### xix Auditors' certificate on corporate governance

As required by Clause 49 of the Listing Agreement, the auditors certificate is given as an annexure to this report. We comply with the following non-mandatory requirements:

### xx Shareholders' rights

The Clause states that a half-yearly declaration of financial performance including summary of the significant events in the last six months, may be sent to each household of shareholders. Presently, the quarterly, half-yearly and annual results, notice regarding convening of general meetings and such other notices as are required under the listing agreement with the Stock Exchanges are published in English and Tamil dailies [Business Standard and Makkal Kural]. The results are also posted on the company's website.

### Whistle-blower policy

A mechanism for employees has been established to report concerns about unethical behavior, actual or suspected fraud, or violation of the code of conduct or ethics policy. The mechanism also provides for adequate safeguards against victimization of employees who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. We further affirm that during the financial year 2013-14, no employee has been denied access to the audit committee.

### 17. Investor Correspondence

[For transfer / demat of shares  
Payment of dividend on  
Shares, interest and redemption  
of debentures, any other query]  
relating to the shares and  
debentures of the Company.

### Sical Logistics Ltd.

Secretarial Department  
"South India House"  
73, Armenian Street  
Chennai :: 600 001  
Telephone : 044-66157016  
Fax : 044-66157017  
e-mail : secl@sical.com  
Website : www.sical.in

### Cameo Corporate Services Ltd.

Unit : Sical Logistics Ltd.  
Subramanian Building  
V Floor  
No.1, Club House Road  
Chennai :: 600 002  
Telephone:044-28461073  
Fax : 044-28460129  
e-mail:cameo@cameoindia.com

## COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

### AUDITORS CERTIFICATE

[Under Clause 49 of the Listing Agreement]

To

THE MEMBERS OF SICAL LOGISTICS LTD.

We have examined the compliance of the conditions of Corporate Governance by Sical Logistics Limited for the year ended 31 March 2014 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Clause 49 of the Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that based on the conditions given by the Registrar and Transfer Agent of the Company, as on 31 March 2013, there was no investor grievance, remaining unattended.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **M/s CNGSN & Associates**  
Chartered Accountants

Place Chennai  
Date 11th August, 2014

**CN GANGADARAN**  
Partner

## CEO's DECLARATION ON CODE OF CONDUCT

To

THE MEMBERS OF SICAL LOGISTICS LTD.

This is to certify that all Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct applicable to them for the financial year 2013-14.

For Sical Logistics Limited

Place Chennai  
Date 11 Aug 2014

**R RAM MOHAN**  
Managing Director

## AUDITORS’ REPORT

### INDEPENDENT AUDITOR'S REPORT

To the Members of Sical Logistics Limited

#### Report on the Financial Statements

We have audited the accompanying financial statements of Sical Logistics Limited ("the Company"), which comprise the Balance sheet as at 31st March 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of financial statements.

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

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) in the case of the Statement of Profit and Loss, of the PROFIT for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d. in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956 read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.
  - e. on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
  - f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For **CNGSN & ASSOCIATES**

Chartered Accountants

FR No. 0049155

**CN GANGADARAN**

Partner

Membership No. 11205

Place Chennai

Date 27 May 2014

## Annexure: As Referred to in our report of even date

1.
  - a) The Company has maintained proper records showing full particulars including quantitative details and the situation of fixed assets.
  - b) Majority of the assets have been physically verified by the management during the year but, according to the information and explanations given to us, there is a regular program of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
  - c) During the year the Company has not disposed off substantial part of the fixed assets and the going concern status of the Company is not affected.
2.
  - a) Inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
  - b) In our opinion, the procedure of physical verification of inventory followed by the management is reasonable and adequate in relation to the size of the Company and the nature of its business.
  - c) The Company has maintained proper records of inventories. No discrepancies noticed on verification between the physical stock and the book records.
3. In our opinion, the Company has neither granted nor taken any loans, secured or unsecured from/to the companies, firms or other parties covered in the register maintained under section 301 of the companies Act, 1956. As such the clauses iii(b), iii(c) and iii(d) of paragraph 4 of the Order, are not applicable.
4. In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and to sale of the goods and services. During the course of our audit we have not observed any continuing failure to correct major weaknesses in internal control.
5. According to the information and explanation given to us the Company has not entered into transaction which requires to be recorded in pursuance of section 301 of the Companies Act.
6. In our opinion and according to the information and explanation given to us the Company has complied with directives issued by the Reserve Bank of India and the provisions of Sec.58A and 58AA of the Companies Act, 1956 and the rules framed there under with regard to deposits accepted from the public. As per the information and explanations given to us no order under the aforesaid sections has been passed by the Company Law Board on the Company.
7. In our opinion, the internal audit functions carried out during the year by an external agency appointed by the Management have been commensurate with the size of the Company and the nature of its business.
8. The Company does not come under section 209(1)(d) of the Companies Act.
9.
  - a) According to the information and explanations given to us and according to the books and records as produced and examined by us, in our opinion, the undisputed statutory dues in respect of Provident fund, Income Tax, Sales tax, Customs duty, Excise duty, have generally been regularly deposited with the appropriate authorities. In respect of employees' state insurance scheme, contributions have generally been regularly deposited with the appropriate authorities. There are no undisputed statutory dues outstanding for more than 6 months.
  - b) As at 31st March, 2014 according to the records of the Company, the following are the particulars of the disputed dues on account of Sales-Tax, Income-Tax, Custom Duty and Service Tax matters that have not been deposited:

Nature of Dues	Amount (Rs. In lacs)	Financial Year	Pending Before
Income Tax	237.77	2009-10	CIT (A)
International Tax	67.09	2002-03	CIT (A)
Service Tax	1,345.53	2001-06	CESTAT
Service Tax	1,160.58	2001-06	CESTAT
Service Tax	147.24	2001-06	CESTAT
Service Tax	4.06	2002-06	CCE(A)
Service Tax	7.53	2002-06	CCE(A)
Service Tax	0.67	2002-06	CCE(A)
Service Tax	5.23	2002-04	CCE(A)
Service Tax	2.30	2006-07	CCE(A)
Service Tax	0.17	2006-07	CCE(A)
Service Tax	2.06	2007-08	CCE(A)
Service Tax	1.26	2007-08	CCE(A)
Service Tax	16.12	2005	CCE(A)
Customs	2.00	2001	CESTAT
Customs	18.01	1996	CESTAT
Sales Tax	37.57	1993-94	High Court
Sales Tax	20.91	1995-96	AAC, Cuddalore

10. The Company has neither accumulated losses as at 31st March, 2014 nor has it incurred any cash losses during the financial year ended on that date or in the immediately preceding financial year.
11. Based on our audit procedures and on the information and explanations given by management, we are of opinion that the Company has not defaulted in repayment of dues to Financial Institutions or bank or debenture holders.
12. According to the information and explanation given to us, the Company has not granted any loans & advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The provisions of any special statute as specified under clause (xiii) of paragraph 4 of the Order are not applicable to the Company.
14. According to the information and explanation given to us, the Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, clause 4(xiv) of Companies (Auditors Report) Order 2003 is not applicable.
15. In our opinion, the terms and conditions on which the Company has given guarantees for loans taken by others from banks or financial institution are not prejudicial to the interest of the Company.
16. In our opinion, the term loans have been applied for the purpose for which they were raised.
17. According to the information and explanation given to us and on an overall examination of the balance sheet of the company, short-term funds have not been applied for long term purposes.
18. During the year the Company has not made any preferential allotment of shares to the parties and the companies covered in the register maintained under Sec. 301 of the Companies Act, 1956. Accordingly, clause 4(xviii) of Companies (Auditors Report) Order 2003 is not applicable.
19. The Company has issued 12.75 %, 1000 Non - Convertible Debentures having a face value of Rs.10 lakhs each. The Company has created security and charge in respect of the said 12.75%, 1000 Non - Convertible Debentures issued.
20. The Company has not raised any money through public issue of equity shares during the period
21. According to the information and explanation given to us, no fraud on or by the Company has been noticed or reported during the year.

Place Chennai  
Date 27 May 2014

For and on behalf of  
M/S CNGSN & Associates  
Chartered Accountants  
  
**CN GANGADARAN**  
Partner  
Membership No . 11205  
FR No. 0049155

Annual report 2013-14  
Accounts

## BALANCE SHEET AS AT 31ST MARCH 2014

	Note	As at 31 March 2014	(in Rs. lakhs) As at 31 March 2013
<b>I EQUITY AND LIABILITIES</b>			
<b>Shareholder's funds</b>			
(a) Share Capital	2	5,561.97	5,561.97
(b) Reserves & Surplus	3	37,639.42	36,132.34
Sub-total (1)		43,201.39	41,694.31
<b>Non-current liabilities</b>			
(a) Long term borrowings	4	28,651.25	17,607.64
(b) Deferred tax liabilities, net	25,13	251.93	116.60
(c) Other long term liabilities	5	1,756.77	2,014.18
(d) Long term provisions	6	205.96	208.70
Sub-total (2)		30,865.91	19,947.12
<b>Current Liabilities</b>			
(a) Short term borrowings	7	8,213.64	12,521.64
(b) Trade payables	8	2,724.77	3,185.46
(c) Other current liabilities	9	9,415.44	8,961.92
(d) Short term provisions	10	96.86	49.81
Sub-total (3)		20,450.71	24,718.83
<b>TOTAL (1) + (2) + (3)</b>		<b>94,518.01</b>	<b>86,360.26</b>
<b>II ASSETS</b>			
<b>Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	11	11,826.03	12,755.63
(ii) Capital work in progress	11	902.40	300.00
		12,728.43	13,055.63
(b) Non-current investments	12	27,988.59	32,099.27
(c) Long term loans and advances	13	5,175.46	5,327.29
(d) Other non current assets	14	1,682.34	1,666.81
Sub-total (1)		47,574.82	52,149.00
<b>Current assets</b>			
(a) Inventory	15	643.40	600.82
(b) Trade receivables	16	14,387.07	12,779.02
(c) Cash and cash equivalents	17	7,844.12	9,329.71
(d) Short term loans and advances	18	22,231.29	10,209.85
(e) Other current assets		1,837.31	1,291.86
Sub-total (2)		46,943.19	34,211.26
<b>TOTAL (1) + (2)</b>		<b>94,518.01</b>	<b>86,360.26</b>

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

For M/S CNGSN & Associates  
Chartered Accountants

**CN GANGADARAN**  
Partner  
Membership No . 11205  
FR No. 0049155  
Place Chennai  
Date 27 May 2014

**R Ram Mohan**  
Managing Director

**AS Sundaresha**  
Director  
**V Radhakrishnan**  
Company Secretary

Place Bengaluru  
Date 27 May 2014

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2014

	Note	For the year ended 31 March 2014	(in Rs. lakhs) For the year ended 31 March 2013
I Revenue from operations	19	56,153.27	50,005.33
II Other income	20	3,941.70	1,315.49
III Total revenue (I + II)		60,094.97	51,320.82
<b>IV Expenses:</b>			
Cost of services	21	48,032.45	41,119.27
Employee benefit expense	22	1,969.77	1,943.88
Finance costs	23	5,808.46	4,704.83
Depreciation and amortisation expense	11	1,668.81	1,454.33
Other expenses	24	1,645.42	1,457.47
<b>Total expenses</b>		<b>59,124.91</b>	<b>50,679.78</b>
<b>V Profit before exceptional and extra-ordinary items and tax (III-IV)</b>		<b>970.06</b>	<b>641.04</b>
VI Exceptional items	25,14	80.38	132.47
<b>VII Profit before tax (V+ VI)</b>		<b>1,050.44</b>	<b>773.51</b>
<b>VIII Tax expense</b>			
- Current Tax expense		(190.00)	(249.00)
- Current tax MAT Credit		197.80	-
-Less: MAT Credit entitlement		(197.80)	-
- Deferred Tax		135.33	(504.75)
Net tax expense / (benefit)		(54.67)	(753.75)
<b>IX Profit for the year after tax (VII - VIII)</b>		<b>1,105.11</b>	<b>1,527.26</b>
<b>X Prior period items</b>		<b>(38.26)</b>	<b>(355.43)</b>
<b>XI Profit for the year (IX - X)</b>		<b>1,066.85</b>	<b>1,171.83</b>

Earnings per equity share of Rs. 10 each 25,15  
after tax but before exceptional item and prior  
period adjustments  
-Basic EPS (Rs.) 1.84 2.51  
-Diluted EPS (Rs.) 1.84 2.51

Earnings per equity share of Rs. 10 each 25,15  
after tax, exceptional item and prior period adjustments  
-Basic EPS (Rs.) 1.92 2.11  
-Diluted EPS (Rs.) 1.92 2.11

See accompanying notes forming part of the financial statements

In terms of our report attached, This is the statement of profit and loss referred to in our report of even date.

For M/S CNGSN & Associates  
Chartered Accountants

**CN GANGADARAN**  
Partner  
Membership No . 11205  
FR No. 0049155

Place Chennai  
Date 27 May 2014

**R Ram Mohan**  
Managing Director

**AS Sundaresha**  
Director  
**V Radhakrishnan**  
Company Secretary

Place Bengaluru  
Date 27 May 2014



## NOTES

### Note 1: SIGNIFICANT ACCOUNTING POLICIES

#### 1. Method of Accounting

The financial statements have been prepared under the historical convention on an accrual basis of accounting in accordance with generally accepted accounting principles notified under section 211(3C) of the Companies Act, 1956 and the relevant provisions thereof except in the case of certain fixed assets which were revalued as stated below:

#### 2. Fixed Assets

Fixed assets are stated at cost, less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price and any attributable cost of bringing the assets to its working condition for its intended use.

Other assets including the additions subsequent to revaluation are shown at cost, which includes capitalization of pre-operative expenses and net of CENVAT credit availed wherever applicable.

With regard to assets acquired under hire purchase, the cost of the assets are capitalized while the annual charges are charged to revenue.

#### 3. Borrowing Cost

Borrowing costs are capitalized as part of qualifying fixed assets wherever it is possible that they will result in future economic benefits. Other borrowing costs are expensed.

#### 4. Depreciation

Depreciation is consistently provided at the rates prescribed under Schedule XIV of the Companies Act, 1956 on the following methods:

- Assets of logistics division are depreciated at written down value method except assets of transportation & warehousing divisions which are depreciated at straight-line method. Port handling equipments at Ennore Port and JD V are written off over the period of BOT Scheme/ Berth Reservation Scheme
- Depreciation on certain premises are provided on composite cost where it is not possible to segregate the land cost.
- Assets costing less than Rs.5000 are fully depreciated.

#### 5. Investments (Long Term)

Investments in shares are stated at cost, net of permanent diminution in value wherever necessary.

#### 6. Inventories

- Stores and Spares used for running of trucks and other machineries valued at lower of cost and net realizable value.
- Loose tools are valued after writing off certain percentage of cost.

#### 7. Excise Duty

CENVAT credit on materials purchased and on input services used for providing output services are taken into account at the time of purchase/payment and CENVAT credit on purchase of capital items wherever applicable are taken into account as and when the assets are installed, to the credit of respective purchase and assets accounts. The CENVAT credits so taken are utilized for payment of service tax on output services provided. The unutilized CENVAT credit is carried forward in the books.

#### 8. Revenue Recognition

Revenue is recognized on their accrual upon completion of services. Expenditure incurred on incomplete services are included under "Advances Recoverable".

## NOTES

#### 9. Foreign Currency transactions

Foreign currency transactions are recorded in the books at the rates prevailing on the date of transaction.

Foreign currency monetary items as on balance sheet date are translated at exchange rate in effect at the Balance sheet date. The gains or losses from such transactions are included in the Statement of Profit and loss. Out of the total exchange difference of Rs.665.84 lakhs arose on reporting of long term foreign currency monetary items as on Balance sheet date, Rs.225.61 lakhs included in the Statement of profit and loss and balance of Rs. 440.23 lakhs transferred to Foreign Currency Translation Reserve Account as per AS-11(R) issued by the Central Government vide their notification no G.S.R 225(E) Dt. 31st March ,2009.

#### 10. Retirement Benefits

Short term employee benefits are charged off at the undiscounted amount in the year in which the related service is rendered.

Post employment and other long term employee benefits are charged off in the year in which the employee has rendered service. The amount charged off is recognised at the present value of the amounts payable determined using actuarial valuation method. Actuarial gains and losses in respect of post employment and other long term benefits are charged to Statement of Profit and Loss.

#### 11. Contingent Liabilities & Provisions

All known liabilities of material nature have been provided for in the accounts except liabilities of a contingent nature, which have been disclosed at their estimated value in the notes on accounts in accordance with Accounting Standard- 29. As regards Provisions, it is only those obligations arising from past events existing independently of an enterprise's future actions that are recognized as provisions.

#### 12. Segment reporting

The accounting policies adopted for Segment reporting are in line with the Accounting Standard-17. The Company is primarily engaged in providing integrated logistics services which is considered as single business segment in terms of segment reporting as per AS 17. There being no services rendered outside India there are no separate geographical segments to be reported on.

