

**Sical Logistics Ltd**

South India House  
73 Armenian Street  
Chennai 600 001 India  
Phone : 91.44.66157016 Fax : 91.44.66157017



Ref.:SICAL/SD/2016

30<sup>th</sup> July, 2016

BSE Limited  
Floor 27, P.J. Towers  
Dalal Street  
Fort  
Mumbai :: 400 001

Dear Sirs,

Sub : Annual Report for the year 2015-16

Ref : Regulation 34 of the SEBI (LODR) Regulations, 2015

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Kindly find attached the soft copy of the Annual Report of the Company for the financial year 2015-16 for your kind reference and records.

Thanking you,

Yours faithfully,  
For Sical Logistics Limited

V. Radhakrishnan  
Company Secretary

Encl : Annual Report

# **SICAL**

A COFFEE DAY COMPANY

**PORT | RAIL | ROAD | CFS | MINING**



**LEAN. FAST. AGILE**

**ANNUAL REPORT  
2015-16**

**SICAL LOGISTICS LTD.**

*India's Leading Integrated Logistics Solution Provider*

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	Chairman
Kush Desai	Joint Managing Director
Sunil Sudhakarrrao Deshmukh	Director
Shweta Shetty	Director
HR Srinivasan	Independent Director
H Rathnakar Hegde	Independent Director
S. Ravinarayanan	Independent Director
Sudhir Kamath	Independent Director

REGISTERED OFFICE

South India House  
73 Armenian Street  
Chennai 600001  
Voice: +91 44 66157016  
Fax: +91 44 66157017  
Email: secl@sical.com  
Web: www.sical.in

BANKERS

Bank of Baroda  
Canara Bank  
IDBI Bank  
IFCI  
IIFCL  
IndusInd Bank  
Karur Vysya Bank  
ING Vysya Bank  
(Now Kotak Mahindra Bank)  
RBL Bank  
The South Indian Bank  
UCO Bank  
United Bank of India  
YES Bank

AUDITORS

CNGSN & Associates LLP  
Chartered Accountants  
20 Raja Street T Nagar  
Chennai 600017

COMPANY SECRETARY

V Radhakrishnan

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 and 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 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

16%		Promoters
53%		Co-promoters
31%		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
- > **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
- > **Sical Saumya Mining | 65%**  
Overburden removal at mines
- > **PSA Sical | 37.50%**  
Container terminal in JV with PSA International Pte. Ltd. at Tuticorin

END-TO-END INTEGRATED  
MULTIMODAL DELIVERY

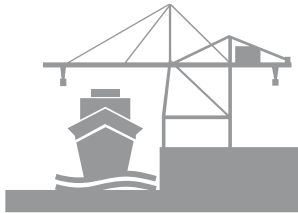
Container Cargo

Sea



Port/terminal

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



ICD/CFS



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

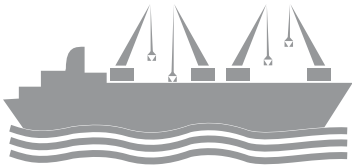
Multimodal  
transportation

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.

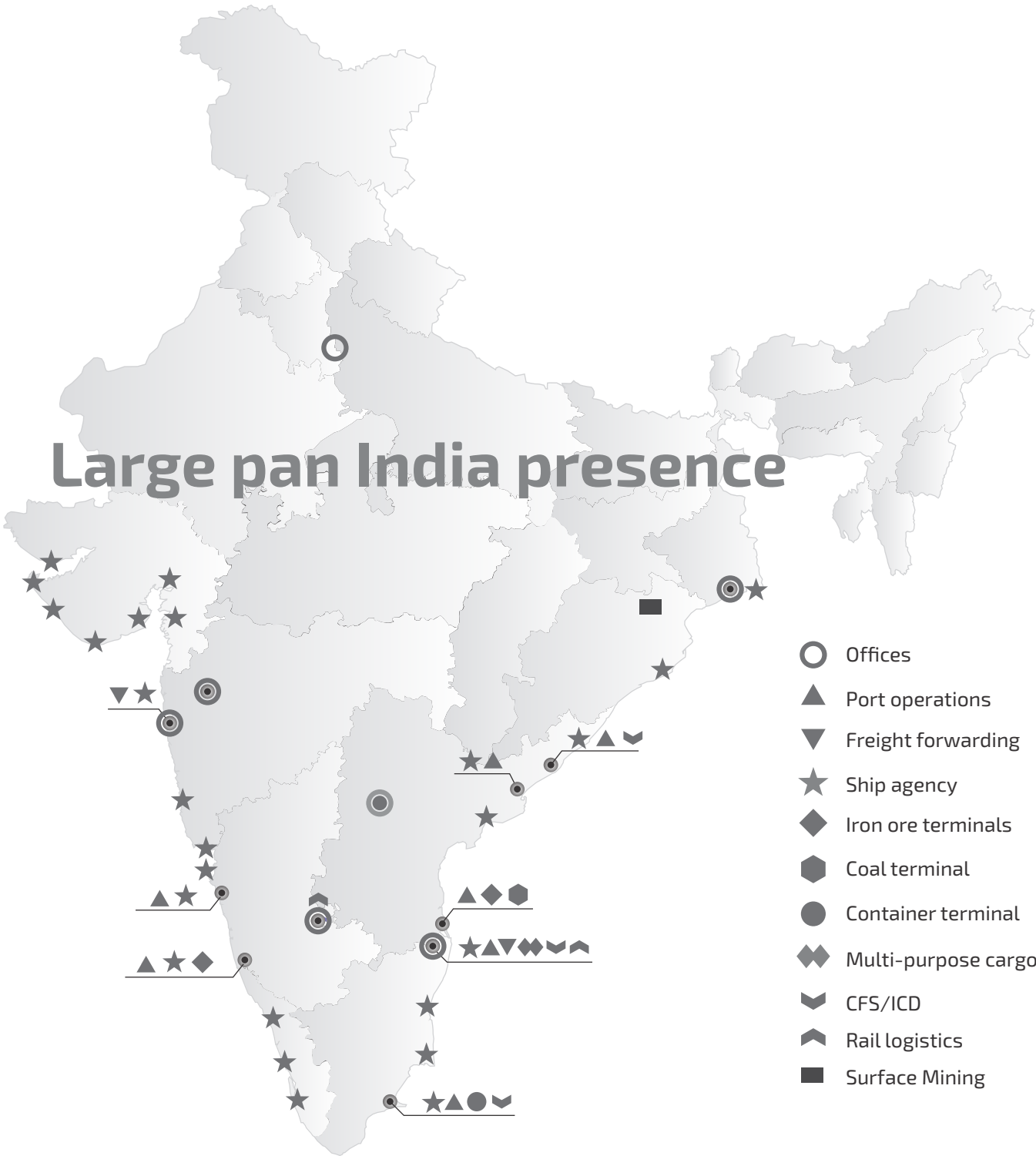


Pan-India **TRUCKING FLEET** with GSM/GPS systems for real-time tracking of high value cargo



customers

DELIVERY NETWORK



PRODUCTS WE MOVE

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

KEY CUSTOMERS

Andhra Pradesh Paper Mills Adani Enterprises Asahi India Glass Asias Freight Forwarders A to Z Logistics AM Transport Balaji Mines BEML Bharat Heavy Electricals Bhatia International Empee Sugars and Chemicals Engineers India Emami Biotech Ford India Grasim Industries Greenstar Fertilizers Limited Gupta Coal (India)	Gokul Refoils & Solvent Gopalpur Port Limited GTL Infrastructure Hemang Resources Ltd Hindustan Copper Hindalco Industries Hindustan Aeronautics India Cements Ispat Industries JSW Steel Krishak Bharat Co-Operative Mahanadi Coal Field Limited Manali Petrochemical Maersk Line India Mother Diary NYK Lines Phulchand Exports Pepsico India	Precious Carrying Corporation Rajshree Cements Rashtriya Ispat Nigam Saint Gobain Glass India Shell India Seaways Shipping Shriniwasa Roadways South Eastern Carriers Steel Authority Of India Sterlite Industries (India) Shayam Metaliks Sree Rengaraj Ispat Industries Pvt Ltd Surya Global Steel Tubes Ltd. Tamilnadu News Print & Papers Tamilnadu Petroproducts Tamilnadu Electricity Board Ultra Tech Cements
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The above list is neither complete nor exhaustive; its purpose is merely to showcase Sical's customer engagements.

Customer profile

	Fy16	Fy15	Fy14	Fy13	Fy12
Percentage of revenue from no 1 customers	36%	52%	58%	45%	44%
Percentage of revenue from top 5 customers	72%	80%	79%	69%	70%
Percentage of revenue from top 10 customers	87%	88%	85%	76%	79%
No of customers that account for more than 10% of total revenue	2	2	2	2	2
No of customers that account for over INR 100 lakhs annual revenue	30	31	37	43	47
No of customers that account for over INR 500 lakhs annual revenue	11	12	13	13	12
No of customers that account for over INR 1,000 lakhs annual revenue	9	7	3	5	7



KEY FINANCIALS

10 Year Financial (consolidated)

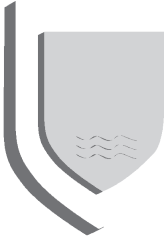
[Rs. In lakhs]

Year to 31 March	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Revenue	85,072	86,806	88,300	77,620	79118	80348	72673	68282	72045	107819
EBIDTA	12,329	12,473	12,748	10,862	9235	3206	3817	9854	9071	8889
Equity Share Capital	5,562	5,562	5,562	5,562	5,562	3954	3954	3954	3954	3019
Net Worth	45,670	44,242	43,836	43,404	41779	40508	31392	28573	31043	35122
Current Assets	48,871	36,506	34,999	35,196	32138	46130	59073	67386	70696	99863
Cash and Bank Balance	10,843	10,622	9,991	12,317	7813	19443	8610	18290	19821	21649
Net Working Capital	11,668	2,678	2,688	2,189	6492	2631	17924	30482	20908	49786

VOLUMES MIX

Particulars	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Container (20-foot equivalents TEUs)	653,223	631,001	649,697	628,625	585,638	587,154	592,000	570,000	570,000	429,911
Bulk (Million tonnes)	34	33	25	21	29	27	26	26	26	22

RECOGNITION



- Highest tonnage handled by Stevedore during 2014-15 by Chennai Port Trust
- Highest Tonnage of Cargo Handled Including Thermal Coal as Stevedore during the 2014-15 at VOC Port, Tuticorin.
- Maximum number of bulk carriers handled at Kamarajar Port during the year 2014- 15
- First prize for Emergency Response Drill as also for successful completion of 10 years of business from SHELL India Markets Private Limited
- 2nd runnerup in Haulier League Prize by Shell India
- Best performance award for the year 2013-2014 from Chennai Port Trust for higher tonnage handled by a Stevedore and for record loading of Cargos on to vessel in a single day on two occasions.
- Best Transporter for 2013-14 and 2014-2015 award from Tata Chemicals Limited for Haldia operations by trucking division
- Tamil Chamber of Commerce EXIM achievement award - "Stevedore of the Year" for consecutive 3 years 2011, 2012 & 2013
- "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

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Annual report 2015-16  
DIRECTORS' REPORT



DIRECTORS' REPORT

Your Directors are pleased to present this Sixty First Annual Report of your company and the audited financial statements for the year ended 31 st March, 2016.

FINANCIAL REVIEW

The stand-alone financial results for the year ended 31 st March, 2016 are summarised below.

[Rs. In lakhs]		
Year ended 31 March	2016	2015
Sales and other income	64520	63954
Profit before interest, depreciation and tax	13214	11248
Interest	7412	6442
Cash profit	5802	4806
Depreciation	2724	2250
Profit before tax	3078	2556
Provision for tax	1230	(163)
Net profit	1848	2719
Earnings per share (EPS) in Rs. (after exceptional items)	3.32	4.89

DIVIDEND

No dividend is proposed as it has been decided to conserve the resources for the ongoing projects of the company as well as the subsidiaries.

RESERVES

Debenture redemption reserve of Rs.5 crores has been created in accordance with the provisions of Rule 18[7] of the Companies [Share Capital and Debenture] Rules, 2014.

FRESH ISSUE OF SHARES / DEBENTURES

The Company has not issued any shares / securities which are convertible into equity shares during the financial year 2015-16.

FIXED DEPOSITS

The Company has not invited any deposits from public. There are no matured and unclaimed deposits as on 31 st March, 2016.

UNCLAIMED DIVIDENDS

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 have to be transferred to the Investor Education and Protection Fund of the Central Government. The Company does not have any amount lying under unclaimed dividend as on 31 st March, 2016 and hence the said provisions are not applicable.

PERFORMANCE

The company's revenues for financial year 2015-16 was Rs.64520 lakhs as against Rs.63954 lakhs in the previous fiscal while Profit After Tax was Rs.1848 lakhs as against Rs.2719 lakhs in the previous year. The reduction in Profit After Tax was mainly on account of higher tax expenses. However, the Profit before interest, depreciation and tax for the year 2015-16 was Rs.13214 lakhs as compared to Rs.11248 lakhs in the previous fiscal. The overall improvement of 18% is due to Company's focus on new business segments with higher margins, better asset utilisation and control on operating costs.

The performance of various divisions of the company during the year under review is summarised below:

INTEGRATED LOGISTICS

The prestigious contract for movement of coal from Mahanadhi Coal Fields in Odisha to the power plant of NLC at Tuticorin through road-rail- sea movement has commenced its operations during the year under review and have handled 575904 tonnes . The washery operations are expected to commence during the first half of the current financial year.

DIRECTORS' REPORT

SURFACE MINING OF COAL AND OVERBURDEN REMOVAL CONTRACTS

The Companies operation of surface mining of coal and transportation at Bharatpur and Lajkura mines got strengthened during the financial year. Further, the Company commenced the operation of removal and transportation of overburden at Samaleshwari mines during the year. All these mines are situated at Odisha and during the year Company has handled 13.07 million metric tonnes of coal and 4.84 million cubic meters of overburden. One more contract for removal of overburden at Lajkura mines is expected to commence operations during the second half of FY 2016-17. This activity is carried out in a joint venture with Saumya Mining Limited.

PORT HANDLING

During the year under review, this division performed stevedoring activities at the Ports of Chennai, Tuticorin, Mangalore and Ennore handling coal for TNEB at Ennore and Tuticorin and limestone, dolomite and other products at Chennai and Mangalore and has handled 20.61 million MTs of cargo as against 26.33 million MTs in the previous fiscal. There is a conscious focus to improve the volumes at various ports.

ROAD LOGISTICS

The Road Logistics division extends movement of cargo through trucks and has a clientele base of petroleum, construction, steel, fertiliser and chemical. This division also provides services for the integrated logistics sector for movement of coal, removal of overburden at coal fields – surface mining and copper concentrates.

RETAIL SUPPLY CHAIN SOLUTIONS

The Retail Supply Chain Solutions division comprises of cold chain, warehousing and dry logistics. The cold chain segment operates with a combination of owned and hired refrigerated vehicles from 17 distribution centres across the country. The Warehousing division consists of 20 hubs with 2,40,000 sq. ft. Area catering mainly to food industries. The operation of these divisions is backed by technology including GPS based tracking.

CUSTOMS HOUSE AGENCY, SHIP AGENCY & GOODWILL TRAVELS DIVISION

Custom house agency is engaged in providing services as an agency for clearing and forwarding goods through customs meant for imports / exports. This division handled 16.25 million MTs of bulk cargo and 4355 TEUs of containerised cargo during the financial year 2015-16.

Shipping division facilitates and ensues quick turnaround of the ships at berths at all major ports. This division handled 77 vessels across various ports during the year under review.

Goodwill travels division is engaged in booking rail and airline ticketing apart from booking worldwide hotels and conducting tour packages, car rentals, online visas and travel insurances. This division also operates as an authorised dealer for full fledged money changing business.

SUBSIDIARIES AND JOINT VENTURES

As on 31st March, 2016, the Company has the following subsidiaries and joint venture companies

Subsidiaries

1. Sical Iron Ore Terminals Limited
2. Sical Multimodal and Rail Transport Limited
3. Sical Infra Assets Limited
4. Sical Iron Ore Terminal [Mangalore] Limited
5. Sical Adams Offshore Limited
6. Norsesea Offshore India Limited
7. Bergen Offshore Logistics Pte Ltd [Overseas subsidiary]
8. Norsesea Global Offshore Pte Ltd [subsidiary of Bergen Offshore Logistics Pte Ltd]

Joint Ventures

1. PSA Sical Terminals Limited ( a JV between PSA Singapore and Sical)
2. Sical Sattva Rail Terminals Private Limited [a JV between Sical Multimodal and Rail Transport Limited and Sattva Logistics Private Limited]
3. Sical Saumya Mining Limited ( a JV between Sical and Saumya Mining Ltd.)

DIRECTORS' REPORT

PERFORMANCE / DETAILS OF SUBSIDIARIES / JOINT VENTURES

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

1. Sical Iron Ore Terminals Ltd

The Company has completed the construction activities for an iron ore terminal at the Kamarajar Port [erstwhile Ennore Port] in 2010 but however could not commence its commercial operations due to the prevailing ban on the export of iron ore from out of the Karnataka Region. In order to utilize the idle terminal, the company has made constant requests to the Kamarajar Port and Ministry of Shipping to allow handling of alternate cargoes in the terminal. Kamarajar Port has now decided to modify the existing terminal also to handle coal and has invited bids for the purpose. It is expected that a decision on this terminal will be in place during the course of the current financial year.

2. Sical Infra Assets Limited and Sical Multimodal and Rail Transport Limited

Sical Infra Assets Limited was formed for owning and housing infrastructure companies under its fold. The company's subsidiary, Sical Multimodal and Rail Transport Limited operates container rail as well as two Container Freight Stations (CFS). CFS business is continuing its operations at Chennai and Tuticorin. The total volume handled during 2015-16 was 117065 TEUs. Chennai CFS ended the year on a good note by garnering highest volume and becoming number one CFS. Container Rail business operates own rakes pan India under category 1 licence. The Company handled 21686 TEUs 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 Company has a JV with 50% stake in Sical Sattva Rail Terminals Private Limited which operates the Melpakkam terminal. Efforts are on to establish a CFS facility at Vizag on leased land and is expected to be functional during the current financial year. Own rail terminals at Chennai and Bengaluru are imperative for the turnaround of this division. The performance of the rail division has been hit due to higher haulage charges payable to Railways.

3. Sical Iron Ore Terminal [Mangalore] Limited

A concession agreement was entered with New Mangalore port in 2009 for setting up of mechanised iron ore terminal and operation and maintenance at the Mangalore Port. Since there remains a ban on the movement and export of iron ore from out of Karnataka region, required cargo cannot be generated and hence approached the Port authorities for allowing to handle multi purpose cargoes in the berth to be constructed. Since this was not agreed to, the Company was left with no choice but to issue a termination notice on force majeure condition and the New Mangalore Port authorities have referred the matter to arbitration and arbitral proceedings are in progress.

4. Sical Adams Offshore Limited

This company was formed with an intent to venture into offshore segment. The Company will commence operations as and when offshore contracts are bagged.

5. Norsesea Offshore India Limited

This company owns and operates a cutter suction dredger Sical Portofino carrying dredging activities for various ports. Currently the dredger is in operation at Gopalpur Port in Odisha. The revenue earned during the financial year under review was Rs.412 lakhs as compared to the previous year of Rs.442 lakhs.

6. Sical Saumya Mining Limited

This subsidiary was formed in association with Saumya Mining Limited for the purpose of executing the overburden removal contract awarded by the Mahanadhi Coal Fields, Odisha for the operations at coal mines located at Samaleshwari and Lajkura to handle 37 and 53 million CBM in 3 and 5 years respectively. The activities at Samaleshwari has begun and the revenue earned during the financial year under review was Rs.2973 lakhs

7. Bergen Offshore Logistics Pte Ltd and Norsesea Global Offshore Private Limited

The overseas subsidiary of the Company Bergen Offshore Logistics Private Limited and the wholly owned subsidiary of Bergen viz. Norsesea Global Offshore Private Limited have their offices in Singapore. These companies are for providing support services for offshore activities.

DIRECTORS' REPORT

8. PSASical Terminals Limited

This is a joint venture company with Ports of Singapore Authority in which Sical has a shareholding of 37.5%. This company operates a container terminal at Tuticorin Port and has handled 510118 TEUs during the year under review and earned a revenue of Rs.152.52 crores with a Profit of Rs.2.68 crores. The challenge faced by this Company has been the royalty payable being higher than the tariff allowed to be charged, which was disputed and the Company has received a favourable arbitral award, where royalty model would change into revenue share model, which is in accordance with 2013 guidelines of Ministry of Shipping. The said Arbitral Award was challenged before the District Court by Tuticorin Port and the District Court has upheld the Arbitral Award in favour of the Company. Now the said District Court Order has been challenged by Tuticorin Port before the High Court of Madras at Madurai Bench and the same is pending hearing.

SUBSIDIARY COMPANIES FINANCIAL STATEMENTS

As per Section 129[3] of the Companies Act, 2013 read with Rule 5 of the Companies [Accounts] Rules, 2014, the Company has prepared consolidated financial statement and the same is being laid before the members for their approval at the ensuing Annual General Meeting. Also a separate statement containing the salient features of the financial statement of the subsidiaries and joint ventures in Form AOC-1 is attached along with the financial statements.

AWARDS AND ACCOLADES

During the year under review the following awards were received by the company:

- highest tonnage handled by Stevedore during 2014-15 by Chennai Port Trust
- highest Tonnage of Cargo Handled Including Thermal Coal as Stevedore during the 2014-15 at VOC Port, Tuticorin.
- maximum number of bulk carriers handled at Kamarajar Port during the year 2014- 15
- first prize for Emergency Response Drill as also for successful completion of 10 years of business from SHELL India Markets Private Limited

DIRECTORS

The Company has 08 [eight] directors consisting of 04 [four] Independent Directors 03 [three] non-executive director [including 1 woman director] and 01 [one] executive director

INDEPENDENT DIRECTORS

In terms of the definition of Independence of Directors as prescribed under erstwhile Clause 49 of the Listing Agreement and Regulation 17 of the SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015 and Section 149[6] of the Companies Act, 2013 and based on the confirmation / disclosures received from the Directors, the following Non-Executive Directors are Independent Directors as on 31 st March, 2016

1. Mr. H.R. Srinivasan
2. Mr. H. Rathnakar Hegde
3. Mr. S. Ravinarayanan
4. Mr. Sudhir V Kamath

WHOLE-TIME DIRECTOR

Mr. Kush S Desai was appointed Joint Managing Director w.e.f. 04 th May, 2015.

CHAIRMAN OF THE BOARD

Mr. R. Ram Mohan was appointed Chairman of the Board w.e.f. 04 th May, 2015 and moved from the position of Managing Director to Chairman.

NON-INDEPENDENT NON-EXECUTIVE DIRECTORS

The following directors are considered to be non-independent non-executive directors

1. Mr. Sunil Deshmukh
2. Ms. Shweta Shetty [Woman Director]

APPOINTMENT / RESIGNATION OF DIRECTORS

There were no appointment / resignation took place during the year under review.

DIRECTORS' REPORT

DIRECTOR RETIRING BY ROTATION

In terms of Section 152 of the Companies Act, 2013, Mr. R. Ram Mohan being longest in the office shall retire at the ensuing AGM and being eligible for re-appoint, offers himself for re-appointment.

NUMBER OF THE MEETINGS OF THE BOARD

The Board met 13 times during the financial year 2015-16. Detailed information on the meetings of the Board are included in the report on Corporate Governance which forms part of the Directors Report. Additionally several committee meetings were held including Audit Committee which met 05 [five] times during the year.

COMMITTEES OF THE BOARD

The Company has several committees which have been established as a part of the best corporate governance practices and are in compliance with the requirements of the relevant provisions of applicable laws and statutes.

The Company has the following committees of the Board

- Audit Committee
- Stakeholders Relationship Committee
- Corporate Social Responsibility Committee
- Nomination and Remuneration Committee
- Risk Mitigation Committee
- Management Committee

The details with respect to the composition, powers, roles, terms of reference of relevant committees are given in detail in the Report on Corporate Governance which forms part of the Directors Report.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

In compliance with Section 135 of the Companies At, 2013 read with Companies [Corporate Social Responsibility Policy] Rules, 2014, the Company has established a Corporate Social Responsibility [CSR] Committee and statutory disclosures with respect to the CSR Committee and an Annual Report on CSR Activities form part of this Report as Annexure – 1.

PERFORMANCE EVALUATION OF THE BOARD

In accordance with Section 178 of the Companies Act, 2013 and Regulation 17 of the SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015 [earlier Clause 49 [IV] of the Listing Agreement], the Company has laid down a Nomination and Remuneration Policy. Further to this, the manner in which formal annual evaluation of the directors, the Board and Board level committees were devised by the Committee. Accordingly, the evaluation of the performance of the members of the Board, Board level committee and the Board as a whole were carried out at the meeting of the independent directors and the board of the directors on 18 th January, 2016 for the FY 2015-16.

CORPORATE GOVERNANCE

The Company is committed to achieve the highest standards of Corporate Governance and strives to comply with the requirements as set by the Regulators / applicable laws.

A separate section providing a Report on the Corporate Governance as stipulated under Regulation 34 [3] and Schedule V [c] of the SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015 is attached as an Annexure to this report. The said report on corporate governance also contains certain disclosures required under the Companies Act, 2013.

A certificate from the Statutory Auditors M/s. CNGSN and Associates LLP, Chartered Accountants conforming compliance to the conditions of Corporate Governance as stipulated under Regulation 34[3] of the SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015 is annexed to the said Report.

MANAGEMENT DISCUSSION AND ANALYSIS

A Management Discussion and Analysis Report pursuant to Schedule V [B] of the SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015 is furnished as an Annexure to this report.