#### 13. Discontinuing Operations

There are no discontinuing operations that have been reported in the current year financials and thus no disclosure as per Accounting Standard – 24 is applicable.

#### 14. Impairment of Assets

The Company recognizes impairment of all assets other than the assets, which are specifically excluded under Accounting Standard-28 on Impairment of Assets after comparing the asset's recoverable value with its carrying amount in the books. In case the carrying amount exceeds recoverable value, impairment losses are provided for.

The company has introduced a policy of measuring impairment of its goodwill on an annual basis. While testing for impairment the company shall pay heed to market prospects, company profitability, EPS and performance indicators in determining the same. Any upward movement in goodwill shall not be considered on account of prudence.

#### 15. Deferred Taxes

- Current Tax is determined in accordance with the provisions of Income Tax Act, 1961.
- Deferred tax is recognized for all the timing differences. Deferred tax assets are recognized when considered prudent.

NOTES

Note 2: SHARE CAPITAL

	Authorised			Issued			Subscribed			Paid-up		
	Number of shares	Face value (Rs.)	Total value (in Rs. lakhs)	Number of shares	Face value (Rs.)	Total value (in Rs. lakhs)	Number of shares	Face value (Rs.)	Total value (in Rs. lakhs)	Number of shares	Face value (Rs.)	Total value (in Rs. lakhs)
Equity Shares												
Opening balance as on 01-Apr-2012	60,000,000	10	6,000.00	55,642,032	10	5,564.20	55637792	10	5,563.78	5,56,01,694	10	5,560.17
Increase during the year	-	-	-	-	-	-	-	-	-	-	-	-
Closing balance as on 31-Mar-2013	60,000,000	10	6,000.00	55,642,032	10	5,564.20	55637792	10	5,563.78	55,601,694	10	5,560.17
Preference shares												
Opening balance as on 01-Apr-2012	150,000,000	10	15,000.00	-	-	-	-	-	-	-	-	-
Increase during the year	-	-	-	-	-	-	-	-	-	-	-	-
Closing balance as on 31-Mar-2013	150,000,000	10	15,000.00	-	-	-	-	-	-	-	-	-
Equity shares forfeited												
Opening balance as on 01-Apr-2012	-	-	-	-	-	-	-	-	-	-	-	1.80
Increase during the year	-	-	-	-	-	-	-	-	-	-	-	-
Closing balance as on 31-Mar-2013	-	-	-	-	-	-	-	-	-	-	-	1.80
Share Capital Total	-	-	21,000.00	-	-	5564.20	-	-	5563.78	-	-	5,561.97

NOTES

Note 2: SHARE CAPITAL (contd.)

	Authorised			Issued			Subscribed			Paid-up		
	Number of shares	Face value (Rs.)	Total value (in Rs. lakhs)	Number of shares	Face value (Rs.)	Total value (in Rs. lakhs)	Number of shares	Face value (Rs.)	Total value (in Rs. lakhs)	Number of shares	Face value (Rs.)	Total value (in Rs. lakhs)
Equity Shares												
Opening balance as on 01-Apr-2013	60,000,000	10	6,000.00	55,642,032	10	5,564.20	55,637,792	10	5,563.78	55,601,694	10	5,560.17
Increase during the year	-	-	-	-	-	-	-	-	-	-	-	-
Closing balance as on 31-Mar-2014	60,000,000	10	6,000.00	55,642,032	10	5,564.20	55,637,792	10	5,563.78	55,601,694	10	5,560.17
Preference shares												
Opening balance as on 01-Apr-2013	150,000,000	10	15,000.00	-	-	-	-	-	-	-	-	-
Increase during the year	-	-	-	-	-	-	-	-	-	-	-	-
Closing balance as on 31-Mar-2014	150,000,000	10	15,000.00	-	-	-	-	-	-	-	-	-
Equity shares forfeited												
Opening balance as on 01-Apr-2013	-	-	-	-	-	-	-	-	-	-	-	1.80
Increase during the year	-	-	-	-	-	-	-	-	-	-	-	-
Closing balance as on 31-Mar-2014	-	-	-	-	-	-	-	-	-	-	-	1.80
Share Capital Total	-	-	21,000.00	-	-	5,564.20	-	-	5,563.78	-	-	5,561.97

Of the Above

- a) 93,20,003 Equity Shares Of Rs.10 Each were allotted as fully paid up as per the earlier schemes of Amalgamation
- b) 98,60,910 Equity Shares of Rs.10 Each were Allotted as fully paid up to the share holders of 3,45,13,195, 1% Preference Shares on 1/4/1997 in terms of Special resolution passed by the shareholders on 9/12/1996
- c) 47,61,908 Equity shares of Rs.10 each were allotted as fully paid up by way of bonus shares by capitalisation of Securities premium.

NOTES

Note 2: SHARE CAPITAL (contd.)

i) Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates

Particulars	Equity Shares with voting rights	Equity Shares with differential voting rights	Compulsorily convertible preference shares	Optionally convertible preference shares	Redeemable preference shares
	Number of Shares				
On 31 March 2014					
Tanglin Retail Reality Developments Private Limited, the holding company	2,93,72,268	Nil	Nil	Nil	Nil
On 31 March 2013					
Tanglin Retail Reality Developments Private Limited, the holding company	2,93,72,268	Nil	Nil	Nil	Nil

ii) Details of shares held by each shareholder holding more than 5% shares

Class of Shares/Name of shareholder	On March 31, 2014		On March 31, 2013	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Tanglin Retail Reality Developments Private Limited	2,93,72,268	52.83%	2,93,72,268	52.83%
Ranford Investments Limited	7,2,25,649	13.00%	72,25,649	13.00%
Damolly Investments Limited	3,3,23,934	5.98%	33,23,934	5.98%

iii) Details of forfeited shares

Class of Shares	On March 31, 2014		On March 31, 2013	
	Number of shares	Amount originally paid up	Number of shares	Amount originally paid up
Equity shares with voting rights	36,098	18,0490	36,098	1,80,490

Note 3: RESERVES AND SURPLUS

	(in Rs lakh)						
Particulars	Capital Reserve	Securities Premium Account	Debenture Redemption Reserve*	General Reserve	Foreign Currency Translation Reserve	Balance in P&L Account	Total
Opening balance as on 01-Apr-2012	1,093.31	9,985.71	-	3,294.37	659.22	19,673.72	34,706.33
Current year surplus/ deficit	-	-	-	-	-	1,171.82	1,171.82
Transferred from Profit and Loss Account	-	-	-	-	254.19	-	254.19
Closing balance as on 31-Mar-2013	1,093.31	9,985.71	-	3,294.37	913.41	20,845.54	36,132.34
Opening balance as on 01-Apr-2013	1,093.31	9,985.71	-	3,294.37	913.41	20,845.54	36,132.34
Current year surplus/ deficit	-	-	-	-	-	1,066.85	1,066.85
Transferred to Debenture Redemption Reserve							
Reserve	-	-	500	-	-	(500)	-
Transferred from Profit and Loss Account	-	-	-	-	440.23	-	440.23
Closing balance as on 31-Mar-2014	1,093.31	9,985.71	500	3,294.37	1,353.64	21,412.39	37,639.42

\* Debenture redemption reserve has been created in accordance with Section 117C of the Companies Act, 1956 and Proviso 2(iii) of Ministry of Corporate Affairs Circular No 04/2013 dtd 11.02.2013 in respect of public issue of 12.75% Secured Listed Non Convertible Debentures to ING VYSYA Bank Ltd

NOTES

Note 4: Long-term borrowings

Particulars	Non Current Portion		Current Maturities	
	As at March 31, 2014	As at March 31, 2013	As at March 31, 2014	As at March 31, 2013
	Rs. (in lakhs)	Rs. (in lakhs)	Rs. (in lakhs)	Rs. (in lakhs)
(a) Bonds / debentures - Secured Non Convertible 1000 Nos 12.75% Secured listed NCD of Rs. 10 Lakhs each	10,000.00	-	-	-
(b) Term loans From Banks - Secured From Others - Secured	18,645.89 5.36	14,052.81 3,554.83	4,948.90 164.80	3,508.00 34.02
Total	28,651.25	17,607.64	5,113.70	3,542.02
Amount disclosed under the head "Other Current Liabilities" (Note-9)	-	-	-5,113.70	-3,542.02
Net Amount	28,651.25	17,607.64	-	-

Note 4.1 Details of terms of repayment for the long-term borrowings and security provided in respect of the long term borrowings

Particulars	As at March 31, 2014		As at March 31, 2013	
	Secured Rs. (in lakhs)	Rate of Interest	Secured Rs. (in lakhs)	Rate of Interest
Bonds / debentures Non-convertible Debentures	10,000.00	12.75%	-	-
Term loans from banks & financial institutions:				
The Ratnakar Bank Ltd	7,498.07	BPLR floating rate	7,498.06	BPLR floating rate
ING Vysa Bank	1,499.45	BPLR floating rate	1,999.46	BPLR floating rate
IDBI Bank Ltd	6,723.00	BPLR floating rate	-	-
The Karur Vysya Bank	2,000.00	BPLR floating rate	-	-
IndusInd Bank	1,874.27	BPLR floating rate	-	-
Canara Bank	4,000.00	BPLR floating rate	-	-
SREI & Others	170.16	BPLR floating rate	567.25	BPLR floating rate
Bank of Baroda	-	BPLR floating rate	6,333.20	BPLR floating rate
YES Bank	-	-	703.00	BPLR floating rate
HDFC	-	-	2,673.54	BPLR floating rate
IDFC	-	-	1,375.15	BPLR floating rate
Total Term loans from banks and financial institutions secured	23,764.95		21,149.66	
Grand Total	33,764.95		21,149.66	

NOTES

a. Details of Security for secured long term borrowings

(i) Non-convertible Debentures

The Company had raised a sum of Rs.100 crores through issue of 1000 Nos. Secured listed 12.75% Non-convertible debentures of Rs.10 lakh each against the security of Dredger belonging to the subsidiary company viz Norsea Offshore India Ltd and assets procured out of funds received through ING Vysya Bank term loan of Rs.20 Crores. The NCDs are listed in NSE. The purpose of issue of NCDs were for taking over the existing term loan and shoring up of long term net working capital for its ongoing contracts. IDBI Trusteeship Services Ltd has been appointed as the debenture trustees. Debentures are redeemable in two installments i.e 50% in September 2017 and balance 50% in September 2018.

(ii) The Ratnakar Bank Ltd

The company has taken Long term Loan of Rs 75 Crores against security of certain Immovable properties (Land), during the FY 2012-13 with a moratorium period of 24 months. Loan is repayable in 8 equal quarterly installments after the moratorium period.

(iii) ING Vysya Bank

The company has taken a term loan of Rs. 20 Crores during the FY 2012-13 to meet its capital expenditure requirements against security of movable Fixed assets to be funded out of the loan amount, with a moratorium period of 12 months. Loan is repayable in 12 equal Quarterly installments.

(iv) IDBI Bank Ltd

The company has taken a term loan of Rs. 72 Crores during the current FY 2013-14 for paying off its existing debt and to meet its normal capital expenditure/ other corporate purposes against security of first charge on Ennore project assets and receivables and collateral security of immovable properties situated at Madhavaram, Chennai and Mumbai. Loan is repayable in 94 equal monthly installments.

(v) The Karur Vysya Bank

The company has taken a term loan of Rs. 20 Crores during the current FY 2013-14 for general corporate purposes against security of exclusive charge in the form of mortgage of certain specific immovable properties situated at Mumbai, Jamnagar, Bhavnagar and Kolkatta, with a moratorium period of 12 months. Loan is repayable in 12 equal Quarterly installments.

(vi) IndusInd Bank

The company has taken a term loan of Rs 20 Crores during the current FY 2013-14 against security of second charge on the Ennore Project Assets. Loan is repayable in 84 equal Monthly installments

(vii) Canara Bank

The company has taken a secured medium term loan of Rs. 40 Crores during the current FY 2013-14 against security of pari pasu second charge over current assets and movable fixed assets of the company with a moratorium period of 12 months alongwith Bank of Baroda who has the first charge over the assets. Loan is repayable in 16 equal quarterly installments.

(viii) SREI Equipment Finance Ltd

Secured loan of Rs 10 Crores was taken in the year 2011 to finance purchase of Pay-loaders and Tippers at Chennai port. The same is secured by a charge on the purchased assets.



## NOTES

		(in Rs. lakhs)
	On March 31, 2014	On March 31, 2013

### Note 5: OTHER LONG TERM LIABILITIES

Other Payables	<b>1,756.77</b>	2,014.18
<b>Total</b>	<b><u>1756.77</u></b>	<u>2014.18</u>

### Note 6: LONG TERM PROVISIONS

Provision for employee benefits	<b>205.96</b>	208.70
<b>Total</b>	<b><u>205.96</u></b>	<u>208.70</u>

### Note 7: SHORT TERM BORROWINGS

Loans repayable on demand		
From banks		
Secured	<b>8,213.64</b>	12,521.64
<b>Total</b>	<b><u>8,213.64</u></b>	<u>12,521.64</u>

### Note 7.1 Details of interest and security provided in respect of the short term borrowings

Name of the Bank	As at March 31, 2014		As at March 31, 2013	
	<b>Rs. (in lakhs)</b>	<b>Rate of Interest</b>	<b>Rs. (in lakhs)</b>	<b>Rate of Interest</b>
Bank of Baroda	8,213.64	BPLR floating rate	12,521.64	BPLR floating rate
<b>Total</b>	<b>8,213.64</b>		<b>12,521.64</b>	

**7.2** Working capital facility is secured by composite hypothecation of entire raw materials, stock in process, stores and spares, packing material, finished goods, Plant & Machinery etc and Book debts & Trade Advances of the company both present and future as well as Equitable Mortgage of certain immovable properties.

### Note 8 Trade payables

Particulars	As at March 31, 2014	As at March 31, 2013
	<b>Rs. (in lakhs)</b>	<b>Rs. (in lakhs)</b>
<b>TRADE PAYABLES</b>		
-Due to MSMED (Refer Note 25.8)	-	-
- Others	2,724.77	3,185.46
<b>Total</b>	<b><u>2,724.77</u></b>	<b><u>3,185.46</u></b>

## NOTES

		(in Rs. lakhs)
	On March 31, 2014	On March 31, 2013

### Note: 09: OTHER CURRENT LIABILITIES

Current maturities of long term debt (Refer Note 4.1 for details of security)	<b>5,113.70</b>	3,542.02
Interest accrued but not due on borrowings	-	21.48
Unpaid dividends	<b>11.23</b>	11.23
Unpaid matured debentures and interest accrued thereon	-	0.44
Deposits accepted	<b>1.06</b>	1.42
Advances Received	<b>1,171.99</b>	1,404.57
Other liabilities related parties	<b>1,367.29</b>	1,722.42
Statutory dues payable	<b>83.64</b>	173.30
Expenses payable	<b>1,666.53</b>	2,085.04
<b>Total</b>	<b><u>9,415.44</u></b>	<u>8,961.92</u>

### Note 10: SHORT TERM PROVISIONS

Provision for compensated absences	<b>96.86</b>	49.81
<b>Total</b>	<b><u>96.86</u></b>	<u>49.81</u>

NOTE 11: FIXED ASSETS - Current year 2013-14

(In Rs. Lakh)

Particulars	Gross Block			Depreciated on			Net Block				
	As at April 1 2013	Additions during the year	Deletions during the year	As at March 31, 2014	As at April 1 2013	Additions during the year	Deletions during the year	As at March 31, 2014	As at March 31 2013	As at March 31 2014	As at March 31 2013
<b>Tangible assets</b>											
Freehold Land	1,723.39	1.50	-	1,724.89	-	-	-	-	1,723.39	1,724.89	1,723.39
Buildings	818.28	4.14	-	822.42	334.29	15.26	-	349.55	472.87	472.87	483.99
Plant & Machinery	4,447.14	641.12	1.29	5,086.97	438.56	573.63	-	1,012.19	4,074.78	4,074.78	4,008.58
Office Equipments	750.34	23.63	9.44	764.53	624.12	26.16	-	650.28	114.25	114.25	126.22
Furniture & Fixtures	404.72	2.35	1.21	405.86	347.90	9.13	-	357.03	48.83	48.83	56.82
Trucks	3,147.73	26.05	168.17	3,005.61	2,804.39	73.68	159.91	2,718.16	287.45	287.45	343.34
Vehicles	808.62	1.63	1.63	808.62	437.98	117.50	-	555.48	253.14	253.14	370.64
Leased Machinery	239.15	-	-	239.15	49.82	119.57	-	169.39	69.76	69.76	189.33
Port Handling Equipment	11,933.36	60.62	-	11,993.98	6,480.04	733.88	-	7,213.92	4,780.06	4,780.06	5,453.32
Total	24,272.73	761.04	181.74	24,852.03	11,517.10	1,668.81	159.91	13,026.00	11,826.03	11,826.03	12,755.63
Capital Work in Progress	300.00	603.10	0.70	902.40	-	-	-	-	902.40	902.40	300.00
Total	300.00	603.10	0.70	902.40	-	-	-	-	902.40	902.40	300.00
GRAND TOTAL	24,572.73	1,364.14	182.44	25,754.43	11,517.10	1,668.81	159.91	13,026.00	12,728.43	12,728.43	13,055.63