VIGIL MECHANISM

The Company has implemented a Vigil Mechanism / Whistle Blower Policy pursuant to which Whistle Blowers are allowed to raise concerns relating to Reportable Matters [as defined in the Policy]. Further the policy encourages whistle blowers to bring the genuine concerns or grievances and provides for adequate safeguards against victimisation of Whistle Blower who avail of such mechanism and also provides for direct access to the Chairman of the Audit Committee, in exceptional circumstances. The functioning of the vigil mechanism is reviewed by the Audit Committee from time to time. None of the

DIRECTORS' REPORT

whistle blowers were denied access to the Audit Committee of the Board of Directors. The details of Vigil Mechanism / Whistle Blower Policy are available on the website of the Company www.sical.com.

RISK MANAGEMENT POLICY

The Board has implemented the risk management policy for effective management of risks that are envisaged on the conduct of business wherein all material risks faced by the company are identified and assessed and evolves assessment of controls and policies and put in place procedure for monitoring, mitigating and reporting risk on a periodic basis.

CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All related party transactions that were entered into during the financial year were in the ordinary course of business of the Company and were on arm's length basis. There were no materially significant related party transactions entered into by the Company with the Promoters, Directors, Key Managerial Personnel or other persons which may have a potential conflict with the interest of the Company. The details of related party transactions in Form AOC-2 is furnished as Annexure-2 to this Report.

Considering the nature of the industry in which the Company operates, related party transactions are in the ordinary course of business on an arm's length basis. All such related party transactions are placed before the Audit Committee for approval, wherever applicable. Prior omnibus approval for normal transactions is also obtained from the Audit Committee for the related party transactions which are of repetitive in nature as well for the normal transactions which can not be foreseen and accordingly the required disclosures are made to the Committee on quarterly basis in terms of the approval of the Committee.

The policy on Material Related Party Transactions and also on dealing with the Related Party Transactions as approved by the Board of Directors is uploaded on the website of the Company and the link for the same is http://www.sical.com/policy.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Corporate guarantees were provided to banks / financial institutions for the financial facilities availed by the company's subsidiaries after obtaining due approval from the shareholders through postal ballot wherever such transactions are considered to be material related party transactions.

S. No.	Name of the Bank / Financial Institution	Name of the Corporate Body on whose behalf guarantee has been given	Relationship	Purpose	Amount in Rs. Crores	Date of Execution
1	IFCI Limited	Sical Multimodal and Rail Transport Limited	Step-down subsidiary	For credit facilities provided to the subsidiary	100.00	03.09.2015
2	Bank of Baroda	Sical Multimodal and Rail Transport Limited	Step-down subsidiary	For credit facilities provided to the subsidiary	147.49	18.11.2015
3	RBL Bank Limited	Sical Saumya Mining Limited	Subsidiary	For credit facilities provided to the subsidiary	40.00	25.01.2016

The Company subscribed for 25,00,000 equity shares of Rs.10 each in its wholly owned subsidiary M/s. Sical Iron Ore Terminal [Mangalore] Limited and 6500 equity shares of Rs.10/= each in the newly incorporated Sical Saumya Mining Limited during the year under review.

The following are the closing balances to the amounts extended as Loans / Advances to subsidiaries as per Section 186 of the Companies Act, 2013.

Name of the Body Corporate	Amount in Rs. Crores	Nature of the Body Corporate
Sical Iron Ore Terminals Limited	352	Subsidiary
Sical Iron Ore Terminal [Mangalore] Limited	1	Subsidiary
Bergen Offshore Logistics Pte Ltd	137	Overseas subsidiary
Sical Saumya Mining Limited	51	Subsidiary
<b>TOTAL</b>	<b>541</b>	



DIRECTORS' REPORT

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has laid down set of standards, processes and structure which enables to implement internal financial control across the organisation and ensure that the same are adequate and operating effectively. The statutory auditors M/s. CNGSN and Associates LLP have provided their report on the internal financial control as part of their audit report.

[a] Statutory Auditors

M/s. CNGSN and Associates LLP, Chartered Accountants retire at the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment as the statutory auditors of the Company for the current financial year viz. 2016-17. The company has received the consent from the Auditors and confirmation to the effect that they are not disqualified to be appointed as the Auditors of the Company in terms of the provisions of the Companies Act, 2013 and the rules made thereunder. Accordingly, the Board of Directors have recommended the re-appointment of M/s. CNGSN and Associates LLP, Chartered Accountants as the Statutory Auditors of the Company to hold office from the ensuing AGM until the conclusion of the next AGM on a remuneration to be decided by the Board or Committee thereof to the shareholders for their approval.

[b] Secretarial Auditors and Secretarial Audit Report

Pursuant to Section 204 of the Companies Act, 2013, Mr. R. Kannan, Practicing Company Secretary, Chennai was appointed the Secretarial Auditor for the financial year 2015-16. The report of the Secretarial Auditor for the FY 2015-16 is annexed to this report as Annexure – 3.

There are no audit qualifications in the Statutory Auditors Report and Secretarial Audit Reports.

MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments affecting the financial position of the company which has occurred between the end of the financial year of the company i.e. 31 st March, 2016 and the date of the Directors Report i.e. 03 rd May, 2016.

EMPLOYEE REMUNERATION

1. The statement containing particulars of employees as required under Section 197[2] of the Companies Act, 2013 read with Rule 5[2] of the Companies [Appointment and Remuneration of Managerial Personnel] Rules, 2014 are not applicable since none of the employees are in receipt of remuneration exceeding Rs.5 lakhs in a month or Rs.60 lakhs in a year during the financial year 2015-16.
2. The ratio of the remuneration of each director to the median employee's remuneration and other details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5[1] of the Companies [Appointment and Remuneration of Managerial Personnel] Rules, 2014 are forming part of this report as Annexure – 4.

Statutory Disclosures

[1] The disclosures to be made under sub-section [3][m] of Section 134 of the Companies Act, 2013 read with Rule 8[3] of the Companies [Accounts] Rules, 2014 are furnished below.

Since the company is engaged in providing logistics services, the details as to conservation of energy and technology absorption are not applicable.

A. CONSERVATION OF ENERGY	: NA
B. TECHNOLOGY ABSORPTION	: NA
C. FOREIGN EXCHANGE EARNINGS AND OUTGO	
Total Foreign Exchange	Earned : Rs.867 lakhs
	Used : Rs.1776 lakhs

[2] No significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

DIRECTORS' REPORT

[3] There were no complaints received / cases filed under Section 22 of the Sexual Harrassment of Women at Workplace [Prevention, Prohibition and Redressal] Act, 2013.

[4] No stock options were issued to the Directors of the Company.

EXTRACTS OF ANNUAL RETURN

Pursuant to sub-section 3[a] of Section 134 and sub-section [3] of Section 92 of the Companies Act, 2013 read with Rule 12 of the Companies [Management and Administration] Rules, 2014, the extracts of the Annual Return as at March 31, 2016 forms part of this report as Annexure -5.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirement of Section 134[5] of the Companies Act, 2013, it is hereby confirmed that:

[a] in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.

[b] the directors had selected such accounting policies and applied them consistently and made judgements 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 of the company for that period.

[c] the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

[d] the directors had prepared the annual accounts on a going concern basis.

[e] the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

[f] the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGMENT

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 and patronage.

For and on behalf of the Board

Place: Bengaluru  
Date: 3rd May, 2016

R. Ram Mohan  
Chairman  
DIN : 02506342

ANNEXURE – 1

The Annual Report on Corporate Social Responsibility [CSR] Activities

A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken

CSR Policy

Pursuant to Section 135 of the Companies Act, 2013, the Company has evolved a CSR Policy which shall be to contribute towards any one or more of the activities as provided in the Schedule VII of the Companies Act, 2013.

Implementation and Monitoring

CSR programmes as decided by the Committee at the beginning of each year would be implemented either directly or through any of the agencies / associations implementing the CSR activities in the Country as per the CSR Policy. The Committee shall monitor the activities and provide a report to the Board.

Web-Link to the CSR Policy : <http://www.sical.in/investors/Policy/CSR>

Composition of CSR Committee

The Members of the Committee as on 31st March, 2016 are

- |                           |          |
|---------------------------|----------|
| 1. Mr. S. Ravinarayanan   | Chairman |
| 2. Mr. H. Rathnakar Hegde | Member   |
| 3. Mr. R. Ram Mohan       | Member   |

Average net profit of the Company for the last three financial years = Rs. 829.81 lakhs

Prescribed CSR expenditure [2% of the amount as above] = Rs.16.60 lakhs

Details of CSR spent during the financial year

[a] Total amount to be spent for the financial year Rs.16.60 lakhs

The company has spent the entire amount of Rs.16.60 lakhs during the FY 2015-16.

[b] Amount unspent, if any Nil

[c] Manner in which the amount spent during the financial year is detailed below

S.No	CSR Project or activity identified	Sector in which the project is covered	Projects or programs [1] Local area or other [2] specify the State and the district where projects or programs was undertaken	Amount outlay [budget] Project or program wise	Amount spent on the projects or programs Subheads : [1] Direct Expenditure on project or programs [2] Overheads	Cumulative Expenditure upto the Reporting Period	Amount spent direct or through implementing agency
1	Donation to Shankarakudige Veerappa Gangaiah Hegde Education Trust	Promoting education	Chikkamagaluru, Karnataka	16.60 lakhs	16.60 lakhs	16.60 lakhs	Shankarakudige Veerappa Gangaiah Hegde Education Trust

Sical believes that promoting education through implementing agencies for the upliftment of underprivileged as its social responsibility since education would provide ample opportunity and confidence among them to have a better future in the society. Accordingly contribution of Rs.16.60 lakhs being the 2% on the average net profit of the 3 financial years was made to Shankarakudige Veerappa Gangaiah Hegde Education Trust which was set up in 2002 as a non-profit trust with the mission of "Education for All" more specifically for the activities of the Trust for the SVGH Vocational Training College which falls within the ambit of Clause [iii] to Schedule VII of the Companies Act, 2013 which allows contribution / activities relating to promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects.

The CSR committee confirms that the implementation and monitoring of CSR policy is in compliance with the CSR objectives and Policy of the Committee.

Place: Bengaluru  
Date: 3rd May, 2016

**Kush S Desai**  
Joint Managing Director

**S. Ravinarayanan**  
Chairman – CSR Committee

ANNEXURE – 2  
FORM No. AOC-2

Form of disclosure of particulars of contracts / arrangements entered into by the company with related parties referred to in sub-section [1] of Section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto and Pursuant to Clause [h] of sub- section 3 of Section 134 of the Act and Rule 8[2] of the Companies [Accounts] Rules, 2014.

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

S.No	Name of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date[s] of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
a	b	c	d	e	f	g	h	i
NOT APPLICABLE								

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

S.No	Name of the related party	Nature of relationship	Nature of contracts / arrangements / transactions	Duration of the contracts/ arrangements / transactions	Salient terms of the contracts or rrangements or transactions including, if any	Value of Transaction for FY 15-16 (Rs Lakhs)	Date[s] of approval by the Board	Amount paid as advances, if any
[a]	[b]	[c]	[d]	[e]	[f]	[g]	[h]	[i]
<b>Sale of Goods/ Services rendered-</b>								
1	Coffee Day Global Limited	Fellow subsidiary	Cold Chain Transportation	60 Months from 1-March-2012	-	1,589	-	-
2	Coffee Day Global Limited	Fellow subsidiary	Cold Chain Warehousing	-	-	921	-	-
3	Norsea Offshore India Ltd	Subsidiary	Deputation Salary Reimbursed	-	-	100	-	-
4	PSA Sical Terminals Ltd	Joint Venture	Stevedoring services rendered to PSA Tuticorin	-	-	161	-	-
5	PSA Sical Terminals Ltd	Joint Venture	CHA Services rendered to PSA at Tutl and Chennai	-	-	-1	-	-
6	Sical Iron Ore Terminals Ltd	Subsidiary	Interest Income on loan	-	-	3,975	-	-
7	Sical Iron Ore Terminals Ltd	Subsidiary	Reimbursement	-	-	2	-	-
8	Sical Iron Ore Terminal (Mangalore) Ltd	Subsidiary	Overheads	-	-	100	-	-
9	Sical Iron Ore Terminal (Mangalore) Ltd	Subsidiary	Deputation Salary Reimbursed	-	-	12	-	-
10	Sical Multimodal and Rail Transport Ltd	Subsidiary	Overheads to Rail Division	-	-	100	-	-
11	Sical Multimodal and Rail Transport Ltd	Subsidiary	Overheads to CFS Division	-	-	300	-	-
12	Sical Multimodal and Rail Transport Ltd	Subsidiary	Trucking services to CFS division from Chennai Port to Minjur	-	-	28	-	-
13	Sical Multimodal and Rail Transport Ltd	Subsidiary	Trucking services to T Rail Division from Melpakkam to various places	-	-	298	-	-
14	Sical Multimodal and Rail Transport Ltd	Subsidiary	Trucking services to CFS at Tuticorin	-	-	1	-	-
15	Sical Multimodal and Rail Transport Ltd	Ultimate Holding Co	Warehousing revenue at Tuticorin	-	-	21	-	-
16	Sical Multimodal and Rail Transport Ltd	Subsidiary	Rental Income from Rajaji Salai Building	-	-	13	-	-
17	Sical Multimodal and Rail Transport Ltd	Subsidiary	Reimbursement CFS	-	-	5	-	-
18	Sical Multimodal and Rail Transport Ltd	Subsidiary	Reimbursement	-	-	25	-	-
19	Sical Saumya Mining Ltd	Subsidiary	Mining Services	-	-	228	-	-
<b>Total</b>						<b>1,376</b>		

S.No	Name of the related party	Nature of relationship	Nature of contracts / arrangements / transactions	Duration of the contracts/ arrangements / transactions	Salient terms of the contracts or rrangements or transactions including, if any	Value of Transaction for FY15-16 (Rs Lakhs)	Date[s] of approval by the Board	Amount paid as advances, if any
[a]	[b]	[c]	[d]	[e]	[f]	[g]	[h]	[I]
Purchase of goods / Services availed								
1	Coffee Day Global Limited	Fellow subsidiary	Purchase of gift hampers	-	-	15	-	-
2	Norsea Offshore India Ltd	Subsidiary	Dredger rental service	-	-	460	-	-
3	Way2wealth Brokers Private Limited	Fellow subsidiary	Rental Expense	-	-	14	-	-

Transactions which were of repetitive nature, due prior approval from the Audit Committee and Board were obtained on 4th May 2015 .

ANNEXURE – 3  
FORM - MR3  
SECRETARIALAUDITREPORT  
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2016

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

To

The Members  
Sical Logistics Limited  
73,Armenian Street  
Chennai: 600 001

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s Sical Logistics Limited (hereinafter called “the company”). Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

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

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings wherever applicable.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - [a] The Securities and Exchange Board of India [Substantial Acquisition of Shares and Takeover] Regulations, 2011, if (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, if any, to the extent to which the Company is responsible;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 if any, to the extent to which the Company is responsible;

- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (f) The security exchange board of India (LODR) Regulation, 2015

I have also examined compliance with the applicable clauses of the Listing Agreements entered into by the Company with the Stock Exchanges upto the period 30 th November, 2015 and the regulations as contained in the SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015.

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, standards etc. mentioned above. Based on a review of the compliance reports by functional heads of the company including port handling equipments at various locations in India to top Management of th Company, I report that the company has substantially complied with the provisions of those Act s that are applicable to it such as the Factories act, 1948, Payment of Wages Act, 1936, Industrial Disputes Act, 1947, Minimum Wages Act, 1948 and other laws mentioned in such check lists.

No specific violations in respect of Tax laws came to the notice of the undersigned from the review of the said check list. However, I report that I have not carried out the audit with reference to the applicable financial law, such as the Direct and Indirect Tax Laws, as same falls under the review of the statutory audit and other designed professionals.

- I have also examined compliance with the applicable clauses of the following:
- [i] Secretarial standards on the meetings of the board of directors [SS-1] and General Meeting [SS-2] issued by the Institute of Company Secretaries of India [ICSI].
  - [ii] The Listing Agreement entered into by the Company with the Stock Exchanges namely BSE Limited and National Stock Exchange [NSE] and SEBI (LODR) Regulations, 2015.

- During the period under review, provisions of the following regulations were not applicable to the Company.
- [i] The Securities and Exchange Board of India [Delisting of Equity Shares] Regulations, 2009.
  - [ii] The Securities and Exchange Board of India [Buyback of Securities] Regulations, 1998.
  - [iii] The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

- The other laws as may be applicable to the Company in our opinion
- [a] Contract Labour [Regulation and Abolition] Act
  - [b] The Dock Workers [Safety, Health & Welfare] Act, 1986
  - [c] The Dock Workers [Regulation of Employment] Act, 1948
  - [d] The Major Port Trusts Act, 1993
  - [e] The Motor Vehicles Act, 1988
  - [f] Food Safety and Standard Act, 2006
  - [g] The Shops and Commercial Establishments Act, 1953
  - [h] The Mines Act, 1952
  - [i] The Multimodal Transportation of Goods Act, 1993
  - [j] The Customs Act, 1962
  - [k] International Air Transport Association Regulations

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the meetings of the Board of Directors of the Company were carried through on the basis of majority. There were no dissenting views by any member of the Board of Directors during the period under review.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, there were no other specific events/ actions in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc., having a major bearing on the company's affairs.

Place: Chennai  
Date: 3rd May, 2016

R. Kannan  
Practicing Company Secretary  
FCS 6718 / CP No 3363

ANNEXURE – 4

DISCLOSURE OF REMUNERATION UNDER SECTION 197[12] OF THE COMPANIES ACT, 2013  
READ WITH RULES 5[1] OF THE COMPANIES [APPOINTMENT AND REMUNERATION OF  
MANAGERIAL PERSONNEL] RULES, 2014

The ratio of remuneration of each director to the median employee's remuneration and other details in terms of sub-section 12 of section 197 of the Companies Act, 2013 read with Rule 5[1] of the Companies [Appointment and Remuneration of Managerial Personnel] Rules, 2014.

S.No.	Requirements	Disclosure	
I	The ratio of the remuneration of each director to the median remuneration of the employees for the financial year 2015-16. Director's remuneration include sitting fees and commission.	Designation	Ratio
	Mr. R. Ram Mohan	Chairman	NA
	Mr. Kush S Desai	Joint Managing Director	NA
	M r. Sunil Sudhakar Rao Deshmukh	Director	0.98
	Ms. Shweta Shetty	Director	0.98
	Mr. H.R. Srinivasan	Director	2.36
	Mr. H. Rathnakar Hegde	Director	6.54
	Mr. S. Ravinarayanan	Director	2.51
	Mr. Sudhir Kamath	Director	2.14
II	The percentage increase in remuneration of each director, CFO, CEO, CS in the financial year	JMD	NA
		CFO	NA
		CS	21.21% including market adjustment.
		Chairman, JMD and CFO did not draw any remuneration including sitting fees from the company. Independent and other non-executive directors were in receipt of sitting fee for attending the Board and Committee meetings and are not paid any remuneration. Current sitting fee for attending Board Meeting is Rs.75000 and for attending Audit Committee and Stakeholders Relationship Committee Meetings is Rs.25000. Independent directors were paid commission during the year based on their presence in the Board during the financial year 2014-15.	
III	The percentage increase in the median remuneration of employees in the financial year	12%	
IV	The number of permanent employees on the rolls of the Company	556	
V	The explanation on the relationship between average increase in remuneration and company's performance	Factors considered while recommending the increase in the fixed compensation [a] financial performance of the company [b] Comparison with peers [c] Industry benchmarking & consideration towards cost of living adjustment /inflation [d] Regulatory guidelines as applicable Accordingly the company follows a performance review mechanism to ensure that the increase is commensurate with the effort and it is aligned with the company's performance.	
VI	Comparison of the remuneration of the Key Managerial Personnel against the Performance of the Company	For the FY 15-16 KMPs were paid approx 1.15% of the net profit for the year and 0.04% of the revenue for the year.	

S.No.	Requirements	Disclosure	
VII	Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current FY and previous FY and percentage increase or decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer.	The market capitalisation of the Company has fallen from Rs.878.23 crores as on 31 st March, 2015 to Rs.730.88 Crores as on 31 st March, 2016. The closing price of Sical Logistics Limited as on 31 st March, 2016 was Rs.131.45 which has increased 2.63 times over the initial public offering in 1993 at the price of Rs.50 per share.	
VIII	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	The average % increase was 7.56% for all employees who went through the compensation review cycle in the year other than managerial personnel. The average % increase for managerial personnel was 21.21%. The increase in managerial personnel remuneration includes annual increment and market catch-up.	
IX	Comparison of each remuneration of the Key Managerial Personnel against the performance of the Company	The comparison of remuneration of each of the Key Managerial Personnel against the performance of the Company is as under	
		JMD	NA
		CFO	NA
		CS	0.01% of the net profits and 0.00036% of the revenue for the year.
X	The key parameters of any variable component of remuneration availed by the directors	Not applicable since no remuneration was drawn by JMD.	
XI	The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year	Not applicable since the JMD did not draw any remuneration from the Company	
XI	Affirmation that the remuneration is as per the remuneration policy of the company	Yes, it is affirmed.	



ANNEXURE – 5 FORM NO.:MGT-9

Extract of the Annual Return as on the financial year ended on 31st March, 2016

I. Registration and other details

[i] CIN	:	L51909TN1955PLC002431
[ii] Registration Date	:	06 May 1955
[iii] Name of the Company	:	Sical Logistics Limited
[iv] Category / Sub-Category of the Company	:	Public Company
[v] Address of the registered office and Contact details	:	South India House 73, Armenian Street, Chennai:: 600 001 Phone: 044-66157016, Email: secl@sical.com
[vi] Whether listed company	:	Yes
[vii] Name, Address and Contact Details of Registrar and Transfer Agent, if any	:	Cameo Corporate Services Ltd Subramanian Building 5th Floor No.2, Club House Road, Chennai:: 600 002 Phone: 044-28461073 Email: cameo@cameoindia.com

II. Principal Business Activities of the Company

All the business activities contributing 10% or more of the total turnover

S.No.	Name and description of main products / services	NIC Code of the Product / Service	% to Total turnover of the Company
1	Logistics Services	63011	100%
2		63012	
3		63032	

III. Particulars of Holding, Subsidiary and Associate Companies

Sl.No.	Name & Address of the Company	CIN	Holding / Subsidiary / Associate	% of shares held	Applicable section
1	Tanglin Retail Reality Developments Private Limited	U70102KA2007PTC044421	Holding	52.83%	2[46]
2	Sical Iron Ore Terminals Limited	U13100TN2006PLC061022	Subsidiary	63%	2[87]
3	Sical Iron Ore Terminal [Mangalore] Limited	U63020TN2009PLC073147	Subsidiary	100%	2[87]
4	Norsea Offshore India Limited	U74900TN2009PLC071762	Subsidiary	100%	2[87]
5	Sical Infra Assets Limited	U45203TN2007PLC063432	Subsidiary	53.60%	2[87]
6	Sical Adams Offshore Limited	U63000TN2012PLC087754	Subsidiary	100%	2[87]
7	Sical Saumya Mining Limited	U60232TN2007PLC063378	Subsidiary	65%	2[87]
8	Sical Multimodal and Rail Transport Limited	U60232TN2007PLC063378	Step-down Subsidiary	-	2[87]
9	Bergen Offshore Logistics Pte Ltd	200612575G	Overseas Subsidiary	100%	2[87]
10	Norsea Global Offshore Pte Ltd	200615593Z	Overseas step-down subsidiary	-	2[87]
11	PSA Sical Terminals Limited	U74999TN1998PLC040682	Associate	37.5%	2[6]

IV. Shareholding Pattern [equity share capital break-up as percentage of total equity]

[i] Category-wise shareholding

		Number of shares held as of the								
Category	Category of Shareholder	beginning of the year as at 01 Apr. 15				end of the year as at 31 Mar. 16				
		Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
[A]	<b>Shareholding of Promoter and Promoter Group</b>									
[1]	<b>Indian</b>									
[a]	Individuals / Hindu Undivided Family	623657	0	623657	1.12	623657	0	623657	1.12	0.00
[b]	Central Government / State Government[s]	-	-	-	-	-	-	-	-	
[c]	Financial Institutions / Banks	-	-	-	-	-	-	-	-	
[d]	Any other [specify]	-	-	-	-	-	-	-	-	
	Bodies Corporate	30021219		30021219	53.99	30021219		30021219	53.99	0.00
	<b>Sub-Total [A][1]</b>	<b>30644876</b>	<b>0</b>	<b>30644876</b>	<b>55.12</b>	<b>30644876</b>	<b>0</b>	<b>30644876</b>	<b>55.12</b>	<b>0.00</b>
[2]	<b>Foreign</b>									
[a]	Individuals [Non-Resident Individuals / Foreign Individuals]	41838	0	41838	0.08	41838	0	41838	0.08	0.00
[b]	Government	-	-	-	-	-	-	-	-	
[c]	Institutions	-	-	-	-	-	-	-	-	
[d]	Foreign Portfolio Investor	-	-	-	-	-	-	-	-	
[e]	Any other [specify]									
	Overseas Corporate Bodies	7849583	0	7849583	14.12	7849583	0	7849583	14.12	0.00
	Sub-Total [A][2]	<b>7891421</b>	<b>0</b>	<b>7891421</b>	<b>14.19</b>	<b>7891421</b>	<b>0</b>	<b>7891421</b>	<b>14.19</b>	<b>0.00</b>
	<b>Total shareholding of Promoter &amp; Promoter Group [A]=[A][1]+[A][2]</b>	<b>38536297</b>	<b>0</b>	<b>38536297</b>	<b>69.31</b>	<b>38536297</b>	<b>0</b>	<b>38536297</b>	<b>69.31</b>	<b>0.00</b>
[B]	<b>PUBLIC</b>									
[1]	<b>Institutions</b>									
[a]	Mutual Funds / UTI	1011	200	1211	0.00	1011	200	1211	0.00	0.00
[b]	Venture Capital Funds	-	-	-	-	-	-	-	-	-
[c]	Alternate Investment Funds	-	-	-	-	-	-	-	-	-
[d]	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
[e]	Foreign Portfolio Investors					11400	0	11400	0.02	0.02
[f]	Financial Institutions/Banks	468	162923	163391	0.29	33624	162923	196547	0.35	0.06
[g]	Insurance companies	3770		3770	0.01	3770	0	3770	0.01	0.00
[h]	Provident Funds / Pension Funds	-	-	-	-	-	-	-	-	-
[i]	Any other	-	-	-	-	-	-	-	-	-
	Foreign Institutional Investors	106619		106619	0.19	296619	0	296619	0.53	0.34
	Sub-Total [B][1]	<b>111868</b>	<b>163123</b>	<b>274991</b>	<b>0.49</b>	<b>346424</b>	<b>163123</b>	<b>509547</b>	<b>0.92</b>	<b>0.42</b>
[2]	<b>Central Government / State Government[s]/President</b>	-	-	-	-	-	-	-	-	-
	Sub-Total [B][1]	<b>0</b>		<b>0</b>		<b>0</b>		<b>0</b>	<b>0.00</b>	<b>0.00</b>
[3]	<b>Non-Institutions</b>									
[a]	Bodies Corporate	4293116	43102	4336218	7.80	3968334	43102	4011436	7.21	-0.58
[b]	Individuals									
[i]	Individual shareholding holding nominal share capital upto Rs.1 lakh	2990302	115889	4149193	7.46	2987143	665303	3652446	6.57	-0.89
	Individual shareholders holding nominal share capital in excess of Rs.1 lakh	7770059	36018	7806077	14.04	8057745	36108	8572219	15.42	1.38
[c]	NBFCs registered with RBI	-	-	-	-	-	-	-	-	-
[d]	Employee Trusts	-	-	-	-	-	-	-	-	-
[e]	Overseas Depositories [holding DRs] [Balancing Figure]	-	-	-	-	-	-	-	-	-
[f]	Any other									
[i]	Clearing Members	82602	0	82602	0.15	36154	0	36154	0.07	-0.08
[ii]	Non-Resident Indians	290118	3059	293177	0.53	278985	3059	282044	0.51	-0.02
[iii]	Trusts	1551	0	1551	0.00	1551	0	1551	0.00	0.00
[iv]	FPI	121588	0	121588	0.22	-	-	-	-	-
	Sub-Total [B][1]	<b>15549336</b>	<b>1241070</b>	<b>16790406</b>	<b>30.20</b>	<b>15329912</b>	<b>747572</b>	<b>16555850</b>	<b>29.78</b>	<b>0.00</b>
	<b>Total public shareholding [B]=[B][1]+[B][2]+[B][3]</b>	<b>15661204</b>	<b>1404193</b>	<b>17065397</b>	<b>30.69</b>	<b>15676336</b>	<b>910695</b>	<b>17065397</b>	<b>30.69</b>	<b>0.00</b>
	<b>TOTAL SHAREHOLDING</b>	54197501	1404193	55601694	100	54212633	910695	55601694	100	0.00