NOTES

WDV of the Assets acquired under Hire Purchase agreement included under:

	(In Rs Lakh)	
Trucks- SREI	31-3-14	31-3-13
Term Loan (Conditional Charan)	99.33	121.29

NOTES

NOTE 11: FIXED ASSETS - PREVIOUS YEAR

(in Rs lakh)

Particulars	Gross Block			Depreciated on			Net Block				
	As at April 1 2012	Additions during the year	Transfers In / Out	Sales/ Adjustments	As at March 31 2013	As at April 1 2012	Additions during the year	Transfers In / Out	Withdrawn	As at March 31 2013	As at March 31 2012
<b>Tangible assets</b>											
Freehold Land	1,718.89	4.50	-	-	1723.39	-	-	-	-	1723.39	1718.89
Buildings	807.48	10.80	-	-	818.28	317.36	16.94	-0.01	334.29	483.99	490.12
Plant & Machinery	398.67	4112.24	-63.77	-	4447.14	275.35	209.01	-45.80	438.56	4008.58	123.32
Office Equipments	642.42	47.15	63.86	3.09	750.34	530.07	48.16	47.73	624.12	126.22	112.35
Furniture & Fixtures	385.28	19.57	-0.09	0.04	404.72	338.81	10.65	-1.56	347.90	56.82	46.47
Trucks	3012.27	135.46	-	-	3147.73	2645.78	184.39	-25.78	2804.39	343.34	366.49
Vehicles	801.29	7.33	-	-	808.62	244.76	167.80	25.42	437.98	370.64	556.53
Leased Machinery	-	239.15	-	-	239.15	-	49.80	-	49.82	189.33	-
Port Handling Equipment	11,909.17	24.19	-	-	11933.36	5712.48	767.56	-	6480.04	5453.32	6196.69
Total	19,675.47	4600.39	-0.00	3.13	24272.73	10064.61	1454.33	0.00	1.84	12755.63	9610.86
Capital Work in Progress	120.00	300.00	-120.00	-	300.00	-	-	-	-	300.00	120.00
Total	120.00	300.00	-120.00	-	300.00	-	-	-	-	300.00	120.00
GRAND TOTAL	19795.46	4900.39	-120.00	3.13	24572.73	10064.61	1454.33	0.00	1.84	13055.63	9730.86

NOTES

WDV of the Assets acquired under Hire Purchase agreement included under:

	(In Rs Lakh)	
Vehicles	31-3-12	31-3-11
Trucks	121.29	15.49
	-	9.12

NOTES

	(in Rs. lakhs)	
As at March 31, 2014	As at March 31, 2013	

Note 12: NON-CURRENT INVESTMENTS

Name of Corporate Body

(i) Investment in Equity Instruments - Unquoted

a. Investment in Indian Subsidiaries & Joint Ventures

Norsea Offshore India Ltd Share - 50,000 Shares (PY - 50,000 Shares) of Rs. 10/- each fully paid up	5.00	5.00
Sical Adams Offshore Ltd - 50,000 Shares (PY - 50,000 Shares) of Rs. 10/- each fully paid up	5.00	5.00
Sical Infra Assets Ltd - 2,85,65,000 Shares (PY - 2,85,65,000 Shares) of Rs. 10/- each fully paid up	11,181.76	11,181.76
Sical Iron Ore Terminals Ltd - 8,19,00,000 Shares (PY - 8,19,00,000 Shares) of Rs. 10/- each fully paid up	8,290.00	8,290.00
Sical Iron Ore Terminal (Mangalore) Ltd - 3,00,00,000 Shares (PY - 3,00,00,000 Shares) of Rs. 10/- each fully paid up	3,000.00	3,000.00
Ennore Automotive Logistics Ltd - 18,00,000 Shares (PY - 18,00,000 Shares) of Rs. 10/- each fully paid up	180.00	180.00
PSA Sical Terminals Ltd- 56,25,030 Shares (PY - 56,25,030 Shares) of Rs. 10/- each fully paid up	654.11	654.11

b. Investment in Overseas Subsidiaries

Bergen Offshore Logistics Pte. Ltd 1,00,000 Shares (PY- 1,00,000 Shares) of SGD 1/- each and 1,00,22,138 Shares (PY- 1,89,36,306 Shares) of USD 1/- each*	4,667.72	8,778.40
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(ii) Investment in Equity Instruments - Quoted

a. Investment in Indian Company

Sicagen India Ltd Shares 50,000 Shares (PY - 50,000 Shares) of Rs. 10/- each fully paid up	5.00	5.00
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Market Value of Quoted Equity Investment  
(6.65 As at March 31, 2014 & 6.70 As at March 31, 2013)

Total	27,988.59	32,099.27
* During the year, share capital was reduced by the Subsidiary to the extent of 89,14,168 shares of USD 1 each. Amount receivable on account of such capital reduction as on 31.3.2014 is Rs.5509.93 lakhs as against cost of Rs.4,110.68 lakhs.		

Note: 13: LONG TERM LOANS AND ADVANCES

Unsecured-considered good		
Security deposits	494.81	514.47
Advance income tax [net of provisions]	4,680.65	4,812.82
Total	5,175.46	5,327.29

NOTES

	(in Rs. lakhs)	
As at March 31, 2014	As at March 31, 2013	

Note 14: OTHER NON CURRENT ASSETS

Unsecured-considered good		
Long term receivables	1,682.34	1,666.81
Total	1,682.34	1,666.81

Note 15: INVENTORY

Stores and Spares	629.33	586.75
Loose Tools	14.07	14.07
Total	643.40	600.82

Note 16: TRADE RECEIVABLES

Debts outstanding for a period exceeding six months		
Unsecured, considered good	3,504.40	1,971.16
Doubtful	121.20	105.20
Provision for doubtful debts	-121.20	-105.20
	3,504.40	1,971.16
Others		
Unsecured, considered good	10,882.67	10,807.86
Doubtful	-	-
	10,882.67	10,807.86
Total	14,387.07	12,779.02

Note 17: CASH AND CASH EQUIVALENTS

Balance with banks		
In current accounts	496.97	601.42
in deposit accounts	6,500.00	7,961.29
in margin accounts	813.68	745.36
In dividend accounts	11.23	11.23
Cheques,drafts on hand	-	-
Cash on hand	22.24	10.41
Total	7,844.12	9,329.71

Note 18: SHORT TERM LOANS AND ADVANCES

Unsecured, considered good		
Loans and advances		
-to related parties	18,252.98	7,306.11
-to others	3,978.31	2,903.74
Total	22,231.29	10,209.85

Note 19: REVENUE FROM OPERATIONS

Revenue from operations - Logistics	56,153.27	50,005.33
Total	56,153.27	50,005.33



## NOTES

### Note 20: OTHER INCOME

	(in Rs. lakhs)	
As at March 31, 2014	As at March 31, 2013	
Interest Income (from other than a finance company)	2,407.24	1,290.40
Dividend Income	61.43	0.50
Net gain/loss on sale of investments (See Note 12)	1,399.25	-
Rental Income	7.31	7.08
Profit on sale of assets	22.77	0.11
Other non operating income	43.70	17.40
<b>Total</b>	<b><u>3,941.70</u></b>	<b><u>1,315.49</u></b>

### Note 21: COST OF SERVICES

Freight	8,072.48	10,778.16
Port Charges	938.74	842.75
Handling and Transportation	37,794.73	26,989.79
Warehousing expenses	10.48	73.62
Operation and Maintenance	1,216.02	2,434.95
<b>Total</b>	<b><u>48,032.45</u></b>	<b><u>41,119.27</u></b>

### Note 22: EMPLOYEE BENEFIT EXPENSES

Salaries and wages	1,771.35	1,735.69
Contribution to Provident Fund	80.60	90.52
Contribution to Gratuity and other funds	44.80	11.21
Employee welfare expenses	73.02	106.46
<b>Total</b>	<b><u>1,969.77</u></b>	<b><u>1,943.88</u></b>

### Note 23: FINANCE COSTS

Interest expense on Borrowings	5,389.13	4,462.73
Other borrowing cost	419.33	242.10
<b>Total</b>	<b><u>5,808.46</u></b>	<b><u>4,704.83</u></b>

## NOTES

### Note 24: OTHER EXPENSES

	(in Rs. lakhs)	
As at March 31, 2014	As at March 31, 2013	
Rent including Lease Rent	106.50	52.84
Rates, Taxes, Licenses and Filing Fees	76.96	155.09
Insurance	39.19	31.06
Power and Fuel	59.37	71.80
Repairs and Maintenance		
Plant & Machinery	0.20	3.00
Building	8.22	4.72
Vehicles	7.81	6.54
Others	7.52	9.60
Travelling and Coveyance	354.70	305.37
Directors' Sitting Fees	10.20	7.80
Payment to Auditors		
Audit	15.00	15.00
Tax Audit	4.00	4.00
Other services	-	-
Certification	5.56	5.91
Expenses reimbursement	4.49	5.62
Consumable Stores and Tools	-	-
Other expenses	929.70	749.74
Provision for bad and doubtful debts	16.00	13.42
Rebates, Discount and Commission	-	9.17
Commission to Directors	-	6.79
<b>Total</b>	<b><u>1,645.42</u></b>	<b><u>1,457.47</u></b>

NOTES

Note 25 NOTES ON ACCOUNTS

- 1
- Claims against the Company not acknowledged as debts Rs. 1042.32 Lakh (Previous Year: Rs.1973.60 lakh).
- 2
- In accordance with Accounting Standard-29, the following are considered as Contingent liabilities and not provide for:  
  
a) Sales Tax, Service Tax, Customs, Wealth Tax and Income tax demands together with penalties under appeal amounts to Rs. 5,376.34 Lakh (Previous Year: Rs. 15,335.62 Lakh.)  
  
b) Guarantees given by the Company for loans taken by other bodies corporate (including subsidiary companies to complete their projects) is Rs.48,571 Lakh (Previous Year: Rs. 48,567.00 Lakh).  
  
c) Guarantees given by bankers for Performance of Contracts & others is Rs.6,731.87 Lakh (Previous Year: Rs. 6,757.99 lakh).
- 3
- Deposit with Bank in pursuance of Rule 3 A of the Companies (Acceptance of Deposit) Rules, 1975 included under fixed deposits with banks Rs.1.06 Lakh (Previous Year: Rs. 8.08 Lakh).
- 4
- Balance with Central Excise Authorities includes unutilised Cenvat Credits of Rs.Nil (Previous Year: Rs. Nil Lakhs).
- 5
- The provision for Taxation includes Rs.Nil (Previous Year: Rs. 1.00 Lakh) towards Wealth tax.
- 6
- Letters of confirmation of balances in respect of account of suppliers, debtors and principals, loans and advances and in-operative bank accounts have been called for and where not received is being followed up.
- 7
- Sundry Creditors include Rs.Nil (Previous Year: Rs. Nil Lakh) due to small scale industrial undertakings to the extent such parties have been identified by the Management and relied upon by auditors. The Company has normally made payments to Small Scale Industrial units in due time and also there being no claim from the parties, interest, if any, on overdue payments is unascertainable and thus not provided for.
- 8
- Micro, Small and Medium Enterprises Development Act, 2006**  
As per the information available with the company, there are no dues payable to creditors covered under this Act.
- 9
- Employee Benefits**  
Disclosures required under Accounting Standard 15 on Employee Benefits are given below:  
  
**Defined Benefit Plan:**  
Employees' Gratuity fund scheme managed by Life Insurance Corporation of India is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using Projected Unit Credit Method, which recognizes each period of services giving rise to additional unit of employee entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognized in the same manner as gratuity.

NOTES

<b>(A) Actuarial Assumptions – Gratuity/ Compensated Absences</b>		(in Rs. lakhs)
	<b>2013-14</b>	<b>2012-13</b>
Discount Rate	8.80%	8.60%
Salary Escalation	6.00%	6.00%
Attrition Rate	15.77%	2.00%
Expected Rate of Return on Plan Assets	9.25%	9.25%
<b>Movement for Gratuity (Funded)</b>		
<b>(B) Table Showing Movement in present value of obligation</b>		
Present Value of obligation as at beginning of the year	208.70	196.75
Current Service Cost	19.58	25.35
Interest Cost	15.84	15.58
Benefits Paid	(26.40)	(31.14)
Actuarial loss/ (gain) on obligation (Balancing figure)	(11.76)	2.16
Present Value of obligation as at end of the year	205.96	208.70
<b>(C) Table Showing Movement in Fair Value of Plan assets</b>		
Fair Value of plan assets as at beginning of the year	121.92	128.18
Expected return on plan assets	12.01	11.03
Contributions	47.31	13.31
Benefits paid	(26.40)	(31.14)
Actuarial loss/ (gain) on obligation (Balancing figure)	(2.50)	0.54
Fair Value of plan assets as at end of the year	152.34	121.92
<b>(D) Reconciliation of fair value of assets and obligations</b>		
Fair Value of plan assets as at end of the year	<b>152.34</b>	<b>121.92</b>
Present value of obligation as at end of the year	<b>205.96</b>	<b>208.70</b>
Net Assets/ (Liability) recognized in balance sheet	<b>(53.62)</b>	<b>(86.78)</b>
<b>(E) Expenses recognized during current year</b>		
Current Service Cost	19.58	25.35
Interest Cost	15.84	15.58
Expected return on plan assets	(12.01)	(11.03)
Net actuarial (Gain)/Loss recognized in the year	(11.78)	1.63
Expenses Recognized	11.63	31.53
The details of experience adjustments arising on account of plan liabilities are not available in the valuation report and hence, are not furnished.		
<b>10 a) Managerial Remuneration</b>		(in Rs. lakh)
	<b>2013-14</b>	<b>2012-13</b>
Particulars		
Salaries & Allowances	-	-
Contribution to Provident and Other Funds	-	-
Perquisites	-	-
Terminal benefits (Insurance, Club subscription etc.)	-	-
Total	-	-

## NOTES

### 10 b) Commission Payable to Directors

(in Rs. lakhs)

Particulars	2013-14	2012-13
PBT as per P & L before Exceptional Items	<b>970.06</b>	641.04
<b>Add:</b>		
Salary & Allowances to Directors	-	-
PF Contribution	-	-
Perks to Directors		-
Directors Sitting Fees	<b>10.20</b>	7.80
Commission to Director		6.79
Depreciation as per book	<b>1,668.81</b>	1,454.33
Assets W/O		-
	<b><u>1,679.01</u></b>	<u>1,468.92</u>
	<b><u>2,649.07</u></b>	<u>2,109.96</u>
<b>Less:</b>		
Depreciation as per Sec350	<b>1,646.08</b>	1,429.69
Provsion for wealth tax	-	1.00
Profit on sale of Investment	<b>1,399.25</b>	
Profit on sale of Asset	<b><u>22.77</u></b>	<u>0.11</u>
	<b><u>3,068.10</u></b>	<u>1,430.80</u>
Profit Computed U/s 349 of Companies Act	<b><u>(419.03)</u></b>	<b><u>679.16</u></b>
1% of the above	-	<b>6.79</b>

### 11. a) Expenditure in Foreign Currency during the Financial Year

(In Rs. Lakhs)

Particulars	2013-14	2012-13
Travel	1.14	4.14
Handling Charges	1.75	-
Repairs and Maintenance		
(Cost of Material Purchased)	68.20	749.14
Commission	0.87	-
Others	45.13	-
Total	<b><u>117.09</u></b>	<b><u>753.28</u></b>

### b) Earnings in foreign exchange (received during the year)

Particulars	2013-14	2012-13
Agency Receipts	1,192.22	1,133.97
Interest	0.00	0.01
Others	18.34	19.28
Total	<b><u>1210.56</u></b>	<b><u>1,153.26</u></b>

## NOTES

### 12. Related Party disclosure:

#### I. Related parties where control exists

- Tanglin Retail Reality Developments Pvt Ltd - Immediate Holding Company
- Tanglin Developments Ltd - Intermediate Holding Company
- Coffee Day Resorts Pvt Ltd - Ultimate Holding Company

#### Subsidiary Companies:

- Sical Infra Assets Ltd. and its subsidiary – Sical Multimodal and Rail Transport Ltd
- Bergen Offshore Logistics Pte. Ltd. and its subsidiary Norsesea Global Offshore Private Ltd.
- Sical Iron Ore Terminals Ltd
- Sical Iron Ore Terminal (Mangalore) Ltd
- Norsea Offshore India Ltd
- Sical Adams Offshore Ltd

#### II Other related parties with whom trade transactions have taken place during the year

#### Joint Ventures

- PSA Sical Terminals Ltd
- Ennore Automotive Logistics Ltd.