Shareholding of Promoters / Promoters Group

S.No.	Shareholders Name	Shareholding at the beginning of the year [as on April 1, 2015]			Shareholding at the end of the year [as on March 31, 2016]			% change in shareholding during the year
		No. Of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	No. Of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	
1	Tanglin Retail Reality Developments Private Limited	29372268	52.83	31.62	29372268	52.83	37.22	0.00
2	Ranford Investments Limited	4525649	8.14	-	4525649	8.14	-	0.00
3	Darnolly Investments Limited	3323934	5.98	-	3323934	5.98	-	0.00
4	ACM Educational Foundation	572043	1.03	-	572043	1.03	-	0.00
5	A.C. Muthiah	423700	0.76	-	423700	0.76	-	0.00
6	Muthiah AC	153858	0.28	-	153858	0.28	-	0.00
7	The Express Carriers Limited	44200	0.08	-	44200	0.08	-	0.00
8	Ashwin C Muthiah	41838	0.08	-	41838	0.08	-	0.00
9	AC Muthiah	39099	0.07	-	39099	0.07	-	0.00
10	SPIC Officers and Staff Welfare Foundation	16250	0.03	-	16250	0.03	-	0.00
11	SPIC Group Companies Employees Welfare Foundation	16250	0.03	-	16250	0.03	-	0.00
12	Valli Ashwin C Muthiah	7000	0.01	-	7000	0.01	-	0.00
13	ACM Medical Foundation	109	0.00	-	109	0.00	-	0.00
14	South India Travels Private Limited	99	0.00	-	99	0.00	-	0.00
	<b>TOTAL</b>	<b>38536297</b>	<b>69.31</b>	<b>31.62</b>	<b>38536297</b>	<b>69.31</b>	<b>37.22</b>	<b>0</b>

Change in Promoters / Promoters Group shareholding

S.No	Shareholders Name	Shareholding at the beginning of the year [as on April 1, 2015]		Cumulative shareholding during the year		
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company	% change to total shares of the Company
1	Tanglin Retail Reality Developments Private Limited	29372268	52.83	29372268	52.83	0.00
2	Ranford Investments Limited	4525649	8.14	4525649	8.14	0.00
3	Darnolly Investments Limited	3323934	5.98	3323934	5.98	0.00
4	ACM Educational Foundation	572043	1.03	572043	1.03	0.00
5	A.C. Muthiah	423700	0.76	423700	0.76	0.00
6	Muthiah AC	153858	0.28	153858	0.28	0.00
7	The Express Carriers Limited	44200	0.08	44200	0.08	0.00
8	Ashwin C Muthiah	41838	0.08	41838	0.08	0.00
9	AC Muthiah	39099	0.07	39099	0.07	0.00
10	SPIC Officers and Staff Welfare Foundation	16250	0.03	16250	0.03	0.00
11	SPIC Group Companies Employees Welfare Foundation	16250	0.03	16250	0.03	0.00
12	Valli Ashwin C Muthiah	7000	0.01	7000	0.01	0.00
13	ACM Medical Foundation	109	0.00	109	0.00	0.00
14	South India Travels Private Limited	99	0.00	99	0.00	0.00
	<b>Total</b>	<b>38536297</b>	<b>69.31</b>	<b>38536297</b>	<b>69.31</b>	<b>0</b>

[iv] Shareholding Pattern of top ten shareholders [other than Directors and Promoters]

S.No	Name of the shareholder	Shareholding at the beginning of the year [01 April 1,2015]			Change in shareholding [No. of shares]			Shareholding at the end of the year [31March, 2016]	
		No. of shares	% of total shares of the Company	Date	Increase	Decrease	Reason	No. of shares	% of total shares of the Company
1	K R PRADEEP	1499498	2.70		No change			1499498	2.70
2	MEENA MODI	1036500	1.86		No change			1036500	1.86
3	SANATAN FINANCIAL ADVISORY SERVICES PRIVATE	614970	1.11	10-Apr-15		10000	Transfer	604970	1.09
				17-Apr- 15		41970	Transfer	563000	1.01
				11-Dec-15		550000	Transfer	13000	0.02
				18-Dec-15		13000	Transfer	0	0.00
4	MADHUSUDAN KELA	536822	0.97		No change			536822	0.97
5	EAST INDIA SECURITIES LTD	491986	0.88	10-Apr-15		149763	Transfer	342223	0.62
6	MERCANTILE VENTURES LTD	484469	0.87	27-Nov-15		10000	Transfer	474469	0.85
7	MAPE SECURITIES PVT LTD	436000	0.78		No change			436000	0.78
8	WOODSTOCK BROKING PVT LTD	404156	0.73	04-Dec-15		404156	Transfer	0	0.00
9	SHRADDHA SUDHIR VALIA SUDHIR V VALIA	387500	0.70		No change			387500	0.70
10	TWINSHIELD CONSULTANTS PRIVATE LIMITED	536822	0.97		No change			536822	0.97

[v] Shareholding of Directors and Key Managerial Personnel

S.No	Name of the Director	Shareholding at the beginning of the year [01 April 1,2015]			Change in shareholding [No. of shares]			Shareholding at the end of the year [31March, 2016]	
		No. of shares	% of total shares of the Company	Date	Increase	Decrease	Reason	No. of shares	% of total shares of the Company
1	Shweta Shetty	5700	0.01		No change			5700	0.01

vi. Indebdetness of the company including interest outstanding/  
accrued but not due for payment

(in Rs. lakhs)

	Secured loans excluding deposits	Unsecured loans	Total indebdetness
<b>Indebtedness at the beginning of the financial year</b>			
[I] Principal amount	48,188	11,275	59,463
[ii] Interest due but not paid	-	-	-
[iii] Interest accrued but not due	44	11,275	44
Total [i] + [ii] + [iii]	48,232	11,275	59,507
<b>Change in Indebtedness during the financial year</b>			
[a] Addition	23,986	5,723	29,709
[b] Deletion	4,498	-	4,498
Net change	19,488	5,723	25,211
<b>Indebtedness at the end the financial year</b>			
[I] Principal amount	67,139	16,998	84,137
[ii] Interest due but not paid	-	-	-
[iii] Interest accrued but not due	581	-	581
<b>Total [i] + [ii] + [iii]</b>	<b>67,720</b>	<b>16,998</b>	<b>84,718</b>

vii.Remuneration details to Directors and Key Managerial Personnel

A. REMUNERATION TO MANAGING DIRECTOR / WHOLE TIME DIRECTOR / MANAGER - NOT APPLICABLE  
SINCE WHOLE-TIME DIRECTOR WAS NOT DRAWING ANY SALARY FROM THE COMPANY

B. REMUNERATION TO OTHER DIRECTORS

S. No.	Particulars of Remuneration	Name of Directors						Total
		Non-executive Directors		Independent Directors				
		Sunil Deshmukh	Shweta Shetty	H.R. Srinivasan	H. Rathnakar Hegde	S. Ravinarayanan	Sudhir Kamath	
1	Fee for attending Baord / Committee meetings	300000	300000	200000	1475000	500000	650000	3425000
2	Commission	-	-	520000	520000	264986	2850	1307836
3	Others	-	-	-	-	-	-	-
	<b>Total</b>	<b>300000</b>	<b>300000</b>	<b>720000</b>	<b>1995000</b>	<b>764986</b>	<b>652850</b>	<b>4732836</b>

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Sl.No.	Particulars of Remuneration	CS (Rs.)	Total amount (Rs.)
1	Gross Salary		
[a]	Salary as per provisions contained in Section 17[1] of the Income-tax Act,		
[b]	Value of perquisites u/s 17[2] of the Income-tax Act, 1961	2045577	2045577
[c]	Profits in lieu of salary under Section 17[3] of Income-tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission		
	- as % of profit	-	-
	- others, specify	-	-
5	Others [Company contribution towards PF]	66660	66660
	<b>Total</b>	<b>2118452</b>	<b>2118452</b>

\* CFO does not draw any remuneration from the company

viii. Penalties / Punishment / Compounding of Offences

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / Court]	Appeal made, if any [give details]
A COMPANY Penalty Punishment Compounding			None		
B DIRECTORS Penalty Punishment Compounding			None		
C OTHER OFFICERS IN DEFAULT Penalty Punishment Compounding			None		

REPORT ON CORPORATE GOVERNANCE

[Pursuant to Regulation 34[3] and Schedule V – C of the SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015]

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

[a] The composition of the Board of Directors of the Company is as per the provisions of the Companies Act, 2013, Articles of Association of the Company and Regulation 17 of the SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015.

As on 31 st March, 2016, the Board comprised of

Promoter Director [Including 1 woman director]	3
Whole-time / Executive Director	1
Independent Directors [Non-whole time]	4

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.

[b] Number of Board of Directors meetings and the dates on which held during the financial year 2015-16

Total Number of Board Meetings : 13			
I Quarter [April – June 2015]	II Quarter [July – September 2015]	III Quarter [October – December 2015]	IV Quarter [January – March 2016]
06 th April, 2015 30 th April, 2015 04 th May, 2015 27 th May, 2015 22 nd June, 2015	03 rd July, 2015 23 rd July, 2015 10 th August, 2015	21 st October, 2015 07 th November, 2015	05 th January, 2016 18 th January, 2016 22 nd March, 2016

Attendance of Directors at the Board of Directors Meetings held during 2015-16 and the last Annual General Meeting [AGM] held on 29.09.2015 is as follows.

Director's Name	Category of Membership	Attendance Particulars		Number of other directorships and committee member / chairmanships as at 31.03.2016	
		Board Meetings	Last AGM	Other Directorship	Committee Memberships
Mr. R. Ram Mohan	Chairman - Non-executive and Non-Independent	13	✓	1	-
Mr. Kush S Desai	Executive Director	13	✓	Whole-time Director -1 Director – 4	2 1
Mr. Sunil Deshmukh	Non-executive and Non-Independent Director	4	-	Director – 7	1
Ms. Shweta Shetty	Non-executive and Non-Independent Director	4	✓	Director – 1	-
Mr. H.R.Srinivasan	Non-executive and Independent Director	2	✓	Managing Director– 1 Director – 5	-
Mr. H. Rathnakar Hegde	Non-executive and Independent Director	12	✓	Director – 7	3 2
Mr. S. Ravinarayanan	Non-executive and Independent Director	5	✓	Director – 2	2 -
Mr. Sudhir Kamath	Non-executive and Independent Director	7	✓	Director – 3	- 3

Note

For reckoning the other Directorships – Private Limited Companies, Foreign Companies and Sec 8 companies have been excluded. For reckoning the Committee Memberships and Committee Chairmanships – Audit Committee and Stakeholders Relationship Committee alone have been considered.

[c] None of the directors are related to each other.

[d] Number of shares and convertible instruments held by non-executive Directors

Name of the Director	No. of shares held as on 31 st March, 2016	% to total share capital
Ms. Shweta Shetty	5700	0.01

[e] Web link for the details of familiarization programmes imparted to independent directors – [www.sical.com\investors\policy\familiarisation programmes for independent directors](http://www.sical.com\investors\policy\familiarisation programmes for independent directors).

[f] In order to mitigate the risks the Company is likely to be exposed, the Board of Directors have constituted a Risk Mitigation Committee and this Committee meets then and there to chart out ways and means to minimize the risks.

[g] The CEO and CFO have submitted the compliance certificate as required under Regulation 17 [8] and as specified under Part B of Schedule II of SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015 before the Board on the financials of the Company.

3. Audit Committee

[a] 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 [c] of Section 134 of the Companies Act, 2013.

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 / SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015 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, the statement of uses / application of funds raised through an issue [public issue, rights issue, preferential issue, etc.], the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.

7. Review and monitor the auditor's independence and performance and effectiveness of audit process.

8. Approval of any subsequent modification of transactions of the company with related parties.

9. Scrutiny of inter-corporate loans and investments.

10. Valuation of undertakings or assets of the company, whenever it is necessary.

11. Evaluation of internal financial controls and risk management systems.

12. Reviewing with the management performance of statutory and internal auditors and adequacy of the internal control system.

13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit departments, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

14. Discussion with internal auditors on any significant findings and follow up there on.

15. 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.

16. 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.

17. 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.

18. To review the functioning of the Whistle Blower / Vigil Mechanism.

19. Approval of appointment of CFO [i.e. the whole-time Finance Director or any other person heading the finance function or discharging the function] after assessing the qualifications, experience and background of the candidate.

20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

21. Review of the following information:

[a] Management discussion and analysis of financial condition and result of operations.

[b] Statement of significant related party transactions [as defined by the Audit Committee] submitted by Management.

[c] Management letters / letters of internal control weaknesses issued by the statutory auditors.

[d] Internal audit reports relating to internal control weaknesses and

[e] the appointment, removal and terms of remuneration of the Chief Internal Auditor.

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, 2013 and the SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015.

[b] The composition of the Audit Committee as on 31.03.2016 is as follows:-

1	Mr. H. Rathnakar Hegde	Chairman of the Committee
2	Mr. H.R. Srinivasan	Member
3	Mr. S. Ravinarayanan	Member
4	Mr. Sudhir Kamath	Member
5	Mr. R. Ram Mohan	Member

The Committee met five times during the year and the date of the meeting and attendance particulars are furnished below

Directors Name	Category of Membership	Attendance Particulars				
		04.05.2015	27.05.2015	10.08.2015	07.11.2015	18.01.2016
Mr. H. Rathnakar Hegde	Chairman of the Committee	✓	-	✓	✓	✓
Mr. H.R. Srinivasan	Member	-	-	-	✓	✓
Mr. S. Ravinarayanan	Member	✓	✓	✓	✓	✓
Mr. Sudhir Kamath*	Member	-	✓	✓	✓	✓
Mr. R. Ram Mohan	Member	✓	✓	✓	✓	✓

# Audit Committee was reconstituted subsequent to the change in the Board of Directors of the Company on 04 th May, 2015.

\* Mr. Sudhir Kamath was inducted as member of the Audit Committee on 04 th May, 2015.



[c] Approval for related party transactions All related party transactions were carried out after obtaining prior approval from the Audit Committee. Ominibus approval was obtained for transactions which were of repetitive nature. Wherever such transactions were considered to be material in nature as per the SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015, shareholders approval are obtained through postal ballot.

#### 4. Nomination and Remuneration Committee

[a] The terms of reference of this committee are

- i. Formulation of the criteria for determining qualifications positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of directors, key managerial personnel and other employees.
- ii. Formulation of criteria for evaluation of independent directors and the Board.
- iii. Devising a policy on Board diversity.
- iv. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal.

[b] The composition of the Committee as at 31 st March, 2016

- |    |                        |                           |
|----|------------------------|---------------------------|
| 1. | Mr. H. Rathnakar Hegde | Chairman of the Committee |
| 2. | Mr. S. Ravinarayanan   | Member                    |
| 3. | Mr. Sunil Deshmukh     | Member                    |
| 4. | Mr. Sudhir Kamath      | Member                    |

[c] The Committee met three times during the year and the date of the meeting and attendance particulars are furnished below

Directors Name	Category of Membership	Attendance Particulars		
		04.05.2015	10.08.2015	18.01.2016
Mr. H. Rathnakar Hegde	Chairman	✓	✓	✓
Mr. S. Ravinarayanan	Member	✓	✓	✓
Mr. Sunil Deshmukh	Member	✓	✓	-
Mr. Sudhir Kamath@	Member	-	✓	✓

@Member w.e.f. 04 May 15

[d] Performance evaluation criteria for independent directors

The performance evaluation of Independent Directors were carried out on 18 th January, 2016 on the parameters of attendance, adherence to code of conduct, raising valid concerns to the Board and constructive contribution to resolution of issues at meetings, interpersonal relations with other directors and management, understanding the company and external environment in which it operates and contribution to strategic direction and safeguarding the interest of whistleblowers under vigil mechanism and safeguard of confidential information.

The Independent directors also met on 18 th January, 2016 for evaluation of the performance of the Company and the Executive Directors for the FY 2015-16.

## 5. Remuneration of Directors

[a] Directors were paid sitting fee of Rs.75000/= per board meeting and Rs.25000/= for Audit Committee and Stakeholders Relationship Committee meetings. Mr. R.Ram Mohan, Chairman and Mr. Kush S Desai, Joint Managing Director were not paid sitting fee for attending Board and Committee meetings.

[b] Commission to independent directors on 1% of net profit of the company was paid pursuant to the approval of the members at the AGM held in 2012.

(in Rs.)			
Name of the Director	Sitting Fee	Commission	Total
Sunil Deshmukh	300000	-	300000
Shweta Shetty	300000	-	300000
H.R. Srinivasan	200000	520000	720000
H. Rathnakar Hegde	1475000	520000	1995000
S. Ravinarayanan	500000	264986	764986
Sudhir Kamath	650000	2850	652850
<b>TOTAL</b>	<b>3425000</b>	<b>1307836</b>	<b>4732836</b>

[c] Other than the above, there are no other pecuniary relationship / transactions with the non-executive directors during the financial year 2015-16..

## 6. Stakeholders Relationship Committee

[a] Name of the non-executive director heading the Committee	Mr. H. Rathnakar Hegde
--	------------------------

[b] Name and designation of the Compliance Officer

[c] Number of shareholders complaints received so far

[d] Number not solved to the satisfaction of shareholders

[e] Number of pending complaints

Mr. H. Rathnakar Hegde  
Mr. V. Radhakrishnan  
Company Secretary

02

02  
NIL

NIL

## 7. GENERAL BODY MEETINGS

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

Year	Date and Time	Venue
2015	29th September, 2015 – 10.00 a.m.	Rajah Annamalai Hall, Esplanade, Chennai :: 600108
2014	26th September, 2014 – 10.00 a.m.	Rajah Annamalai Hall, Esplanade, Chennai :: 600108
2013	24th September, 2014 – 10.35 a.m.	Rajah Annamalai Hall, Esplanade, Chennai :: 600108

**[b] Special resolutions passed in the previous three annual general meetings**

AGM	Details of special resolution
29th September, 2015	None
26th September, 2014	Empowering the Board of Directors to borrow in excess of the paid-up capital and free reserves of the Company upto Rs.750 crores and empowering the Board of Directors to provide securities of the company for such borrowings pursuant to Sec 180[1][c] and 180[1][a] of the Companies Act, 2013.
28th September, 2013	Confirmation of postal ballot resolution passed by the shareholders vide postal ballot notice dated 10 th 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

**[c] Special Resolutions passed through Postal Ballot during the financial year 2015-16**

Date of Passing of the resolution	Details of the resolution	Voting Pattern
08th July, 2015	Appointment of Mr. Kush S Desai as Joint Managing Director w.e.f. 4th May, 2015	Promoters - 100% Public - 96.81% Passed with requisite majority
	To avail financial assistance upto Rs.200 crores from the holding company Tanglin Retail Reality Developments Private Limited	Promoters - 100% Public - 96.81% Passed with requisite majority M/s. Tanglin Retail Reality Developments Private Limited did not participate in the voting
	To provide corporate guarantee to the extent of Rs.147.49 crores and extend the existing mortgage of 17.19 acres of land at Tuticorin to Bank of Baroda for the facilities extended to company's subsidiary M/s. Sical Multimodal and Rail Transport Limited	Promoters - 100% Public - 98.60% Passed with requisite majority
	To give loan to the extent of Rs.100 crores to company's subsidiary M/s. Sical Iron Ore Terminals Limited	Promoters - 100% Public - 89.61% Passed with requisite majority
08th October, 2015	To provide corporate guarantee to the extent of Rs.100 crores to IFCI Limited for the financial facility availed by company's subsidiary M/s. Sical Multimodal and Rail Transport Limited	Promoters - 100% Public - 99.99% Passed with requisite majority
	To enter into mining services agreement with the company's subsidiary Sical Saumya Mining Limited for a value not exceeding Rs.700 crores	Promoters - 100% Public - 99.99% Passed with requisite majority
09th March, 2016	To provide unconditional irrevocable corporate guarantee to M/s. RBL Bank Limited on behalf of company's subsidiary M/s. Sical Saumya Mining Limited to the extent of Rs.100 crores	Promoters - 100% Public - 93.52% Passed with requisite majority
	To provide loan to company's subsidiary M/s. Norse Sea Offshore India Limited to the extent of Rs.175 crores	Promoters - 100% Public - 93.52% Passed with requisite majority

[d] Person who conducted the postal ballot exercise

Mr. R. Kannan, Practising Company Secretary was appointed the Scrutinizer for overseeing the postal ballot process for both physical as well as e-voting.

[e] Whether any special resolution is proposed to be conducted through postal ballot

As and when exigencies arise, the Company shall seek the approval of the members through postal ballot during the current financial year.

[f] Procedure for postal ballot

The Company followed the provisions as contained in Section 110 of the Companies Act, 2013 ["the Act"], read with Rule 22 of the Companies [Management & Administration] Rules, 2014 [as amended upto date] and Regulation 23[4] of the Securities and Exchange Board of India [Listing Obligations and Disclosure Requirements] Regulations, 2015 for obtaining the approval of the shareholders through postal ballot.

Notice along with postal ballot forms were sent to the shareholders to their registered e-mail IDs with the Depositories / Registrars and by permitted mode to others who have not registered their e-mail IDs. Notices were published intimating the completion of the dispatch of the postal ballot notices and also detailing the procedure for voting on the postal ballot resolutions either electronically or by physical mode. Business reply envelopes were provided for sending the ballot papers to the scrutinizer. Arrangements were made with Central Depository Services [India] Limited for voting through electronic means. The voting process was overseen by Mr. R. Kannan, Practicing Company Secretary. Results were declared on the dates indicated in the notice by intimating BSE, NSE, CDSL and placing the same on the website of the company then and there.

8. Means of Communication

[a] Quarterly Results

The unaudited quarterly financial results are approved and authenticated by the Board of Directors within 45 days from the end of each quarter and the audited financial results along with the last quarter results within 60 days from the close of the financial year. Such results are communicated within 30 minutes to the stock exchanges where the shares of the company are listed and also placed on the website of the company. The financial results are also published in the newspapers as per the format provided by SEBI within 48 hours from the date of the board meeting wherein financial results were approved.

[b] Newspapers wherein results normally published

The results are published in the English daily Business Standard which has nation-wide circulation and in Tamil daily Makkal Kural being the vernacular language having wide circulation in the state in which the registered office of the company is situate.

[c] Any website, where displayed

Upon intimation to stock exchanges, the results are displayed in the website of BSE and NSE. The Results are also uploaded in the company's website [www.sical.com](http://www.sical.com).

[d] & [e] Whether it also displays official news releases and presentations made to institutional investors or to the analysts

The company has not made any official news release nor made any presentations to the institutional investors or to the analysts during the year and as such the said provision is not applicable.

9. General Shareholder Information

[a] 61 st Annual General Meeting

Date : 28 th July, 2016 [Thursday]  
Time : 10.00 a.m.  
Venue : Rajah Annamalai Hall, Esplanade, Chennai

[b] Financial Calendar [2016-17]

Financial reporting for the quarter ending [tentative]

1 30 th June, 2016 - First week of August, 2016  
2 30 th September, 2016 - First week of November, 2016  
3 31 st December, 2016 - First week of February, 2017  
4 31 st March, 2016 - Third week of May, 2017  
AGM By third / fourth week of September, 2017

[c] Dividend Payment Date

- No dividend has been declared and as such the same is not applicable

[d] Name and address of stock exchanges

BSE Limited National Stock Exchange of India Limited  
Phiroze Jeejeebhoy Towers Exchange Plaza, 5 th Floor  
Fort C/1, G Block  
Mumbai :: 400 001 Bandra-Kurla Complex  
Bandra [East] Mumbai :: 400 051

It is hereby confirmed that the annual listing fee for the financial year 2015-16 were paid within the stipulated time line.