#### Key Management Personnel

R Ram Mohan Managing Director

#### III Related Party transactions

Transactions	Subsidiaries	Associates/Joint Venture Companies	Key Management Personnel
Rendering of services	2,472.98	386.40	
	(1,383.61)	(280.80)	
Receiving services	23.09	-	
	(111.88)	(-)	
Reimbursement of expense	133.32	0.81	
	(73.70)	(-)	
Loans and advance	6,705.50	-	
	(2,547.82)	(-)	
Capital Reduction – Bergen	5,509.92	-	
	(-)	(-)	
Investment in equity	-	-	-
	(831.00)	(-)	
Managerial Remuneration			(-)
<b>Closing Balances</b>			
Other liabilities related parties	1,367.29	-	
	(1,796.12)	(-)	
Loans and Advances	18,252.98	-	
	(7,306.11)	(-)	
Debtors	3,330.52	80.84	
	(1,535.85)	(39.27)	
Creditors	322.73	-	
	(204.33)	(-)	

Note: Figures in brackets relate to previous year



NOTES

13. a. Deferred tax Asset arising out of timing difference relating to

(In Rs. Lakh)				
S.No	Particulars	Opening	Current year Adjustments / Additions	Closing
1	Carry forward business loss	<u>1243.14</u>	<u>149.78</u>	<u>1392.92</u>
	<b>Total</b>	<b>1243.14</b>	<b>149.78</b>	<b>1392.92</b>

b. Deferred tax liability arising out of timing difference relating to

S.No	Particulars	Opening	Current year Adjustments / Additions	Closing
1	Depreciation	1360.52	284.33	1644.85
2	Technical know how	(0.77)	0.77	-
<b>Total</b>		<b>1359.75</b>	<b>285.10</b>	<b>1644.85</b>

Net Deferred tax Liability as on 31.3.2014 Rs. 251.93 lakhs

14. Exceptional Items:

(In Rs. Lakh)		
Particulars	2013-14	2012-13
Foreign currency translation reserve written off	225.61	130.48
Foreign exchange fluctuation difference on loans and advances	(152.54)	-
Foreign exchange fluctuation difference (revenue items)	7.31	1.99
<b>Total</b>	<b>80.38</b>	<b>132.47</b>

NOTES

15. Earnings Per Share:

Particulars	2013-14	2012-13
Profit after tax but before Exceptional item and prior period adjustments as per Profit & Loss Account (Rs. In Lakhs)	1,024.73	1,394.79
Profit After Prior Period adjustments as per Profit & Loss Account (Rs. In Lakhs)	1,066.85	1,171.83
Number of Shares Used in computing Earnings Per Share - For Basic	55,601,694	55,601,694
Number of Shares Used in computing Earnings Per Share - For Diluted	55,601,694	55,601,694
Earning Per Share - Basic (In Rs.) - Before Exceptional Item and Prior Period Adjustments	1.84	2.51
Earning Per Share - Diluted (In Rs.) - Before Exceptional Item and Prior Period Adjustments	1.84	2.51
Earning Per Share - Basic (In Rs.) - After Exceptional Item and Prior Period Adjustments	1.92	2.11
Earning Per Share - Diluted (In Rs.) - After Exceptional Item and Prior Period Adjustments	1.92	2.11
Face Value Per Share Rs.	10.00	10.00

16. Previous year's figures have been regrouped, reclassified and rearranged wherever necessary.

For M/S CNGSN & Associates  
Chartered Accountants

**CN GANGADARAN**  
Partner  
Membership No . 11205  
FR No. 0049155

Place Chennai  
Date 27th May 2014

**R Ram Mohan**  
Managing Director

**AS Sundaresha**  
Director

**V Radhakrishnan**  
Company Secretary

Place Bengaluru  
Date 27th May 2014

NOTES

STATEMENT OF PARTICULARS OF SUBSIDIARIES PURSUANT TO SECTION 212[1] (e) OF THE COMPANIES ACT ,1956

Particulars	Sical Infra Assets Ltd.	Sical Iron Ore Terminals Ltd.*	Bergen Offshore Logistics Pte. Ltd.	Sical Iron Ore Terminal (Mangalore) Ltd.*	Norsea Offshore India Ltd.	Sical Adams Offshore Ltd.*
1. Financial year of the subsidiary ended on	31.03.2014	31.03.2014	31.03.2014	31.03.2014	31.03.2014	31.03.2014
2. Share of the subsidiary held by the company on the above date:						
a) Number of Equity shares	28,565,000	81,900,000	10,122,138	30,000,000	50,000	50,000
b) Face value	Rs.10/-each	Rs.10/-each	USD 1 each	Rs.10/-each	Rs.10/-each	Rs.10/-each
c) Extent of holding	53.60%	63%	100%	100%	100%	100%
3. Net aggregate amount of Profits/ (Losses)for the above financial year of the subsidiary so far as they concern members of the company						
a) Dealt with in the Accounts of the company for the year ended 31st March 2014 (in Rs. Lakh)	Nil	Nil	Nil	Nil	Nil	Nil
b) Not dealt with in the Accounts of the company for the year ended 31st March 2014 (in Rs.Lakh)	(19.86)	Nil	(33.39)	Nil	(1043.95)	0.46
4. Net aggregate amount of profits/ (Losses) for previous financial years of the subsidiary, since it became a subsidiary, so far as they concern members of the company						
a) Dealt with in the Accounts of the company as at 31 March 2014 ( in Rs. Lakh)	Nil	Nil	Nil	Nil	Nil	Nil
b) Not dealt with in the Accounts of the Company as at 31 March 2014 ( in Rs. Lakh)	200.24	Nil	(4788.37)	Nil	1310.01	00

\*Company yet to commence operations

For and on behalf of  
M/S CNGSN & Associates  
Chartered Accountants

**CN GANGADARAN**  
Partner  
Membership No . 11205  
FR No. 0049155

Place Chennai  
Date 27 May 2014

**R Ram Mohan**  
Managing Director

**AS Sundaresha**  
Director

**V Radhakrishnan**  
Company Secretary

Place Bengaluru  
Date 27 May 2014

NOTES

Balance Sheet abstract and Company's general business profile

Registration details	Registration details	<table><tr><td></td><td>2</td><td>4</td><td>3</td><td>1</td></tr></table>		2	4	3	1	State code	<table><tr><td>1</td><td>8</td></tr></table>	1	8				
	2	4	3	1											
1	8														
Balance sheet date		<table><tr><td>3</td><td>1</td><td></td><td>0</td><td>3</td><td></td><td>2</td><td>0</td><td>1</td><td>4</td></tr></table>	3	1		0	3		2	0	1	4			
3	1		0	3		2	0	1	4						
Capital raised during the year (Amount in '000s)	Public issue	<table><tr><td></td><td></td><td></td><td></td><td></td><td></td><td>N</td><td>I</td><td>L</td></tr></table>							N	I	L				
						N	I	L							
	Rights issue	<table><tr><td></td><td></td><td></td><td></td><td></td><td></td><td>N</td><td>I</td><td>L</td></tr></table>							N	I	L				
						N	I	L							
	Bonus issue	<table><tr><td></td><td></td><td></td><td></td><td></td><td></td><td>N</td><td>I</td><td>L</td></tr></table>							N	I	L				
						N	I	L							
	Private placement (Net)	<table><tr><td></td><td></td><td></td><td></td><td></td><td></td><td>N</td><td>I</td><td>L</td></tr></table>							N	I	L				
						N	I	L							
Mobilisation and deployment of funds	Total liabilities	<table><tr><td></td><td></td><td>9</td><td>4</td><td>5</td><td>1</td><td>8</td><td>0</td><td>1</td></tr></table>			9	4	5	1	8	0	1				
		9	4	5	1	8	0	1							
	Total assets	<table><tr><td></td><td></td><td>9</td><td>4</td><td>5</td><td>1</td><td>8</td><td>0</td><td>1</td></tr></table>			9	4	5	1	8	0	1				
		9	4	5	1	8	0	1							
(Amount in '000s)	Paid up capital	<table><tr><td></td><td></td><td></td><td>5</td><td>5</td><td>6</td><td>1</td><td>9</td><td>7</td></tr></table>				5	5	6	1	9	7				
			5	5	6	1	9	7							
	Reserves and surplus	<table><tr><td></td><td></td><td>3</td><td>7</td><td>6</td><td>3</td><td>9</td><td>4</td><td>2</td></tr></table>			3	7	6	3	9	4	2				
		3	7	6	3	9	4	2							
	Secured loans	<table><tr><td></td><td></td><td>4</td><td>1</td><td>9</td><td>7</td><td>8</td><td>5</td><td>9</td></tr></table>			4	1	9	7	8	5	9				
		4	1	9	7	8	5	9							
	Unsecured loans	<table><tr><td></td><td></td><td></td><td></td><td></td><td></td><td>1</td><td>0</td><td>6</td></tr></table>							1	0	6				
						1	0	6							
Application of funds	Net fixed assets	<table><tr><td></td><td></td><td>1</td><td>1</td><td>8</td><td>2</td><td>6</td><td>0</td><td>3</td></tr></table>			1	1	8	2	6	0	3				
		1	1	8	2	6	0	3							
	Investments	<table><tr><td></td><td></td><td>2</td><td>7</td><td>9</td><td>8</td><td>8</td><td>5</td><td>9</td></tr></table>			2	7	9	8	8	5	9				
		2	7	9	8	8	5	9							
	Net current assets	<table><tr><td></td><td></td><td>2</td><td>6</td><td>4</td><td>9</td><td>2</td><td>4</td><td>8</td></tr></table>			2	6	4	9	2	4	8				
		2	6	4	9	2	4	8							
	Miscellaneous expenditure	<table><tr><td></td><td></td><td></td><td></td><td></td><td></td><td>N</td><td>I</td><td>L</td></tr></table>							N	I	L				
						N	I	L							
	Accumulated losses	<table><tr><td></td><td></td><td></td><td></td><td></td><td></td><td>N</td><td>I</td><td>L</td></tr></table>							N	I	L				
						N	I	L							
Performance of Company (Amount in '000s)	Turnover	<table><tr><td></td><td></td><td>6</td><td>0</td><td>0</td><td>9</td><td>4</td><td>9</td><td>7</td></tr></table>			6	0	0	9	4	9	7				
		6	0	0	9	4	9	7							
	Total expenditure	<table><tr><td></td><td></td><td>5</td><td>9</td><td>1</td><td>2</td><td>4</td><td>9</td><td>1</td></tr></table>			5	9	1	2	4	9	1				
		5	9	1	2	4	9	1							
	Profit/(Loss) before tax	<table><tr><td></td><td></td><td></td><td>1</td><td>0</td><td>5</td><td>0</td><td>4</td><td>4</td></tr></table>				1	0	5	0	4	4	<table><tr><td>+</td><td></td></tr></table>	+		
			1	0	5	0	4	4							
+															
	Profit/(Loss) after tax	<table><tr><td></td><td></td><td></td><td>1</td><td>1</td><td>0</td><td>5</td><td>1</td><td>1</td></tr></table>				1	1	0	5	1	1	<table><tr><td>+</td><td></td></tr></table>	+		
			1	1	0	5	1	1							
+															
	Earning per share in Rupees	<table><tr><td></td><td></td><td></td><td></td><td></td><td>1</td><td>.</td><td>9</td><td>2</td></tr></table>						1	.	9	2				
					1	.	9	2							
	Dividend rate %	<table><tr><td></td><td></td><td></td><td></td><td></td><td></td><td>N</td><td>I</td><td>L</td></tr></table>							N	I	L				
						N	I	L							
	Item Code No	<table><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td>N</td><td>A</td></tr></table>								N	A				
							N	A							
Generic names of three principal products/services of the Company (as per monetary terms)	Product description	<table><tr><td>L</td><td>O</td><td>G</td><td>I</td><td>S</td><td>T</td><td>I</td><td>C</td><td>S</td></tr></table>	L	O	G	I	S	T	I	C	S				
L	O	G	I	S	T	I	C	S							

For and on behalf of  
M/S CNGSN & Associates  
Chartered Accountants

**CN GANGADARAN**  
Partner  
Membership No . 11205  
FR No. 0049155

Place Chennai  
Date 27 May 2014

**R Ram Mohan**  
Managing Director

**AS Sundaresha**  
Director

**V Radhakrishnan**  
Company Secretary

Place Bengaluru  
Date 27 May 2014

Cash Flow Statement For the Year Ended 31 March, 2014

(in Rs lakh)		
Particulars	Year ended 31 March, 2014	Year ended 31 March, 2013
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit/(Loss) before taxation	970.06	641.04
Adjustments for:		
Depreciation	1,668.81	1,454.33
Provision for bad debts	16.00	13.42
(Profit) / Loss on sale of fixed assets (net)	-22.77	(0.11)
Net (gain)/loss on sale of investments	-1399.25	-
Finance cost	5808.46	4,704.83
Dividend received	-61.43	-0.50
Interest Income	-2407.24	-1,290.40
	3602.59	4,881.56
<b>Operating Profit before Working Capital Changes</b>	<b>4572.65</b>	5522.60
Operating assets:		
Inventories	-42.59	-127.22
Trade & other Receivables	-1608.05	-4,798.03
Loans & Advances	-1516.79	417.93
Operating liabilities:		
Trade Payables	(460.70)	4,666.09
Other Liability	375.77	-4,116.00
	-3,252.36	-3,957.23
<b>Cash Generated from/(used in) operations</b>	<b>1320.29</b>	1565.37
Proceeds from extra-ordinary item	520.63	386.65
Income Taxes Paid	-	-
<b>Net Cash generated from/(used in) Operating activities</b>	<b>1,840.92</b>	1,952.02
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets (Including Capital Work in Progress)	-1363.72	-4,780.93
Proceeds from investments	-	-831.00
Proceeds from Sale of Assets	44.85	1.94
Investment in bank deposits	-	-
Loans and Advances	-10,913.38	2,546.69
Proceeds from sale of investments	5509.94	-226.70
Interest Received	2407.24	1,290.40
Dividend Received	61.43	0.50
Net Cash used in Investing Activities	-4,253.65	-1,999.10
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds /(Repayment)-Long Term Borrowings (Net)	11043.61	7,518.83
Proceeds /(Repayment)-Short Term Borrowings (Net)	-4308.00	3,583.81
Finance cost	-5808.46	-4,704.83
<b>Net cash flow generated from financing activities</b>	<b>927.14</b>	6,397.81
<b>Net increase /(decrease) in cash and cash equivalents (A + B + C)</b>	<b>-1485.59</b>	6350.74
Cash and cash equivalents at beginning of the year	9329.71	2,978.97
Cash and cash equivalents at end of the year	7844.12	9329.71

For and on behalf of  
M/S CNGSN & Associates  
Chartered Accountants

**CN GANGADARAN**  
Partner  
Membership No . 11205  
FR No. 0049155

Place Chennai  
Date 27 May 2014

**R Ram Mohan**  
Managing Director

**AS Sundaresha**  
Director

**V Radhakrishnan**  
Company Secretary

Place Bengaluru  
Date 27 May 2014

AUDITORS' CERTIFICATE

We have examined the above Cash Flow Statement of Sical Logistics Limited for the year ended 31 March 2014. The Statement has been prepared by the Company in accordance with the requirements of the listing agreement – Clause 32 with Stock Exchanges and is based on and is in agreement with the corresponding Profit and Loss Account and Balance Sheet of the Company covered by our Report of even date to the Members of the Company

For and on behalf of  
M/S CNGSN & Associates  
Chartered Accountants

**CN GANGADARAN**  
Partner  
Membership No . 11205  
FR No. 0049155

Place Chennai  
Date 27 May 2014



## Annual report 2013-14 Consolidated Accounts

### AUDITORS' REPORT

**To the Board of Directors of M/s. Sical Logistics Limited.**

We have audited the accompanying consolidated financial statements of M/s. Sical Logistics Limited and its subsidiaries Sical Infra Assets Ltd, Sical Adams Offshore Limited, Sical Iron Ore Terminals Limited, Bergen Offshore Logistics Pte Ltd, Norsesea Offshore India Ltd, Sical Iron Ore Terminal (Mangalore) Limited and Joint Ventures PSA Sical Terminals Ltd, Ennore Automotive Logistic Ltd which comprise the consolidated Balance sheet as at 31st March 2014 and the Consolidated statement of Profit & Loss and the Consolidated Cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by The Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of financial statements.

#### We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

These consolidated financial statements contain unaudited financial statements of Joint Venture PSA Sical Terminals Ltd whose financial statements reflect the Group's share of total assets of Rs.2,621 lakhs as at 31.03.2014 and Group's share of total revenues of Rs.5,589 lakhs for the year ended 31.03.2014. The consolidated statements include the financial statements of Bergen Offshore Logistics Pte Ltd, and Sical Iron Ore Terminal (Mangalore) Limited which reflect assets of Rs.3,430 lakhs as at 31.03.2014. These financial statements have been audited by other auditors whose reports have been furnished to us and our opinion so far, as it relates to the amounts included in respect of this subsidiary, is based solely on the report of other auditors.