[e] Stock Code

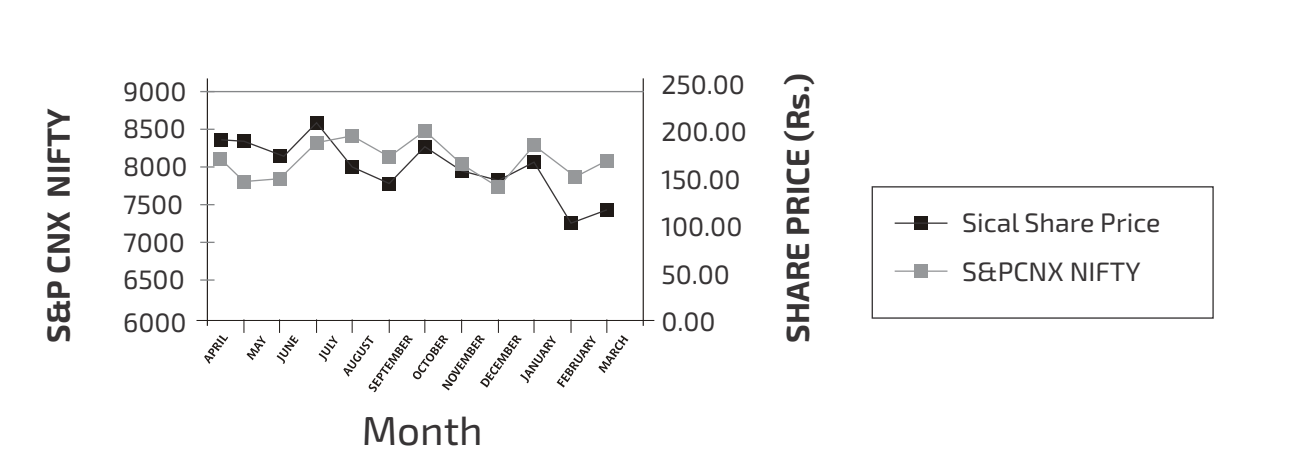
ISIN INE075B01012  
BSE 520086  
NSE SICAL

[f] Market Price Data

Monthly High and Low closing quotation of shares traded on the National Stock Exchange of India Limited and BSE Limited

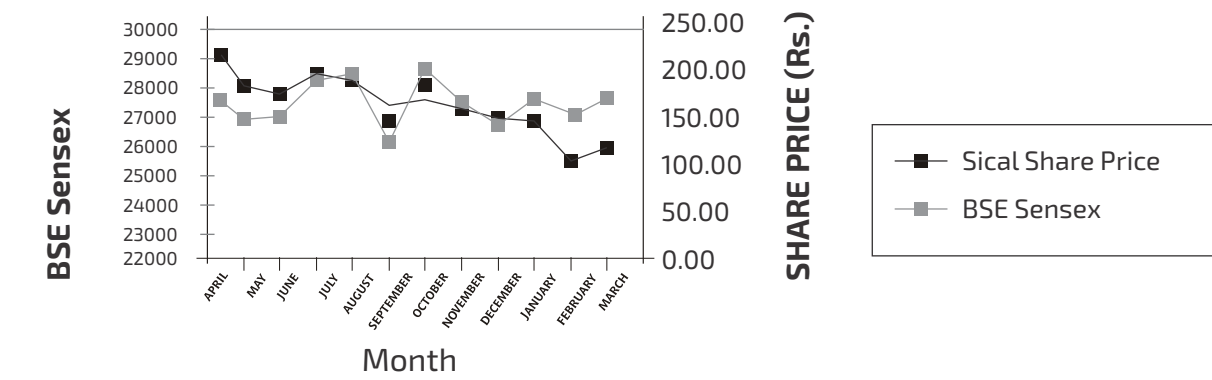
Month & Year	NSE			BSE		
	Low	High	Average	Low	High	Average
Apr-15	132.15	170.40	151.28	132.60	170.80	151.70
May-15	123.90	148.15	136.03	124.60	148.10	136.35
Jun-15	115.05	156.75	135.90	115.10	157.20	136.15
Jul-15	145.35	188.05	166.70	145.10	188.40	166.75
Aug-15	147.40	192.80	170.10	147.10	192.30	169.70
Sep-15	151.70	169.20	160.45	152.10	169.10	160.60
Oct-15	132.80	170.05	151.43	133.20	170.50	151.85
Nov-15	125.10	148.35	136.73	125.20	147.70	136.45
Dec-15	127.35	146.80	137.08	127.70	146.80	137.25
Jan-16	121.90	156.25	139.08	121.70	156.70	139.20
Feb-16	121.60	140.05	130.83	121.30	139.90	130.60
Mar-16	128.15	140.20	134.18	128.00	139.70	133.85

[g] Performance of Sical share price in comparison to National Stock Exchange – S&P CNX NIFTY Index [Highest monthly closing]





Performance of Sical share price in comparison to BSE Sensex [Highest monthly closing]



[h] Registrar to an Issue and Share Transfer Agents

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

[i] Share Transfer System

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

[j] Distribution of Shareholding

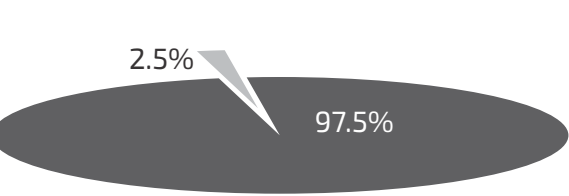
Number of shares - Category	No. Of shares	% to total	No. Of shareholders	% to total
Upto 500	1948163	3.50	38349	95.98
501-1000	638709	1.15	833	2.08
1001 - 2000	480510	0.86	321	0.80
2001 - 3000	344209	0.62	130	0.33
3001 - 4000	171001	0.31	47	0.12
4001 - 5000	239827	0.43	51	0.13
5001 - 10000	608053	1.09	84	0.21
10001 & above	51171222	92.04	139	0.35
Total	55601694	100	39954	100

Shareholding pattern as on 31.03.2016

Category	No. of Holders	No. of shares	Voting strength [%]
<b>PROMOTER HOLDING</b>			
Promoters & Associates	15	38536297	69.31
<b>NON-PROMOTER HOLDING</b>			
FI	5	174164	0.31
FII	2	296619	0.53
FPI	1	11400	0.02
Bank	16	26153	0.05
Mutual Funds	5	1211	0.00
<b>OTHERS</b>			
Corporate Body	456	4011436	7.21
Trusts	1	1551	0.00
NRI	188	282044	0.51
Clearing Member	28	36154	0.07
Public	39237	12224665	21.99
<b>TOTAL</b>	<b>39954</b>	<b>55601694</b>	<b>100</b>

[l] Dematerialisation of Shares

5,42,12,633 equity shares representing 97.50% of the paid-up share capital have been dematerialised upto 31.03.2016. Trading in equity shares of the company is permitted only in dematerialised form w.e.f. 28.08.2000 as per SEBI's orders dated 29.05.2000.



[m] There are no outstanding global depository receipts or American depository receipts or warrants or any convertible instruments as on 31 st March, 2016.

[n] The Company is engaged in providing multi modal logistics services to clients and as such there are no manufacturing activities. Branch offices for various divisions are spread across the country.

[o] Address for Correspondence

Company

**Sical Logistics Limited**  
Secretarial Department  
South India House  
73, Armenian Street  
Chennai :: 600 001  
Telephone : 044-66157071  
Fax : 044-66157017  
e-mail : secl@sical.com  
Website : www.sical.com

RTA

**Cameo Corporate Services Limited**  
Unit : Sical  
No.1, Club House Road  
Chennai :: 600 002  
Telephone : 044-28461073  
Fax : 04-428460129  
Fax : 044-66157017  
e-mail : cameo@cameoindia.com  
Website : www.cameoindia.com

10. Other Disclosures

[a] Disclosures on materially significant related party transactions that may have potential conflict with the interests of the company at large.

There are no materially significant related party transactions viz. with promoters, directors or the Management, their subsidiaries, or relatives that may have potential conflict with the interests of the Company at large.

[b] Details of non-compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchanges or SEBI or any other 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.

[c] Details of establishment of vigil mechanism / whistle blower policy

A Vigil Mechanism / whistle Blower Policy for employees has been established to report concerns about unethical behavior, actual or suspected fraud, or violation of 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 Audit Committee in exceptional cases. We further affirm that during the financial year 2015-16, no employee has been denied access to the audit committee.

[d] Details of compliance with mandatory requirements and adoption of the non- mandatory requirements

All the mandatory requirements with regard to the corporate governance as are applicable to the company have been duly complied with.

Regarding discretionary requirements as specified in Part E of Schedule II of the SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015

- [i] the Chairman being non-executive has not established a separate office.
- [ii] Shareholders are communicated on the quareterly / half yearly results / performance by way of publishing the financial results on the website of the Company as well as the Stock Exchanges where the shares of the company are listed in addition to publishing in Business Standard and Makkal Kural dailies in the format as stipulated by SEBI.
- [iii] The company's audit reports remain unmodified opinion.
- [iv] The position of Chairperson is of non-executive. The Company has appointed a whole-time director with the designation of Joint Managing Director.
- [v] Internal auditors have access to audit committee and make presentations before the Audit Committee highlighting the High Risk areas covering their audit and for taking appropriate steps in mitigating such risks.
- [e] Web link where policy for determining 'material' subsidiaries is disclosed  
www.sical.com\investors\policies\material subsidiaries
- [f] Web link where policy on dealing with related party transactions  
www.sical.com\investors\policies\maetrial related party transactions

11. We have fairly complied with the requirements of corporate governance report of sub-paras [2] to [10] of Schedule V [C] of the SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015 as are applicable to Sical Logistics Limited.

12. The details on the extent of compliance with regard to discretionary requirements as specified in Part E of Schedule II of the SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015 have been indicated under Para 10[d] above.

13. **Insider Trading**  
Pursuant to the Securities and Exchange Board of India [Prohibition of Insider Trading] Regulations, 2015, the Company has prescribed a Code of Conduct for Prevention of Insider Trading as applicable to promoters / designated employees / connected persons.

14. **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 Joint 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.

15. **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.

16. **Material Subsidiaries**  
The minutes of the meeting of material subsidiaries viz. Sical Infra Assets Limited and Sical Multimodal and Rail Transport Limited were placed before the Board of the holding company i.e. Sical Logistics Limited. The Audit Committee reviewed the financials of the material subsidiaries particularly in reference to any investments made on a quarterly basis.

Independent Directors Mr. H.Rathnakar Hegde and Mr. S. Ravinarayanan and Mr. Kush S Desai, Joint Managing Director are part of the Board of the material subsidiaries.

17. The disclosures on the compliance with corporate governance requirements specified in Regulation 17 to 27 of the SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015 have been made in the above paragraphs to the extent they are applicable to the Company. Further it is affirmed that the website disclosures as per Regulation 46[2][b] to [i] of the SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015 have been duly complied with.

18. **Compliance Certificate from Statutory Auditors**  
Pursuant to Schedule V 2 [E] of the SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015, a Compliance Certificate from the Statutory Auditors is furnished as part of the report.

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

AUDITORS CERTIFICATE  
[Pursuant to Schedule V [2] [E] of the SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015]

To

THE MEMBERS OF SICAL LOGISTICS LIMITED

We have examined the compliance of the conditions of Corporate Governance by Sical Logistics Limited for the year ended 31 st March, 2016 as stipulated in Regulations 17 to 27 and Regulation 46 [2][b] to [i] of the SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015.

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 Regulations.

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.

Place: Chennai  
Date: 3rd May 2016

For and on Behalf of  
**M/s. CNGSN & Associates LLP**  
**Chartered Accountants**  
FR No. 004915S  
LLP No. S200036  
**CN GANGADARAN**  
Partner  
Membership No . 11205

CEO's DECLARATION ON CODE OF CONDUCT

To

THE MEMBERS OF SICAL LOGISTICS LIMITED

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 2015-16.

Place Bengaluru  
Date 3rd May, 2016

For Sical Logistics Limited  
**Kush S Desai**  
Joint Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS REPORT [2015-16]

INDUSTRY OVERVIEW

Infrastructure development is a critical enabler for the economic growth. Logistics infrastructure,covering the road, rail, waterways and air network of a country, is the backbone on which the nation marches ahead. The logistics sector in India is evolving rapidly and its growth is dominated by the interplay of infrastructure, technology and new types of service providers. The freight traffic across all modes are expected to increase many folds and India has been developing the required infrastructure for the rapid growth in this sector. The Logistics industry includes five broad segments – ocean freight, rail freight, air freight, trucking and third party logistics services.

OPPORTUNITIES AND THREATS

The three major contributors for the growth of logistics industry are : emergence of organised retail, increase in foreign trade and India becoming a global manufacturing hub. Growth on infrastructure availability, involvement of private players and increased government spending will catalyze the growth in the industry.