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- I. The Consolidated Balance Sheet gives a true and fair view of the Consolidated state of affairs of M/s. Sical Logistics Limited, its subsidiaries and its joint ventures as at 31.03.2014;
- II. The Consolidated Profit and Loss Account gives a true and fair view of the Consolidated result of operations of M/s. Sical Logistics Limited, its subsidiaries and its joint ventures as at 31.03.2014;
- III. The Consolidated Cash Flow Statement gives a true and fair view of the Consolidated Cash flows for the year ended on that date.

Place Chennai  
Date 27 May 2014

For and on behalf of  
M/S CNGSN & Associates  
Chartered Accountants

**CN GANGADARAN**  
Partner  
Membership No . 11205  
FR No. 0049155

## CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2014

	Note	As at 31 March 2014	As at 31 March 2013
(in Rs. lakh)			
<b>I EQUITY AND LIABILITIES</b>			
<b>Shareholder's funds</b>			
(a) Share Capital	2	5,561.97	5,561.97
(b) Reserves & Surplus	3	38,273.53	37,842.03
<b>Sub-total (1)</b>		<b>43,835.50</b>	<b>43,404.00</b>
2 Minority Interest		18,000.72	17,336.23
<b>3 Non-current liabilities</b>			
(a) Long term borrowings	4	64,076.15	57,752.53
(b) Deferred tax liabilities, net	5	553.09	836.10
(c) Other long term liabilities	6	1,756.77	2,071.99
(d) Long term provisions	7	210.83	209.54
<b>Sub-total (2)</b>		<b>66,596.84</b>	<b>60,870.16</b>
<b>Current Liabilities</b>			
(a) Short term borrowings	8	10,255.31	14,162.23
(b) Trade payables	9	7034.50	7,736.52
(c) Other current liabilities	10	14,705.02	12,193.25
(d) Short term provisions	11	315.66	226.57
<b>Sub-total (3)</b>		<b>32,310.49</b>	<b>34,318.57</b>
<b>TOTAL (1) + (2) + (3)</b>		<b>160,743.55</b>	<b>155,928.96</b>
<b>II ASSETS</b>			
<b>Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	12	48,909.89	48,850.91
(ii) Intangible Assets	12	4,538.13	5,267.46
(iii) Capital work in progress	12	61,482.23	56,343.17
		<b>114,930.25</b>	<b>110,461.54</b>
(b) Non-current investments	13	5.00	5.00
(c) Long term loans and advances	14	8,950.64	8,567.03
(d) Other non current assets	15	1,859.15	1,699.32
<b>Sub-total (1)</b>		<b>125,745.04</b>	<b>120,732.89</b>
<b>Current assets</b>			
(a) Current Investments	16	124.19	161.40
(b) Inventory	17	1,611.10	1,533.35
(c) Trade receivables	18	16,573.39	15,933.92
(d) Cash and cash equivalents	19	9991.05	12,316.83
(e) Short term loans and advances	19	4,648.91	3,777.39
(f) Other current assets	20	2049.87	1,473.18
<b>Sub-total (2)</b>		<b>34,998.51</b>	<b>35,196.07</b>
<b>TOTAL (1) + (2)</b>		<b>160,743.55</b>	<b>155,928.96</b>

See accompanying notes forming part of the financial statements  
This is the Balance sheet referred to in our report of even date

For M/S CNGSN & Associates  
Chartered Accountants

**CN GANGADARAN**  
Partner  
Membership No . 11205  
FR No. 0049155  
Place Chennai  
Date 27 May 2014

**R Ram Mohan**  
Managing Director

**AS Sundaresha**  
Director  
**V Radhakrishnan**  
Company Secretary  
Place Bengaluru  
Date 27 May 2014

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2014

		For the year ended 31 March 2014	For the year ended 31 March 2013
(in Rs. lakh)			
I Revenue from operations		84,196.45	76,068.95
II Other income		4,103.82	1,550.93
III Total revenue (I + II)		<b>88,300.27</b>	<b>77,619.88</b>
<b>IV Expenses:</b>			
Cost of services	24	68,911.22	60,242.24
Employee benefit expense	25	2,974.03	2,967.49
Finance costs	26	7,478.88	6,412.94
Depreciation and amortisation expense	12	4,042.62	3,782.47
Other expenses	27	3,667.46	3,548.31
<b>Total expenses</b>		<b>87,074.21</b>	<b>76,953.45</b>
<b>V Profit before exceptional and extra-ordinary items and tax (III-IV)</b>		<b>1,226.06</b>	666.43
VI Exceptional items		80.38	132.46
<b>VII Profit before tax (V + VI)</b>		<b>1,306.44</b>	798.89
<b>VIII Tax expense</b>			
- Current Tax expense		(52.36)	98.29
- Current tax (MAT Credit )		570.35	-
-Less: MAT Credit entitlement		(570.35)	(303.80)
- Deferred Tax		(283.02)	(99.21)
Net tax expense / (benefit)		<b>(335.38)</b>	<b>(304.72)</b>
<b>IX Profit for the year after tax (VII - VIII)</b>		<b>1,641.82</b>	1,103.61
X Prior period items		(25.88)	(404.21)
<b>XI Profit for the year (IX - X)</b>		<b>1,615.94</b>	699.40
Earnings per equity share of Rs. 10/- each			
Basic EPS (Before Exceptional items & Prior period items)		2.81	1.75
Diluted EPS (Before Exceptional items & Prior period items)		2.81	1.75
Basic EPS(After Exceptional items and Prior period items)		2.91	1.26
Diluted EPS(After Exceptional items and Prior period items)		2.91	1.26

See accompanying notes forming part of the financial statements  
This is the statement of Profit & Loss referred to in our report of even date.

For and on behalf of  
M/S CNGSN & Associates  
Chartered Accountants

**CN GANGADARAN**  
Partner  
Membership No . 11205  
FR No. 0049155

Place Chennai  
Date 27 May 2014

**R Ram Mohan**  
Managing Director

**AS Sundaresha**  
Director

**V Radhakrishnan**  
Company Secretary

Place Bengaluru  
Date 27 May 2014

NOTES

Note 1 A: SIGNIFICANT ACCOUNTING POLICIES:

1 Basis of Preparation

The consolidated financial statements are prepared in accordance with Accounting Standard -21 on consolidated Financial statements and Accounting Standard - 27 Financial reporting of interest in Joint ventures in consolidated financial statements issued by The Institute of Chartered Accountants of India. The Consolidated Financial statements comprise the financial statement of Sical Logistics Ltd. ,its subsidiaries and joint ventures.

The list of subsidiaries and their subsidiary companies and joint venture companies which are included in consolidation are as under.

Subsidiary Companies:-

- a. Sical Infra Assets Ltd.and its subsidiary Sical Multimodal and Rail Transport Ltd.
  - b. Bergen Offshore Logistics Pte. Ltd. & its subsidiary Norsesea Global Offshore Private Ltd.
  - c. Sical Iron Ore Terminals Ltd.
  - d. Sical Iorn Ore Terminal ( Mangalore ) Ltd.
  - e.Norsea Offshore India Ltd.
  - f.Sical Adams Offshore Ltd.
- (Sical Infra Assets Ltd. has divested its stake in Nagpur Sical Guta Road Terminal Ltd.(NSGRTL) and Nagpur Sical Gupta Logistics Ltd.(NSGLL) with effect from 25th of March 2014.)

Joint ventures

PSA Sical Terminals Ltd.  
Ennore Automotive Logistics Ltd.  
Sical Sattva Rail Terminal Private Limited (a joint venture of Sical Multimodal and Rail Transport Ltd.)

2 Basis of Consolidation

The financial statements are consolidated in accordance with the principles and procedures for the preparation and presentation of consolidated financial statements as laid down under Accounting Standard 21 (in respect of subsidiaries) and as per Accounting Standard-27 (in respect of Joint Ventures).

Interests In Joint Ventures:

Name	Percentage of ownership interest on 31 March 2014	Country of Incorporation	Financial Statements drawn up to
PSA Sical Terminals Ltd.	37.50%	India	31.03.2014
Ennore Automotive Logistics Ltd.	40.92%	India	31.03.2014

Joint Venture disclosures:

a	Income	(in Rs Lakh)
i	Sales & Service	5984.05
ii	Other Income	136.47
	Total Income	6120.52
b	Total Expenditure	5883.99
c	Profit before Tax	236.53
	Less: Provision for taxation- Current & Deferred	65.93
	Add: Prior period items	12.39
d	Profit/(Loss) after tax and prior period items	182.99

3 Fixed Assets

Fixed assets are stated at cost, less accumulated depreciation and impairment loss, if any. Cost comprises of the purchase price and any attributable cost of bringing the assets to its working condition for its intended use.

Other assets including the additions are shown at cost, which includes capitalization of pre-operative expenses and net of CENVAT credit availed wherever applicable.

With regard to assets acquired under hire purchase, the cost of the asset is capitalized while the annual charges are charged to revenue.

NOTES

4. Borrowing Cost

Borrowing costs are capitalized as part of qualifying fixed assets wherever it is possible that they will result in future economic benefits. Other borrowing costs are expensed.

5. Depreciation

Depreciation is consistently provided at the rates prescribed under Schedule XIV of the Companies Act, 1956 on the following methods:

- a Assets of logistics division at written down value method except trucks of transportation & warehousing divisions at straight-line method. Port handling equipments are written off over the period of BOT Scheme.
- b Depreciation on certain premises is provided on composite cost where it is not possible to segregate the land cost.
- c Depreciation on leased assets is provided on straight-line method over the primary period of lease.
- d Improvements on leasehold premises are depreciated over the tenure of lease.
- e Assets costing less than Rs.5000 are fully depreciated.
- f In respect of the Subsidiaries, Depreciation is provided on both WDV & SLM basis at the rate prescribed in Schedule XIV of the Companies Act, 1956.
- g In respect of one of the Joint Ventures, Depreciation on fixed assets other than Freehold land are depreciated on Straight Line method at the rates prescribed under Schedule XIV of the Companies Act, 1956. and in respect of another, depreciation is provided on straight-line basis from the month of acquisition/installation so as to write off the cost of the assets over their estimated useful lives as below:-

Category of Assets	Estimated useful life (in years)
Building	10 and 30
Plant & Machinery	10 to 20
Furniture and fixtures	10
Computers	4
Office Equipment	10
Vehicles	5 and 10

6. Investments

Investments in shares and debentures are stated at cost, net of permanent diminution in value wherever necessary. Cost includes interest attributable to funds borrowed for acquisition of investments.

7. Inventories

- a Stores and Spares are valued at cost, computed on first in first out basis.
- b Loose Tools are valued at the lower of cost or net realizable value .

8. Revenue Recognition

- a Revenue is recognized and expenses are accounted on their accrual with necessary provisions for all known liabilities and losses.
- b Service Income:
  - i. Net earnings on shipping recognized on completion of service.
  - ii. Other services on completion of services and billed.
  - iii. Expenditure incurred on contracts are included under “Advances Recoverable”.

NOTES

9. Foreign Currency transactions

Foreign currency transactions are recorded in the books at the rates prevailing on the date of transaction.

Foreign currency monetary items as on balance sheet date are translated at exchange rates in effect at the Balance sheet date. The gains or losses from such transactions are included in the Profit and loss account. Out of the total exchange difference Of Rs.665.84 lakhs arose on reporting of long term foreign currency monetary items as on Balance sheet date, Rs 225.61 lakhs included in profit and loss account and balance of Rs. 440.23 lakhs transferred to Foreign Currency Translation Reserve Account as per AS-11 (R) issued by the Ministry of Corporate Affairs vide their notification no G.S.R 225(E) Dt. 31st March, 2009.

10. Retirement Benefits

Short term employee benefits are charged off at the undiscounted amount in the year in which the related service is rendered.

Post employment and other long term employee benefits are charged off in the year in which the employee has rendered service. The amount charged off is recognized at the present value of the amounts payable determined using actuarial valuation method. Actuarial gains and losses in respect of post employment and other long term benefits are charged to Profit and Loss Account

11. Contingent Liabilities & Provisions

All known liabilities of material nature have been provided for in the accounts except liabilities of a contingent nature, which have been disclosed at their estimated value in the notes on accounts in accordance with Accounting Standard- 29. As regards Provisions, it is only those obligations arising from past events existing independently of an enterprise's future actions that are recognized as provisions

12. Segment reporting

The accounting policies adopted for Segment reporting are in line with the Accounting Standard-17.The Company is primarily engaged in providing integrated logistics services which is considered as single business segment in terms of segment reporting as per AS 17.There being no services rendered outside India there are no separate geographical segments to be reported on.

13. Impairment of Assets

The Company recognizes impairment of all assets other than the assets, which are specifically excluded under Accounting Standard-28 on Impairment of Assets after comparing the asset's recoverable value with its carrying amount in the books. In case the carrying amount exceeds recoverable value, impairment losses are provided for.

14. Deferred Taxes

- a Current Tax is determined in accordance with the Income Tax Act, 1961.
- b Deferred Tax is recognized for all the timing differences. Deferred Tax assets are recognised when considered prudent.

NOTES

Note 1 B: NOTES ON ACCOUNTS

- 1 Claims against the Company not acknowledged as debts Rs. 1042.31 Lakhs (Previous Year: Rs. 6039.76 Lakhs).
- 2 Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. 3,360.12 Lakhs (Previous Year: 1819.71 Lakhs).
- 3 In accordance with Accounting Standard-29, the following are considered as Contingent liabilities and Provisions:
  - a) Sales Tax, Service Tax, Customs, Wealth tax , Income tax and others ,demands together with penalties under appeal amounts to Rs. 7,461.57 Lakhs (Previous Year Rs. 18,240.74 Lakhs).
  - b) Guarantees given by the Company for loans taken by other bodies corporates from banks /financial institutions is Rs 885.00 Lakhs (Previous Year Rs.881.00 Lakhs).
  - c) Guarantees given by bankers for Performance of Contracts & others Rs10,580.87 Lakhs (Previous Year: Rs. 8,826.06 Lakhs).
- 4 Sundry Debtors, Loans and Advances and Deposits include certain overdue and unconfirmed balances. Some of the accounts are under reconciliation.
- 5 **Related Party disclosure**
  - I. Related parties where control exists
    - a) Tanglin Retail Reality Developments Pvt. Ltd (Immediate holding company)
    - b)Tanglin Developments Ltd. (Intermediate holding company)
    - c) Coffee Day Resorts Pvt. Ltd. (Ultimate holding company)
  - II Other related parties with whom trade transactions have taken place during the year**Joint Ventures**
  - a) PSA Sical Terminals Ltd
  - b) Ennore Automotive Logistics Ltd.
  - c) Sical Sattva Rail Terminal Private Limited (a Joint venture of Sical Multimodal and Rail Transport Ltd.)

Key Management Personnel **R Ram Mohan** Managing Director

(in Rs. lakh)		
Transaction	Joint Venture & Associates	Key Management Personnel
Rendering services	386.40 (351.96)	- -
Reimbursement of expenses	0.81 (-)	
<b>Closing balances:</b>		
Debtors	80.84 (39.27)	- -

Notes: Figures in brackets relate to previous year.



NOTES

6 Segment Reporting

The accounting policies adopted for segment reporting are in line with Accounting Standard-17. Companies are engaged in providing integrated logistics services which are considered as single business segment in terms of segment reporting as per AS 17. There being no services rendered outside India, there are no separate geographical segments to be reported on.

7 (a) Deferred tax asset arising out of timing difference relating to -

(in Rs. lakh)

Sl No.	Particulars	Opening	Current year adjustments or additions	Closing
1	Carry forward business losses	-	1368.02	1368.02
2	Share of Subsidiary	81.80	681.93	763.73
	Total (a)	81.80	2049.95	2131.75

(b) Deferred tax liability arising out of timing difference relating to -

Sl No.	Particulars	Opening	Current year adjustments or additions	Closing
1	Carry forward business loss	(1243.14)	1243.14	-
2	Depreciation	1360.52	279.08	1639.60
3	Technical Know how	(0.77)	0.77	-
4	Share of Subsidiary	801.29	243.95	1045.24
	Total (b)	917.90	1766.94	2684.84

Net Deferred Tax Liability (b) - (a) 836.10 (283.01) 553.09

8 Earnings per share

Particulars	31.03.14	31.03.13
Profit after tax before Exceptional Items & Prior Period adjustments as per Profit & Loss Account (Rs. In Lakhs)	1561.44	971.15
Profit After Exceptional Items & Prior Period adjustments as per Profit & Loss Account (Rs. In Lakhs)	1615.94	699.40
Number of shares used in computing Earnings Per Share - For Basic	55601694	55601694
Number of shares used in computing Earnings Per Share - For Diluted	55601694	55601694
Earning Per Share - Basic (In Rs.) - Before Exceptional Item and Prior Period adjustments	2.81	1.75
Earning Per Share - Diluted (In Rs.) - Before Exceptional Item and Prior Period adjustments	2.81	1.75
Earning Per Share - Basic (In Rs.) - After Exceptional Item and Prior Period adjustments	2.91	1.26
Earning Per Share - Diluted (In Rs.) - After Exceptional Item and Prior Period adjustments	2.91	1.26
Face Value Per Share Rs.	10.00	10.00

NOTES

9. Exceptional Items

(in Rs. lakh)

Particulars	2013-14	2012-13
Foreign currency translation reserve written off	225.61	130.49
Foreign exchange fluctuation difference	(152.54)	-
Foreign exchange fluctuation difference (revenue items)	7.31	1.97
Total	80.38	132.46

10. Previous year's figures have been regrouped, reclassified and rearranged wherever necessary.

For and on behalf of  
M/S CNGSN & Associates  
Chartered Accountants

**CN GANGADARAN**  
Partner  
Membership No. 11205  
FR No. 0049155

Place Chennai  
Date 27 May 2014

**R Ram Mohan**  
Managing Director

**AS Sundaresha**  
Director

**V Radhakrishnan**  
Company Secretary

Place Bengaluru  
Date 27 May 2014

NOTES

Note 2: SHARE CAPITAL

	Authorised			Issued			Subscribed			Paid-up		
	Number of shares	Face va ue (Rs.)	Tota va ue (in Rs. lakh)	Number of shares	Face va ue (Rs.)	Tota va ue (in Rs. lakh)	Number of shares	Face va ue (Rs.)	Tota va ue (in Rs. lakh)	Number of shares	Face va ue (Rs.)	Tota va ue (in Rs. lakh)
Equity Shares												
Opening balance as on 01-Apr-2012	60,000,000	10	6,000	55,642,032	10	5,564.20	55,637,792	10	5563.78	55,601,694	10	5,560.17
Increase during the year	-	-	-	-	-	-	-	-	-	-	-	-
Closing balance as on 31-Mar-2013	60,000,000	10	6,000	55,642,032		5,564.20	55,637,792		5563.78	55,601,694		5,560.17
Preference shares												
Opening balance as on 01-Apr-2012	150,000,000	10	15,000	-	-	-	-	-	-	-	-	-
Increase during the year	-	-	-	-	-	-	-	-	-	-	-	-
Closing balance as on 31-Mar-2013	150,000,000		15,000	-	-	-	-	-	-	-	-	-
Equity shares forfeited												
Opening balance as on 01-Apr-2012	-	-	-	-	-	-	-	-	-	-	-	1.80
Increase during the year	-	-	-	-	-	-	-	-	-	-	-	-
Closing balance as on 31-Mar-2013	-	-	-	-	-	-	-	-	-	-	-	1.80
Share Capital Total	-	-	21,000	-	-	5,564.20	-	-	5563.78	-	-	5,561.97
Equity Shares												
Opening balance as on 01-Apr-2013	60,000,000	10	6,000.00	55,642,032	-	5,564.20	55,637,792	-	5,563.78	55,601,694	-	5,560.17
Increase during the year	-	-	-	-	-	-	-	-	-	-	-	-
Closing balance as on 31-Mar-2014	60,000,000	10	6,000.00	55,642,032	-	5,564.20	55,637,792	-	5,563.78	55,601,694	-	5,560.17
Preference shares												
Opening balance as on 01-Apr-2013	150,000,000	10	15,000.00	-	-	-	-	-	-	-	-	-
Increase during the year	-	-	-	-	-	-	-	-	-	-	-	-
Closing balance as on 31-Mar-2014	150,000,000	-	15,000.00	-	-	-	-	-	-	-	-	-
Equity shares forfeited												
Opening balance as on 01-Apr-2013	-	-	-	-	-	-	-	-	-	-	-	1.80
Increase during the year	-	-	-	-	-	-	-	-	-	-	-	-
Closing balance as on 31-Mar-2014	-	-	-	-	-	-	-	-	-	-	-	1.80
Share Capital Total	-	-	21,000	-	-	5,564.20	-	-	5,563.78	-	-	5,561.97

NOTES

Note 2: SHARE CAPITAL (contd.)

Of the Above

- a) 9320003 Equity Shares Of Rs.10 Each were allotted as fully paid up as per the earlier schemes of Amalgamation
- b) 9860910 Equity Shares of Rs.10 Each were Alloted as fully paid up to the share holders of 34513195, 1% Preference Shares on 1/4/1997 in terms of Special resolution passed by the shareholders on 9/12/1996
- c) 47,61,908 Equity shares of Rs.10 each were allotted as fully paid up by way of bonus shares by capitalisation of shares premium.
- d) Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates

Particulars	Equity shares with voting rights	Equity shares with differential voting rights	Compulsorily convertible preference shares	Optionally Convertible preference shares	Redeemable preference shares
	Number of shares				
As at 31 March 2014 Tanglin Retail Reality Developments Private Limited, the holding company	29,372,268				
As at 31 March 2013 Tanglin Retail Reality Developments Private Limited, the holding company	29,372,268				

- e) Companies holding more than 5% of shares

	As at 31 March 2014		As at 31 March 2013	
	No of Shares	%	No of Shares	%
Tanglin Retail Reality Developments Private Limited	29,372,268	52.83%	29,372,268	52.83%
Ranford Investments Ltd.	7225649	13%	7225649	13%
Darnolly Investments Ltd.	3323934	5.98%	3323934	5.98%

- f) Details of forfeited shares

As at 31 March 2014		As at 31 March 2013	
No of Shares	Amount Originally paid up	No of Shares	Amount Originally paid up
36,098	180,490	36,098	180,490

NOTES

Note 3: RESERVES AND SURPLUS

		(in Rs lakh)
	On 31 March 2014	On 31 March 2013
<b>1 CAPITAL RESERVE</b>		
As per last Balance Sheet	2,412.03	2,412.03
Add/(Less): Transfer from/to Profit & Loss Account	-	-
<b>Closing Balance (A)</b>	<u>2,412.03</u>	<u>2,412.03</u>
<b>2 SECURITIES PREMIUM RESERVE</b>		
Opening Balance	13,003.97	13,003.97
Addition during the year	-	-
Utilisation during the year	-	-
<b>Closing Balance (B)</b>	<u>13,003.97</u>	<u>13,003.97</u>
<b>3 DEBENTURE REDEMPTION RESERVE</b>		
Opening Balance	-	-
Addition during the year	500.00	-
Utilisation during the year	-	-
<b>Closing Balance (C)</b>	<u>500.00</u>	-
<b>4 Foreign currency Translation Reserve</b>		
Opening Balance	913.41	659.22
Addition during the year	665.84	384.67
Utilisation during the year	(225.61)	(130.48)
<b>Closing Balance (D)</b>	<u>1,353.64</u>	<u>913.41</u>
<b>5 Foreign Exchange Reserve</b>		
Opening Balance	1211.17	914.11
Addition during the year	(967.51)	297.06
Utilisation during the year	-	-
<b>Closing Balance (E)</b>	<u>243.66</u>	<u>1211.17</u>
<b>6 General Reserve</b>		
Opening Balance	3,621.18	3,621.18
Addition during the year	6.01	-
Utilisation during the year	-	-
<b>Closing Balance (F)</b>	<u>3,627.19</u>	<u>3,621.18</u>
<b>7 Surplus (in statement of Profit and Loss)</b>		
Opening Balance	16680.27	15,606.75
Addition during the year	1615.94	699.40
Share of Minority Interest	(669.59)	(483.04)
Surplus from Merger	-	877.21
Share of transferred subsidiary companies	83.71	-
Transferred to Debenture Redemption Reserve	(500.00)	-
Utilisation during the year	(77.29)	(20.05)
<b>Closing Balance (G)</b>	<u>17,133.04</u>	<u>16,680.27</u>
<b>GRAND TOTAL (A) + (B) + (C) + (D) + (E) + (F) + (G)</b>	<u>38,273.53</u>	<u>37,842.03</u>

Note  
Debenture Redemptions Reserve (DRR) has been created in accordance with Sec. 117 of the Companies Act 1956 and provisio 2 (iii) of Ministry of Corporate Affairs circular No. 04/2013 dated 11-02-2013 in respect of issue of 12.75% Secured listed Non Convertible Debenture

NOTES

Note 4: LONG TERM BORROWINGS

	(in Rs. Lakhs)	
	On 31 March 2014	On 31 March 2013
<b>Debentures</b>	<b>10,000.00</b>	-
<b>Term Loans</b>		
From Banks (Secured)	49,370.02	48,280.06
From Other parties	4703.54	8849.75
Loans and advances from related parties	-	509.41
Other loans and advances (Hire purchase)	2.59	111.63
Share of Joint ventures	-	1.68
<b>Total</b>	<u>64,076.15</u>	<u>57,752.53</u>

Note  
a)During this financial year parent company has issued 1000 nos 12.75% Non Convertible Debentures of Rs.10,00,000/- each to ING Vysya Bank Ltd. The same is listed on National Stock Exchange Ltd. 50% of the debentures are to be payable in 2017 and the balance 50% in 2018. IDBI Trusteeships services Ltd. have been appointed as the Debenture Trustees.  
b) Term loans from Banks are secured by motgage of certain moveable and immovable properties as well hypothecation of current assets as applicable.  
c)Term loans from financial institutions are secured by hypothecating equipments under the loan as first charge /mortgage on movable and imovable assets executed .  
d) Hire purchase loans are secured by hypothecation of respective assets acquired under the hire purchase agreement.

Note 5: Deferred Tax Liabilities

Deferred Tax Liabilities	2,684.84	917.90
Deferred Tax Assets	(2,131.75)	(81.80)
Share of Joint ventures	-	-
<b>Total</b>	<u>553.09</u>	<u>836.10</u>

Note 6: Other long term liabilities

Other Liabilities	1,756.77	2,071.99
Share of Joint venture	-	-
<b>Total</b>	<u>1,756.77</u>	<u>2,071.99</u>

Note 7: LONG TERM PROVISIONS

Provision for employees benefits	205.96	208.72
Share of Joint venture	4.87	0.82
<b>Total</b>	<u>210.83</u>	<u>209.54</u>

Note 8: SHORT TERM BORROWINGS

Loans repayable on demand		
From Banks	10,255.31	14,162.23
<b>Total</b>	<u>10,255.31</u>	<u>14,162.2</u>

Note  
(a) Working capital facilities from Bankers are secured by hypothecation of stocks ,book debts and other current assets and equitable mortgage/deposit of title deeds of certain immovable properties on pari passu basis.

NOTES

Note 9: Trade Payables

	On 31 March 2014	(in Rs. lakhs) On 31 March 2013
Trade Payables	7,000.45	7,720.62
Share of Joint venture	34.05	15.90
<b>Total</b>	<b><u>7,034.50</u></b>	<b><u>7,736.52</u></b>

Note 10: Other current liabilities

Current maturities of long term Debt	8,481.35	6,453.71
Current maturities of Finance lease obligations	109.03	126.23
Interest accrued but not due on borrowings	224.62	260.15
Unpaid dividends	11.23	11.23
Unpaid matured debentures and interest accrued thereon	-	0.44
Other payables (Deposit )	1.06	1.42
Advances received	1,171.99	1,404.57
Other payable (statutory dues etc.)	313.36	739.66
Sundry Creditors for capital goods	153.34	-
Other Liabilities	1,500.00	-
Expenses payable	1785.13	2359.54
Share of Joint ventures	953.91	836.30
<b>Total</b>	<b><u>14,705.02</u></b>	<b><u>12,193.25</u></b>

Note 11: Short term Provisions

Provision for employee benefits	131.46	63.79
Others	2.80	10.42
Share of Joint ventures	181.40	152.36
<b>Total</b>	<b><u>315.66</u></b>	<b><u>226.57</u></b>

Note 12: FIXED ASSETS

Fixed assets current year		
Tangible assets	48,909.89	48,850.91
Capital work in progress	61,482.23	56,343.17
Intangible assets	4,538.13	5,267.46
<b>Total</b>	<b><u>114930.25</u></b>	<b><u>110461.54</u></b>

Note: For detailed table consisting all details refer page number 80 & 81

Note 13: Non Current Investments

Investment in equity instruments (Quoted) (Sicagen India Ltd.)	5.00	5.00
<b>Total</b>	<b><u>5.00</u></b>	<b><u>5.00</u></b>

Note 14: Long term loans and advances

Capital advances	523.12	513.88
Security deposits	844.77	914.10
Other loans and advances	551.97	336.53
Less: Provision for Doubtful Advances	-	(325.80)
Balance with Govt. Authorities	1,311.08	1,437.80
Advance tax and TDS receivable	5,542.50	5,490.68
Share Of Joint Ventures	177.20	199.84
<b>Total</b>	<b><u>8,950.64</u></b>	<b><u>8,567.03</u></b>

NOTES

Note 15: Other non current assets

	On 31 March 2014	On 31 March 2013
Unsecured ,considered good	1,690.60	1,675.05
Share of Joint ventures	168.55	24.27
<b>Total</b>	<b><u>1,859.15</u></b>	<b><u>1,699.32</u></b>

Note 16: Current investments

Current Investments	-	-
Share of Joint ventures	124.19	161.40
<b>Total</b>	<b><u>124.19</u></b>	<b><u>161.40</u></b>

Note 17: Inventories

Stores and spares	1,380.95	1,338.35
Loose tools	15.59	14.52
Share of Joint Ventures	214.56	180.48
<b>Total</b>	<b><u>1,611.10</u></b>	<b><u>1,533.35</u></b>

Note 18: Trade receivables

Receivable outstanding for a period of more than six months:	-	-
Secured, Considered good		
Unsecured, Considered Good	2,717.41	2,815.98
Unsecured, Considered Doubtful	333.71	317.71
Less: Provision for Doubtful Debt	(333.71)	(317.71)
		-
Others		
Unsecured, Considered good	13,465.72	12,807.59
Share of Joint venture	390.26	310.35
<b>Total</b>	<b><u>16,573.39</u></b>	<b><u>15,933.92</u></b>

Note 19: Cash and cash equivalents

CASH AND BANK BALANCES		
With Scheduled Banks		
On Current Accounts	641.66	1,081.97
On Deposit Accounts	6,500.00	7,961.29
On Margin Money Accounts	1,136.98	1,695.59
On Dividend Accounts	11.23	11.23
Cash on hand	25.90	14.52
Share of Joint venture	1,675.28	1,552.23
<b>Total</b>	<b><u>9,991.05</u></b>	<b><u>12,316.83</u></b>

Note 20: Short term loans and advances

Others		
i Unsecured ,considered good	4,548.90	3,648.06
ii Doubtful	-	0.78
Less: Provision for doubtful debts	-	(0.78)
Share of Joint Venture	100.01	129.33
<b>Total</b>	<b><u>4,648.91</u></b>	<b><u>3,777.39</u></b>



## NOTES

### Note 21: Other current assets

	On 31 March 2014	On 31 March 2013
Deposits	803.08	-
Other current assets	1,246.79	1,473.18
Share of Joint Venture	-	-
<b>Total</b>	<b>2,049.87</b>	<b>1,473.18</b>

### Note 22: Revenue from operations

Logistic Services	78,034.01	70,383.30
Share of Joint ventures	6,162.44	5,685.65
<b>Total</b>	<b>84,196.45</b>	<b>76,068.95</b>

### Note 23: Other Income

Interest Income (other than a finance company)	2,431.72	1,348.97
Dividend Income	61.43	17.88
Net gain/loss on sale of investments	1,399.25	-
Balances Written Back	-	2.54
Rent receipts	8.13	7.46
Profit on sale of assets	22.77	0.11
Other non-operating income	43.70	29.03
Share of Joint ventures	136.82	144.94
<b>Total</b>	<b>4,103.82</b>	<b>1,550.93</b>

### Note 24: Cost of services

Freight	14,794.51	16,028.11
Port & Terminal Charges	938.74	842.75
Handling and Transportation	46,008.56	34,710.71
Warehousing expenses	10.48	73.62
Operation and Maintenance	1,261.88	2,858.52
Other cost of services	1,355.77	1,491.61
Share of Joint ventures	4,541.28	4,236.92
<b>Total</b>	<b>68,911.22</b>	<b>60,242.24</b>

### Note 25: Employees benefit expenses

Salaries and Wages	2,275.68	2,305.43
Contribution to Provident and other funds	109.31	122.10
Contribution to Gratuity and Other Funds	44.80	11.21
Staff welfare expenses	127.45	172.58
Share of Joint ventures	416.79	356.17
<b>Total</b>	<b>2,974.03</b>	<b>2,967.49</b>

### Note 26: Finance Cost

Interest expenses	7,122.44	6,146.62
Other borrowing	304.16	215.42
Share of Joint ventures	52.28	50.90
<b>Total</b>	<b>7,478.88</b>	<b>6,412.94</b>

## NOTES

### Note 27: Other Expenses

	On 31 March 2014	On 31 March 2013
Rent including Lease Rent	222.58	150.17
Rates,Taxes,Licence and Filing fees	106.62	195.74
Postage, Telegram and Telephone	35.22	72.09
Insurance	110.97	62.59
Power and Fuel	65.13	82.57
<b>Repairs and Maintenance</b>		
Plant & Machinery	108.13	36.21
Building	74.90	98.41
Vehicles	18.98	43.96
Others	55.34	67.26
Travelling and Conveyance	465.69	456.22
Directors' Sitting Fees	10.20	7.80
<b>Payment to Auditors</b>		
Audit	29.24	42.34
Tax Audit	7.21	10.12
Certification	5.56	5.94
Expenses	5.36	7.49
Selling Expenses	17.69	18.42
Provisions for bad debts and advances	16.00	14.20
Rebates,Discount and Commission	-	9.17
Loss on sale of Investment	15.60	-
Miscellaneous Expenses	1,329.08	1,280.03
Commision to Directors	-	6.79
Share of Joint Ventures	967.96	880.79
<b>Total</b>	<b>3,667.46</b>	<b>3,548.31</b>

NOTES

Note 12: FIXED ASSETS - CURRENT YEAR

(in Rs. lakhs)

Particulars	Gross Block			Depreciation			Net Block	
	As on 01.04.13	Additions	Deductions	As on 31.03.14	Additions	On Sale/ Adjustments	As on 31.03.14	As on 31.03.13
<b><u>Tangible Assets</u></b>								
Land	8,262.33	1,514.74	-	9,777.07	-	-	9,777.07	8,262.33
Bui dings	9,997.34	162.87	-	10,160.21	170.98	-	8,813.65	8,821.76
Leaseho d Improvements	241.49	-	-	241.49	119.57	-	69.77	189.33
P ant and Machinery	17,029.53	677.06	11.08	17,695.51	1,224.47	(0.01)	1,346.56	-
Office Equipments	1,265.40	39.05	14.99	1,289.46	106.23	(1.39)	171.72	0.52
Furniture & Fixtures	631.32	2.27	1.21	632.38	20.23	7.97	985.27	14,125.42
Ship	11,273.14	1,147.70	-	12,420.84	845.37	4.02	304.19	393.93
Trucks	3,147.73	26.05	168.17	3,005.61	73.68	(0.01)	166.58	189.77
Vehic es	1,512.63	1.63	1.63	1,512.63	73.68	158.51	10,192.70	9,890.36
Port Hand ing Equipment	11,933.34	60.17	-	11,993.51	196.81	(1.36)	287.41	343.34
Share in Joint Venture Assets	4,776.55	21.01	865.05	3,932.51	733.86	(0.08)	576.69	773.42
Tota A	70,070.80	3,652.55	1,062.13	72,661.22	63.79	0.44	4,789.22	5,453.29
Capita Work in Progress	56,343.17	7,742.36	2,603.30	61,482.23	0.04	(0.00)	363.87	407.96
Tota B	56,343.17	7,742.36	2,603.30	61,482.23	3,554.99	1,023.65	48,909.89	48,850.91
<b><u>Intangible assets</u></b>								
Licence Fees	5,000.00	-	-	5,000.00	250.00	-	3,482.19	3,732.18
Computer Software	166.21	-	-	166.21	26.12	0.01	93.59	119.72
Goodwi on Investment in								
Subsidiary	549.77	1,099.11	549.77	1,099.11	-	791.04	308.07	549.77
Dredger Dry Docks	528.76	-	-	528.76	211.50	-	52.89	264.39
Lease ho d Rights	601.39	-	-	601.39	-	-	601.39	601.39
Tota (C)	6846.13	1,099.11	549.77	7,395.47	487.63	791.05	4,538.13	5,267.46
Grand Tota (A+ B+C)	133,260.10	12,494.02	4,215.20	141,538.92	4,042.62	791.05	114,930.25	110,461.54

Note 12: FIXED ASSETS PREVIOUS YEAR

(in Rs. lakhs)

Particu ars	Gross Block			As on 31.03.13	Depreciation			Net Block	
	As on 01.04.12	Additions	Deductions		As on 01.04.12	Additions	On Sa e/ Adjustments	As at year end 31.03.13	As on 31.03.12
<b><u>Tangib e Assets</u></b>									
Land	6,740.50	1,521.83	-	8,262.33	-	-	-	8,262.33	6,740.50
Bui dings	9,256.98	740.36	-	9,997.34	1,006.44	169.15	(0.01)	8,821.76	8,250.54
Leaseho d Improvements	2.34	239.15	-	241.49	2.34	49.82	-	189.33	-
P ant and Machinery	13,724.87	3,556.05	(251.39)	17,029.53	2,115.25	871.33	(82.47)	2,904.11	11,609.62
Office Equipments	1,106.20	98.42	60.78	1,265.40	737.88	87.70	45.89	871.47	368.32
Furniture & Fixtures	597.34	34.11	(0.13	631.32	418.65	24.46	(1.56)	441.55	178.69
Ship	10,620.80	652.34	-	11,273.14	639.32	743.46	-	9,890.36	9,981.48
Trucks	3,012.27	135.46	-	3,147.73	2,645.78	184.39	(25.78)	343.34	366.49
Vehic es	1,509.72	7.33	(4.43)	1,512.63	469.46	247.44	22.31	773.42	1,040.26
Port Hand ing Equipment	11,909.17	24.17	-	11,933.34	5,712.48	767.57	-	5,453.29	6,196.69
Share in Joint Venture Assets	4,774.19	4.51	(2.14)	4,776.56	4213.12	156.06	(0.58)	407.96	561.04
<b>Total A</b>	<b>63,254.38</b>	<b>7,013.73</b>	<b>(197.31)</b>	<b>70,070.80</b>	<b>17,960.72</b>	<b>3,301.38</b>	<b>(42.21)</b>	<b>48,850.91</b>	<b>45,293.63</b>
Capita Work in Progress	47,480.42	12,488.28	(3,625.53)	56,343.17	-	-	-	56,343.17	47,480.42
<b>Total B</b>	<b>47,480.42</b>	<b>12,488.28</b>	<b>(3,625.53)</b>	<b>56,343.17</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>56,343.17</b>	<b>47,480.42</b>
<b><u>Intangib e assets</u></b>									
Licence Fees	5,000.00	-	-	5,000.00	1,017.90	249.91	-	1,267.81	3,982.10
Computer Software	105.19	61.02	-	166.21	26.81	19.68	-	119.72	78.38
Goodwi on Investment in	(291.57)	841.34	-	549.77	-	-	-	549.77	(291.57)
Subsidiary									
Dredger Dry Docks	528.76	-	-	528.76	52.87	211.50	-	264.37	475.89
Lease ho d Rights	601.39	-	-	601.39	-	-	-	601.39	601.39
<b>Total C</b>	<b>5,943.77</b>	<b>902.36</b>	<b>-</b>	<b>6,846.13</b>	<b>1,097.58</b>	<b>481.09</b>	<b>-</b>	<b>5,267.46</b>	<b>4,846.19</b>
<b>Grand Total (A+ B+C)</b>	<b>116,678.57</b>	<b>20,404.37</b>	<b>3,822.84</b>	<b>133,260.11</b>	<b>19,058.30</b>	<b>3,782.47</b>	<b>(42.21)</b>	<b>110,461.54</b>	<b>97,620.24</b>

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2014

(in Rs lakh)

Particulars	Year ended 31 March, 2014	Year ended 31 March, 2013
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax	1,306.44	798.89
Adjustments for:		
Depreciation	4,042.62	3,782.47
Profit/Loss on sale of Fixed assets(net)	(22.77)	(0.11)
(Profit)/Loss on sale of investment (Net)	15.60	-
Interest paid	7478.88	6,412.94
Bad debts written off/Provision for doubtful debts	16.00	14.20
Dividend received	(61.43)	(17.88)
Balance written back	-	(2.54)
Prior period items	(25.88)	-
Other income / Interest received	(2,485.22)	(1,369.78)
	<u>8,957.80</u>	<u>8819.30</u>
<b>Operating Profit before Working Capital Changes</b>	<b>10264.24</b>	<b>9618.19</b>
<b>Adjustments for:</b>		
(Increase)/Decrease Trade & other Receivables	(623.47)	(4,981.06)
(Increase)/Decrease in Loans & Advances	(1255.13)	3,018.56
(Increase)/Decrease in Inventories	(77.75)	(142.35)
Increase/(Decrease) in Trade Payables	(702.02)	524.26
Increase/(Decrease) in Other Liabilities	2196.55	922.79
(Increase)/Decrease in other Assets	(736.53)	(201.47)
	<u>(1,198.35)</u>	<u>(859.27)</u>
Cash Generated from Operations	9065.89	8,758.92
Tax Paid	(517.98)	(98.29)
Net Cash from Operating activities	<u>8,547.91</u>	<u>8,660.63</u>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets (Including Capital Work in Progress)	(8,547.14)	(16,623.14)
Redemption of Investment(Net)	40.02	-
Proceeds from Sale of Fixed Assets	58.60	7.18
Long term & Short term provisions	90.38	(79.91)
Interest Income	2,485.22	1,369.78
Dividend Income	61.43	17.88
Current Investments made	-	(31.50)
<b>Net Cash used in Investing Activities before Extraordinary Items</b>	<u>(5811.49)</u>	<u>(15,339.71)</u>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Long Term Borrowings	6323.62	13,255.38
Repayment of Short Term Borrowings	(3,906.94)	3,504.32
Interest Paid	(7478.88)	(6412.94)
Surplus from Merger	-	877.23
Net Cash used in Financing Activities	<u>(5062.20)</u>	<u>11223.99</u>
Net increase /(decrease) in cash and cash equivalents (A+B+C)	(2325.78)	4,544.91
Cash and cash equivalents at beginning of period	12,316.83	7,771.92
Cash and cash equivalents at end of period	<u>9991.05</u>	<u>12,316.83</u>

For and on behalf of  
M/S CNGSN & Associates  
Chartered Accountants

**CN GANGADARAN**  
Partner  
Membership No . 11205  
FR No. 004915S  
Place Chennai  
Date 27 May 2014

**R Ram Mohan**  
Managing Director

**AS Sundaresha**  
Director

**V Radhakrishnan**  
Company Secretary

Place Chennai  
Date 27 May 2014

Annual Report 2013-14

INFORMATION DISCLOSED IN ACCORDANCE WITH THE GOVERNMENT OF INDIA, MINISTRY OF CORPORATE AFFAIRS  
GENERAL CIRCULAR NO.47/511/2010-CL-111 DATED 14 MAY 2010

Particulars	Bergen Offshore Logistics Pte Ltd Singapore	Scairon Ore Terminals Limited	Scairon Multimodal and Rail Transport Limited	Scairon Assets Limited	Scairon Ore Terminals (Mangaore) Limited	Norsea Offshore and a Limited	Scairon Adams Offshore Limited
Financial year of the Subsidiary Companies Ended on	31 Mar 2014	31 Mar 2014	31 Mar 2014	31 Mar 2014	31 Mar 2014	31 Mar 2014	31 Mar 2014
	Amount in USD	n Rs akh	n Rs akh	n Rs akh	n Rs akh	n Rs akh	n Rs akh
Capitals	10085832	4 667 72	7269 00	5329 73	3000 00	5 00	5 00
Reserves & Surplus	(9 936 700 70)	(4 578 10)	6 398 73	20 324 22	N	(2 353 96)	0 46
Total Assets	20 835 653 45	12 522 22	46 910 74	26 203 94	3279 00	10894 47	5 51
Total Liabilities	20 686 522 15	12 432 60	33 243 01	549 99	279 00	13243 43	0 50
Investments	N	N	N	9012 79	N	N	N
Turnover	N	N	22 563 44	36 33	N	N	N
Profit/(Loss) before tax	(55 190 00)	(33 39)	2 190 02	(19 85)	N	(2 118 01)	N
Provision for taxation	N	N	727 19	N	N	(1 074 06)	N
Profit/(Loss) after tax	(55 190 00)	(33 39)	1 462 83	(19 85)	N	(1 043 95)	N
Proposed Dividend	N	N	N	N	N	N	N

1 USD = Rs 60.50 (Average rate)  
1 USD = Rs 60.10 (Closing rate)



# Sical Logistics Limited

**CIN : L51909TN1955PLC002431**

**Registered Office:** South India House 73 Armenian Street Chennai 600001

Phone : 044-66157071 / Fax : 044-66157017

Website : www.sical.com :: e-mail ID : secl@sical.com

## Notice to Shareholders

NOTICE is hereby given that the Fifty Ninth Annual General Meeting of the shareholders of SICAL LOGISTICS LTD will be held on Friday, the 26th September, 2014 at 10.00 a.m. at Rajah Annamalai Hall, Esplanade, Chennai to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Directors' and Auditors' Report and audited Statement of Profit and Loss for the year ended 31st March, 2014 and the Balance Sheet as at that date.
2. To appoint a Director in the place of Shri Kush S Desai [DIN 00693663] , who retires by rotation and being eligible offers himself for re-appointment.
3. To consider and if thought fit, to pass, with or without modification[s], the following resolution as an Ordinary Resolution.  
RESOLVED THAT consent of the Company be and is hereby accorded to re-appoint M/s. CNGSN & Associates, Chartered Accountants [Firm Registration No. 004915S] as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting at a remuneration as may be decided mutually between the Management and Auditors.

### SPECIAL BUSINESS

4. **Appointment of Shri Sunil Sudhakar Rao Deshmukh as Director**  
To consider and if thought fit, to pass with or without modification[s], the following resolution as an Ordinary Resolution  
RESOLVED THAT Shri Sunil Sudhakar Rao Deshmukh [DIN 05210882] who was appointed as an Additional Director of the Company by the Board of Directors w.e.f. 01st July, 2014 in terms of Sec 161[1] of the Companies Act, 2013 and whose term of office expires at the ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of director, be and is hereby appointed as a Director of the Company whose period of office shall be liable to determination by retirement of directors by rotation.
5. **Appointment of Shri H.R. Srinivasan as an Independent Director for 5 years**  
To consider and if thought fit, to pass with or without modification[s] the following resolution as an Ordinary Resolution  
RESOLVED THAT pursuant to the provisions of Sec 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder [including any statutory modification[s] or re-enactment thereof for the time being in force] read with Schedule IV to the Companies Act, 2013, Shri H.R. Srinivasan [DIN 00130277] , a non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149[6] of the Companies Act, 2013 and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company for a period of 5 years from the date of this Annual General Meeting and until conclusion of the 64th Annual General Meeting of the Company.
6. **Appointment of Shri A.S.Sundaresha as an Independent Director for 5 years**  
To consider and if thought fit, to pass with or without modification[s] the following resolution as an Ordinary Resolution  
RESOLVED THAT pursuant to the provisions of Sec 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder [including any statutory modification[s] or re-enactment thereof for the time being in force] read with Schedule IV to the Companies Act, 2013, Shri A.S.Sundaresha [DIN 03639293], a non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149[6] of the Companies Act, 2013 and who is eligible for appointment, be and is hereby

appointed as an Independent Director of the Company for a period of 5 years from the date of this Annual General Meeting and until conclusion of the 64th Annual General Meeting of the Company.

7. **Appointment of Shri H. Rathnakar Hegde as an Independent Director for 5 years**  
To consider and if thought fit, to pass with or without modification[s] the following resolution as an Ordinary Resolution  
RESOLVED THAT pursuant to the provisions of Sec 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder [including any statutory modification[s] or re-enactment thereof for the time being in force] read with Schedule IV to the Companies Act, 2013, Shri H. Rathnakar Hegde [DIN 05158270] , a non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149[6] of the Companies Act, 2013 and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company for a period of 5 years from the date of this Annual General Meeting and until conclusion of the 64th Annual General Meeting of the Company.
8. **Empowering the Board of Directors to borrow in excess of the paid-up capital and free reserves of the Company**  
To consider and if thought fit to pass with or without modification[s], the following resolution as a Special Resolution  
RESOLVED THAT in supersession of the Ordinary Resolution passed at the Annual General Meeting of the shareholders of the Company held on 24th August, 2000, pursuant to Section 180[1][c] and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder [including any statutory modification[s] or re-enactment thereof for the time being in force] and the Articles of Association of the Company, consent of the Company be and is hereby accorded to the Board of Directors to borrow monies from time to time at their discretion together with the monies to be borrowed/already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) either from the Company's bankers and/or any one or more persons or Financial Institutions whether by way of cash credit advances, loans or bills discounting, issue of debentures, or otherwise and whether unsecured or secured by mortgage, charge, assets and properties whether movable or immovable or stock in trade including raw materials, stores, work-in-progress of the Company on such terms and conditions as may be considered suitable by the Board of Directors upto a limit of Rs.750 crores (Rupees seven hundred and fifty crores only) in excess of the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose.”
9. **Empowering the Board of Directors for creation of mortgages/charges / hypothecation of the company's movable and immovable assets in favour of lenders**  
To consider and if thought fit to pass with or without modification[s] the following resolution as a Special Resolution  
RESOLVED THAT in supersession of the Ordinary Resolution passed at the Annual General Meeting of the shareholders of the company held on 24th August, 2000, pursuant to Section 180[1][a] and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder [including any statutory modification[s] or re-enactment thereof for the time being in force] consent of the shareholders of the Company be and is hereby accorded to the Board of Directors of the Company for creation of such charge/security (including pari passu charge/security) over the assets of the Company in such manner and in such form and on such of the assets of the Company, both present and future, as may be agreed to, by the Board of Directors of the Company for the purpose of securing the aforesaid borrowings upto Rs.750 crores [Rupees seven hundred and fifty crores only] under Sec 180[1][c] of the Companies Act, 2013.

Place:Chennai  
Date:11th August, 2014

Registered Office South India House”  
73, Armenian Street  
Chennai :: 600 001

By order of the Board,  
V. Radhakrishnan  
Company Secretary



NOTES

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on poll to vote instead of himself and the proxy need not be a member of the company. A person can act as proxy on behalf of members not exceeding fifty[50] who are holding, in the aggregate, not more than ten percent of the total share capital of the Company. The instrument appointing the proxy shall be deposited at the Registered office of the company not later than forty eight hours before the time fixed for holding the meeting; in default, the instrument of proxy shall be treated as invalid.
2. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of Item Nos. 4 to 9 of the notice is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, the 22nd September, 2014 to Friday, the 26th September, 2014 [both days inclusive].
4. The members / proxies should bring the attendance slip duly filled-in and signed, clearly indicating the Folio No. for shares held in physical form or DP ID and client ID numbers in case of members holding the shares in dematerialized form, along with the Annual Report and they are requested to hand over the attendance slip at the entrance of the hall for attending the meeting.
5. Shareholders seeking any information with regard to accounts are requested to write to the Company at an early date so as to enable the Management to keep the information ready.
6. Pursuant to the provisions of Section 205A of the Companies Act, 1956, any dividend amount which remains unpaid or unclaimed for a period of 7 years will be transferred to the Investor Education and Protection Fund of the Central Government. Unclaimed dividends pertaining to the financial year 2001-02 which was distributed in 2007 and remaining unclaimed in the account had to be transferred upon expiry of 7 years period. Accordingly an amount of Rs.11,28,707/= was paid to the IEPF Account of the Central Government on 28th May, 2014.
7. Members are hereby informed that the Company, as per the SEBI guidelines, w.e.f. 01.04.2003, has appointed M/s. Cameo Corporate Services Limited, Unit : Sical Logistics Limited, “Subramanian Building”, V Floor, No.1, Club House Road, Chennai :: 600 002, Telephone : 044-28461073; Fax : 044-28460129; e-mail : cameo@cameoindia.com as its Registrar and Share Transfer Agent both for electronic and physical transactions of the shares. The shareholders are therefore requested to take note of the same and send all documents, correspondences, queries on any matter including their change of address to the Company's Registrar and Share Transfer Agent.
8. Shareholders are requested to notify immediately any change in their address to the Company / Share Transfer Agents / Depository Participants as well as the e-mail address if not intimated / updated earlier.
9. The Securities and Exchange Board of India [SEBI] has mandated the submission of copy of PAN card to the Company / Depository Participants as the case may be. Members holding shares in physical form should submit their PAN details to the Company/ RTA.
10. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of Board resolution authorizing their representatives to attend and vote on their behalf in the meeting.
11. Electronic copy of the Annual Report for the current year are being sent to all the members whose e-mail IDs are registered with the Company / Depository Participant[s] for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their e-mail address, physical copy of the Annual Report is being sent in the permitted mode.
12. Electronic copy of the Notice of the 59th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company / Depository Participant[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 copy of the Notice inter-alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.

13. Notice for the AGM and Annual Report for the financial year ended 31st March, 2014 will be available on the Company's website www.sical.com for download.
14. The Company's equity shares are listed with the Bombay Stock Exchange Limited [BSE] and the National Stock Exchange of India Limited [NSE] and the listing fee for the year 2014-15 has been paid in time.
15. Voting through electronic means
- I In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies [Management and Administration] Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 59th Annual General Meeting [AGM] by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services [India] Limited [CDSL].

The instructions for e-voting are as under:

- [A] In case of members receiving e-mail:

I Log on to the e-voting website www.evotingindia.com

ii. Click on “Shareholders” tab to cast your votes.

iii. Now, select the Electronic Voting Sequence Number – “EVSN” along with “Sical Logistics Limited” from the dropdown menu and click on “SUBMIT”.

iv. If you are holding shares in Demat form and have already voted earlier on www.evoting india.com for a voting of any Company, then your existing login id and password are to be used. If you are a first time user follow the steps given below.

v. Now fill up the following details in the appropriate boxes.

	For Members holding shares in Demat form	For Members holding shares in Physical Form
User ID	For NSDL : 8 character DP ID followed by 8 Digits Client ID For CDSL : 16 digits beneficiary ID	Folio Number registered with the Company
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department when prompted by the system while e-voting [applicable for both demat shareholders as well as physical shareholders]	
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.	
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio	

\*Members who have not updated their PAN with the Company / Depository Participant are requested to use the default number <ABCDE1234F> in the PAN field.

#Please enter any one of the details in order to login. In case either of the details are not recorded with the depository / company, please enter the number of shares held by you as on in the Dividend Bank details field.

NOTES

- vi.

After entering these details appropriately, click on “SUBMIT” tab.
- vii.

Members holding shares in physical form will then reach directly the EVSN 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 password with any other person and take utmost care to keep the password confidential.
- viii.

For members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- ix.

Click on the relevant EVSN on which you choose to vote.
- x.

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.
- xi.

Click on the “Resolution File Link” if you wish to view the entire Resolutions.
- xii.

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.
- xiii.

Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xiv.

You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- xv.

If Demat account holder has forgotten the changed password then Enter the User ID and Captcha Code click on Forgot Password & enter the details as prompted by the system.
- xvi.

Institutional shareholders [i.e. other than individuals, HUF, NRI, etc.] are required to log on to <https://www.evotingindia.co.in> and register themselves, link their account which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and POA in favour of the Custodian who they have authorized to vote on their behalf, in PDF format in the system for the scrutinizer to verify the vote.
- B.

In case of members receiving the physical copy of Notice of AGM [for members whose e-mail IDs are not registered with the company / depository participant[s] or requesting physical copy] Please follow all steps from Sl. No. [i] to Sl. No. [xvi] above, to cast vote.
- C.

The voting period begins on 22nd September, 2014 [9.00 a.m.] and ends on 23rd September, 2014 [6.00 p.m.]. During this period shareholders' of the company holding shares either in physical form or in dematerialized form, as on the cut-off date 4th August, 2014 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- D.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions [“FAQs”] and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- II.

a.

Mr. R. Kannan, Practicing Company Secretary [CP No.3363] has been appointed as Scrutinizer to scrutinize voting process in a fair and transparent manner.

b.

The Scrutinizer shall within a period not exceeding three [3] working days from the conclusion of the e-voting period unblock the votes in the presence of at least two [2] witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

c.

The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be available for inspection and also placed on the website of the Company within prescribed period.

16.

Information required to be given under Clause 49 of the Listing Agreement about the particulars of Directors to be appointed / re-appointed at the ensuing Annual General Meeting and their Directorship / Chairmanship / Committee Membership in other Companies.

[a]

Mr Kush Desai is a Chartered Accountant, having two decades of experience in multiple industries such as Information Technology, FMCG and Financial Services. He joined Coffee Day Group in 2010 in the infrastructure segment. Prior to this, he was Managing Director of SAP's R & D in India apart from a brief stint with a Doc Com Start and in the business development group of Coca-cola.

Other Directorships  
Sical Multimodal and Rail Transport Limited, Sical Adams Offshore Limited, PSA Sical Terminals Limited and Magnasoft Private Limited  
Whole-time Director  
Sical Infra Assets Limited  
More than 2% shareholding -Nil  
Other Committee Memberships  
Sical Infra Assets Limited and Sical Multimodal and Rail Transport Limited – Member – Audit Committee  
Shareholding in the Company - Nil
- [b]

Mr. Sunil Sudhakarrao Deshmukh, MCom, LLB, Fellow Member of the Institute of Cost Accountants of India and Institute of Company Secretaries of India, Certified Management Accountant-USA, Oxford Univeristy – Said Business School – Advanced Leadership & Management Program and is currently Managing Director of Wilson Cables a Singapore based Company. Has vast experience in the field of General Management, New Business Development Strategies, Manufacturing Facility Management, Financial Management and Human Resources with a strong hands-on experience in Business start-up, turnaround & growth, primarily in the manufacturing sector. He has held various positions such as Managing Director of Indo-Jordan Chemicals Company Limited, Jordan, Head of Finance & IT – CFO, McDonald's India – West & South., Finance Director, Telecom Consulting Co., Johannesburg , GM Finance & Admin, Company Secretary [CFO], Fosters India Limited and in various positions in Goodyear South Asia Tires Ltd.

Other Directorships  
Director  
Sicagen India Limited, SIDD Life Sciences Private Limited, Sical Infra Assets Limited, Sical Multimodal and Rail Transport Limited, Sical Iron Ore Terminals Limited, Sical Iron Ore Terminal [Mangalore] Limited, Norsea Offshore India Limited, Sical Sattva Rail Terminal Private Limited  
Managing Director  
Wilson Cables Private Limited, Singapore  
More than 2% shareholding - Nil  
Other Committee Memberships - Nil  
Shareholding in the Company -Nil
- [c]

Mr H.R. Srinivasan, a Mathematics graduate with an MBA, is currently the Vice-Chairman and Managing Director as well the vision holder of TAKE Solutions and plays a vital role in the evaluation of new initiatives, mergers and acquisitions and business lines that will enable this company to emerge as a global player. His rich experience in the logistics and SCM industry enables him to nurture dynamic leadership. Prior to setting up TAKE Solutions, he was Managing Director, South Asia at SembCorp Logistics. He has also served as Managing Director at Temasek Capital and as Director and CEO of PSA India. He has been very active with the Confederation of Indian Industry (CII) having served in both the State and Regional councils. Has received the CII Tamil Nadu Emerging Entrepreneurs Award given in association with Business Line for Global Reach and Superior Intellectual Property for TAKE Solutions. He is also a Director of YPO.

Other Directorships  
TAKE Solutions Limited, Parry Enterprises India Limited, Bharath Coal Chemicals Limited, Esyspro Infotech Limited, Shriram Business Solutions Limited, Shriram Ventures Limited, Aakanksha Management Consultancy & Holdings P Ltd, Aasheesha Hospitality Services & Holdings P Ltd, Shriram Properties Holdings Private Limited, Asia Global Trading [Chennai] Private Limited, TAKE Global Limited [UK], TOWELL TAKE Investments LLC, Muscat.  
More than 2% shareholdings in  
Aakanksha Management Consultancy & Holdings P Ltd, Aasheesha Hospitality Services & Holdings P Ltd  
Other Committee Membership - Nil

Shareholding in the Company - Nil

[d] Mr A.S. Sundaresha is a Fellow Member of Institute of Chartered Accountants of India and a Law graduate. He is a practicing chartered accountant since 1978. He specializes in income tax matters especially representation of litigation matters, transfer pricing and seizure cases. He is an advisor on tax matters to reputed industrial houses in Bangalore and well known in the circle. He also specializes in audit – both statutory and internal audits. He is associated with many educational institutions in capacity as advisor and statutory auditor. He was a Taxation Committee member of the Federation of Karnataka Chamber of Commerce and Industries.

Other Directorships - Nil  
Other Committee Membership - Nil  
Shareholding in the Company - Nil  
More than 2% shareholdings - Nil

[e] Sh. H Rathnakar Hegde, an expert in banking and finance sector has served in various positions in Vijaya Bank and was an Executive Director of Orintal Ban of Commerce prior to his joining SICAL's Board.

Sical Iron Ore Terminals Limited  
Kajaria Ceramics Limited  
SME Rating Agency of India Limited  
More than 2% shareholdings - Nil  
Other Committee Membership - Nil  
Shareholding in the Company - Nil

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The following Explanatory Statement sets out the material facts referring to Item Nos.4 - 9 of the AGM Notice

Item No.: 4

Shri Sunil Sudhakarrrao Deshmukh was inducted as an additional director into the Board of the Company on 01.07.2014. According to Section 161 of the Companies Act, 2013, Shri Sunil Sudhakarrrao Deshmukh holds office as Director only upto the date of this Annual General Meeting. The Board of Directors recommend the same for the approval of the members. Particulars about his qualification and experience are given under Note 16 [b] of this Notice.

Memorandum of Interest

Except Shri Sunil Sudhakarrrao Deshmukh, being an appointee, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise.

Item No.5 to 7

As per the provisions of the new Companies Act, 2013, Independent Directors can be appointed for a period of 5 years and they need not retire by rotation. Accordingly, it is proposed to appoint Shri H.R. Srinivasan, Shri A.S. Sundaresha and Shri H. Rathnakar Hegde as Independent Directors for a term of 5 years commencing from the date of present AGM until the conclusion of the 64th Annual General Meeting. Particulars about their qualification and experience are given under Note 16 [c] to [e] of this Notice.

Memorandum of Interest

Except Shri H.R. Srinivasan, Shri A.S. Sundaresha and Shri H. Rathnakar Hegde being appointees none of the other Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise.

Item No. 8 & 9

The Company had earlier obtained the approval of the shareholders at the AGM held on 24th August, 2000 by way of an ordinary resolution to enable the Company to borrow funds to the extent of Rs.750 crores [Rupees seven hundred and fifty crores] over and above the aggregate of paid up share capital and free reserves of the Company as prescribed under Sec 293[1][a] and [d] of the Companies Act, 1956. The New Companies Act, 2013 mandates that the resolution passed under the above said Act shall be valid for one year only from the date of the coming into force of the new Act and the approval of the shareholders is to be obtained by way of special resolution. Subject is presented before the members for approval by way of special resolution.

Memorandum of Interest

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise in the said resolutions.

# Sical Logistics Limited

**CIN : L51909TN1955PLC002431**  
**Registered Office:** South India House 73 Armenian Street Chennai 600001  
Phone : 044-66157071 / Fax : 044-66157017  
Website : www.sical.com :: e-mail ID : secl@sical.com

## ATTENDANCE SLIP

Name & address of the shareholder:	Folio No
	DPID
	Client ID
	No. of shares

I hereby record my presence at the 59th Annual General Meeting of the Company, at Rajah Annamalai Hall, Esplanade, Chennai on Friday, the 26th September, 2014 at 10.00 a.m.

Name of the Shareholder / Proxy*	Signature of the Shareholder / Proxy*

\*Strike out whichever is not applicable.



# Sical Logistics Limited

CIN : L51909TN1955PLC002431

Registered Office: South India House 73 Armenian Street Chennai 600001

Phone : 044-66157071 / Fax : 044-66157017

Website : www.sical.com :: e-mail ID : secl@sical.com

## PROXY FORM

[Pursuant to Section 105[6] of the Companies Act, 2013 and rule 19[3] of the Companies [Management and Administration] Rules, 2014]

Name of the Member [s]:

Registered Address:

e-mail ID:

Folio No./Client ID:

DP ID:

I / We being the Member[s] of the above mentioned Company hereby appoint

1.Name:.....

2.Name:.....

Address:.....

Address:.....

e-mail ID:.....

e-mail ID:.....

Signature:..... or failing him

Signature:..... or failing him

3.Name:.....

Address:.....

e-mail ID:.....

Signature:..... or failing him

as my / our Proxy to attend and vote [on a poll] for me / us and on my / our behalf at the 59th Annual General Meeting of the Company to be held on Friday, the 26th September, 2014 at 10.00a.m. at Rajah Annamalai Hall, Esplanade, Chennai and at any adjournment thereof in respect of such resolutions as are indicated below

Resolutions	For	Against
1. Adoption of Report and Accounts		
2. Re-election of Shri Kush S Desai		
3. Appointment of Statutory Auditors		
4. Appointment of Shri Sunil Sudhakar Rao Deshmukh as director		
5. Appointment of Shri H.R. Srinivasan as an Independent Director for a term of 5 years		
6. Appointment of Shri A.S. Sundaresha as an Independent Director for a term of 5 years		
7. Appointment of Shri H. Rathnakar Hegde as an Independent Director for a term of 5 years		
8. Authorisation to Board of Directors for borrowing above the specified limits upto Rs.750 crores		
9. Authorisation to Board of Directors to create mortgage/charges/ hypothecation in favour of lenders upto an amount not exceeding Rs.750 crores		

Signed on this \_\_\_\_\_ day of \_\_\_\_\_ 2014

Signature of shareholder

Signature of Proxy holder[s]

Affix  
Re 1.00  
revenue  
stamp

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 the commencement of the Meeting.

If not delivered  
return to  
Sical Logistics Limited  
73, Armenian Street,  
Chennai 600001

## COURIER



## Integrated Multimodal Logistics

Port Operations

Container Terminals

Container Trains

Trucking and Warehousing

ICD/CFS

Integrated Logistics

Mining



### Corporate Office

Sical Logistics Limited  
# 23/2, Coffee Day Square  
Vittal Mallya Road, Bangalore - 560001  
Tel: +91 80 33402300/29  
FAX: +91 80 33402316

### Registered Office

Sical Logistics Limited  
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