Few points which would help growth of the industry are

- Building the right network and ensuring flows on the right mode - which shall consist of long distance corridors – rail and coastal waterways, medium distance rail and road connectors and last mile links
- Creating enablers to maximise the efficient use of the network – shall include development of logistics parks, providing standards for containers and pallets and upgrading the skilled workforce.
- Extracting more from existing assets – increased spend on maintenance of existing roads, using stainless steel wagons with higher load carrying capacity
- Allocating more investment to rail and reallocating with roads and rail considering the future freight traffic.
- Changing government policies on taxation and regulation of service providers is going to play an important role in this process.
- Rising investment in the rail and port spaces also fuels growth in allied industries like wagon manufacturing, port handling equipment, railway electrification systems and construction companies.
- Logistics services like transportation, warehousing, cross docking, inventory management, packing and freight forwarding are all part of third party logistic services and most of the companies outsource the logistics services.
- Warehouses have become the key growth drivers in the logistics industry. Warehousing does not only provide conventional storing services, but also provides value-added services like consolidation and breaking up of cargo, packaging, labelling, bar coding and reverse logistics etc. The warehousing demand is on the increasing trend

The Key Opportunities considered under various service heads are.

Service	Requirement	Drivers	Opportunities
Road Logistics	Low service cost, non time sensitive	Demand for high quality infrastructure	Consolidation is expected in the industry. This will lead to the emergence of pan-India players with bigger size and better profitability growth in cold chain warehousing logistics
Express Logistics	Cost efficiency and high time sensitivity	High growth in document shipments. Growth in high value products such as mobile phones, network hardware and branded drugs	The express logistics industry is expected to grow at a CAGR of 17%.

Service	Requirement	Drivers	Opportunities
Container haulage	Scheduled services and storing ICD network	o Government approval for privatisation of rail container operation. o Establishment of dedicated freight corridor	Approval to private players for rail operation and rising demand from the railways to boost demand for wagon manufacturers
CFS	Quick turnaround time	Standardisation of containers. Growing trade volume	CFS/ICDs that run their own container terminal, freight forwarder or shipping line are likely to gain from the surge in ocean freight
MTO	Network strength and service quality	o Growing international trade. o Expanding domestic demand for efficient supply chain. o Growing need for door to door service and integrated services	Being less capital intensive and with neutral working capital requirement, the MTO business gives higher return on equity and return on capital employed.
Bulk liquid	Port connectivity and integrated service offerings	Booming oil demand and rising inflows	Less competition in the market.

CHALLENGES

Higher costs

Logistics costs in India are estimated to be approximately 13% of GDP which is considerably high when compared to the corresponding figures for other major economies of the world. Higher logistics costs are mainly due to poor infrastructure facilities in the country. The higher logistics cost represents higher products / services cost in the international market. Reduction of logistics costs for customers is a challenge faced by the industry.

Infrastructure

Proper infrastructure support by the government and competition from the unorganised sectors are major challenges in the growth of the logistics sector.

Insufficient Geographical Coverage

Insufficient distribution channels / infrastructure bottlenecks restrict the scope to reach consumers of products nationwide. Threat of new entrants, bargaining power of consumers, bargaining power of suppliers, threat of substitutes and rivalry among competitors are considered to be the forces that impact the growth of the industry.

Availability of land parcels for developing logistics parks with warehousing facilities near the State / District Capitals.

Overburdened ports

India has a long coastline. However, the country's port system is not utilised properly. More than 70% of the seaborne trade is managed by 2-3 of its 12 major ports. Remaining 185 minor ports in the country are largely underutilised.

Low Warehousing investment

The infrastructure including roads, airports and seaports are preliminary the main target areas of investment. However, warehousing, a facilitator for the agricultural sector, has attracted lower investment that reduced its pace of growth in comparison to rising farm output.

Technology Usage

Technology usage is still very low in India, which restricts the scope of increasing efficiency and productivity.

**Cost / Quality of Service**

Logistics costs in India are among the world's highest and outside of the metros and a few cities, the delivery time is very uncertain.

**Initiatives**

To reduce the transportation cost and for quicker movement of cargo, adoption of Multimodal Transport Operation enabling exporters with less documentation.

The introduction of National Maritime Development Program [NMDP] which is expected to address the challenges of the growing international traffic demand of the country along with developing the port facilities at par with world class standards.

The opening up of port sectors and liberalisation of railway services by allowing private parties to container train operation and tax rationalisation are the growth drivers for this industry.

**OUTLOOK**

- An allocation of INR 70000 crore to expedite the creation and expansion of highways, in addition to an investment of INR 27000 crore [along with the state governments] in rural roads is expected to augment economic growth.
- The implementation of Sagarmala Project along with the continued focus on developing inland waterways are expected to boost the maritime sector in the long term. The Sagar Mala project a strategic and customer-oriented initiative of the Government of India to modernize India's Ports so that port-led development can be augmented and coastlines can be developed to contribute in India's growth and it aims at "transforming the existing Ports into modern world class Ports and integrate the development of the Ports, the Industrial clusters and hinterland and efficient evacuation systems through road, rail, inland and coastal waterways resulting in Ports becoming the drivers of economic activity in coastal areas.
- Proposed amendments in the PPP framework around re-negotiation and dispute resolution mechanisms is likely to improve the otherwise discouraging PPP situation, however, rapid implementation of these initiatives is required.
- Increase in the effective service tax rate and levy of service tax on import of goods by vessels will impact the cost of the product.
- The following few steps by the Government could be a universal roadmap for the logistics sector's development in the country.
  - Channelising the movement of commodities to suitable modes of transportation to improve the modal mix. By diverting the transportation of bulk commodities from roads to increasingly appropriate modes, such as rail and waterways, thereby helping free up capacity for fast-moving goods.
  - Setting benchmarks and standards for the industry to help drive uniformity in warehouses, storage and transportation equipment and help bring them up to high quality standards.
  - Focussing on decongesting airports and seaports, shifting cargo-clearance activities to airport, inland or port locations.
  - Passage of GST Bill in Parliament will lead to overall rationalisation of tax structure resulting in lower logistics cost.

**Sical – Financial and Operational Performance**

Sical has its presence in all major ports and minor ports. Larger portion of Sical's revenue stems out of port operations [stevedoring activities]. Sical provides integrated logistics solutions to customers from the origin until the last mile delivery viz. End-to- end logistics. Sical operates in Bulk Logistics as well as Container Logistics apart from executing surface mining and overburden removal contracts at Mahanadhi Coal fields mines at Odisha. The movement of coal through Road-Rail- Sea route for NLC's power plant at Tuticorin in Tamil Nadu has begun during the previous financial year. The setting up of washery at Odisha for movement of washed coal to NLC's power plant in Tamil Nadu is expected to be on stream during the current fiscal. The prevailing global economic situation has impacted the port performance as the EXIM traffic are hit. However, this is being compensated by the performance of the Company in the surface mining and overburden removal contracts which are considered to be the major game changer for Sical. Sical's dredger Sical Portofino is currently deployed at Gopalpur port for dredging activities. Sical also carries out cold chain movement and maintenance of warehousing across the country mainly catering to hospitality industry.

Company's subsidiary Sical Multimodal and Rail Transport Limited operates under two divisions viz. Rail Division and CFS Division. The Rail division has 7 rakes and has own as well hired containers for movement of containerized cargo through rail run on pan-India basis. The business was impacted on account of increase in railway haulage charges leading to the road transport cheaper. The long term contract with Hindustan Copper Limited helps this division with fixed rake operation and generating revenues. CFS are in place at Chennai and Tuticorin and efforts are on to establish a CFS at Vizag since the earlier strategic alliance management contract with CWC concluded in 2013.

The Iron Ore terminal completed in all respects at Kamarajar Port could not be put into use on account of non-availability of cargo viz. Iron ore due to prevailing restriction on export of iron ore out of Karnataka region pursuant to a Supreme Court's decision. The Kamarajar Port invited bids during the year under review from parties for modification of the existing terminal also to handle common user coal in the existing iron ore terminal. Once the terminal is modified, this will provide a breather to Sical in its operations. The project activities of mechanisation of deep draft berth at the New Mangalore Port could not be carried out due to the prevailing situation on iron ore and a termination notice was issued considering the force majeure conditions and towards this the matter has now been referred to Arbitration.

The joint venture operations by PSA Sical are keeping up pace. The company received a favourable order from the Tuticorin Court on the royalty related issue with a right to the Port authorities for appeal.

**Sical – the way forward**

Sical looks for growth opportunities across all segments and expand its wings. Sical found it prudent to venture into providing logistics services for the surface mining and overburden removal at coal fields on a long term basis and has been able to make an inroad into these sectors by bagging contracts for surface mining and Bharatpur and Lajkura Mines and overburden removal at Samaleshwari and Lajkura mines belonging to Mahanadhi Coalfields in Odisha. By entering into new avenues, Sical is poised for a well-developed structured growth in the years to come.

**Internal Control Systems and their adequacy**

The Company has put in place proper and adequate internal control systems which would automatically have the internal checks and balances then and there when transactions are executed. The company is in compliance with the various statutes of the Government and statutory authorities. Internal Audit has been entrusted to an external agency 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 the backbone of the company who are instrumental in making the company 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 organised by external agencies to enrich their knowledge and implement the best practices in their work place wherever feasible.

**Cautionary Statement**

Except for 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.

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**Annual report 2015-16  
AUDITORS' REPORT**



AUDITORS' REPORT

INDEPENDENT AUDITOR'S REPORT

To the Members of SICAL LOGISTICS LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of SICAL LOGISTICS LIMITED ("the Company") which comprise the Balance sheet as at 31 st March 2016, 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 Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its profit and its 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, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

[a] We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

[b] In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books

[c] The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account

[d] In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

[e] On the basis of the written representations received from the directors as on 31 st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.

[f] With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure 2".

[g] With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. the Company has disclosed the impact of pending litigations on its financial position in its financial statements- Refer Note 25.2

ii. the Company does not have any material foreseeable losses from long-term contracts including derivative contracts. Hence no provision has been created for the same.

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

Place: Chennai  
Date: 3rd May, 2016

For and on Behalf of  
**M/s. CNGSN & Associates LLP**  
**Chartered Accountants**  
FR No. 004915S  
LLP No . S200036

**CN GANGADARAN**  
Partner  
Membership No . 11205

Annexure 1 to the Auditor's report

Referred to in Paragraph 1 of Report on Other Legal and Regulatory Requirements of our report of even date

- i.

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

b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such physical verification.

c) According to the information and explanation given to us, the title deeds of immovable properties of the Company are held in the name of the Company.
- ii.

Physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed on such verification.
- iii.

The company has granted loans to parties covered in the register maintained under section 189 of the Companies Act.

a) the terms and conditions of the grant of such loans are not prejudicial to the company's interest.

b) the schedule of repayment of principal and payment of interest has been stipulated and the repayments are regular.

c) in our opinion and according to the information and explanations given to us, no amount is overdue for more than ninety days.
- iv.

In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act 2013 in respect of loans, investments, guarantees and security.
- v.

In our opinion and according to the information and explanations given to us the company has not accepted any deposits. Accordingly clause v of paragraph 3 of Companies (Auditors Report) Order 2016 is not applicable.
- vii.

a) According to the records of the Company and information and explanations given to us, the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities. There are no undisputed statutory dues outstanding for more than six months.

b) As at 31 st March 2016 according to the records of the Company, the following are the particulars of the disputed dues on account of sales tax, income tax, customs duty, wealth tax, service tax and cess, which have not been deposited on account of dispute:

Sl. No.	Period	Nature of Dues	Not Paid (Rs in Lakhs)	Forum where Pending
1	2002-03	International Tax	67.09	ITAT
2	2001-06	Service Tax	1,345.53	Madras High Court
3	2001-06	Service Tax	1,160.58	CESTAT Chennai
4	2001-06	Service Tax	147.24	CESTAT Chennai
5	2002-06	Service Tax	4.06	CCE(A) Chennai
6	2006-07	Service Tax	2.30	CESTAT Chennai
7	2007-08	Service Tax	2.06	CESTAT Chennai
8	2005-06	Service Tax	16.12	CCE(A) Chennai
9	2005-06	Service Tax	177.14	CESTAT Delhi
10	2001-02	Customs	2.00	CESTAT Chennai
11	1996-97	Customs	18.01	CESTAT Chennai
12	2001-02	Customs	3.00	CC(A)
13	1993-94	Sales Tax	37.57	Madras High Court

- viii.

Based on our audit procedures and according to the information and explanations given to us by the management, we are of the opinion that the company has not defaulted in repayment of loans or borrowings to a financial institution or bank.
- ix.

In our opinion, term loans have been applied for the purposes for which they were raised. During the year, the company has not raised money by way of initial public offer or further public offer.

- x.

In our opinion and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.
- xi.

In our opinion, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.
- xii.

In our opinion, the Company is not a Nidhi Company. Accordingly, clause xii of Para 3 of Companies (Auditors Report) Order 2016 is not applicable.
- xiii.

In our opinion, all transactions with the related parties are in compliance with Section 177 and 188 of Companies Act 2013 wherever applicable, and the details have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv.

According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, clause xiv of Para 3 of Companies (Auditors Report) Order 2016 is not applicable.
- xv.

In our opinion and according to the information and explanations given to us, the Company has not entered into any non - cash transactions with directors or persons connected with the Directors. Accordingly, clause xv of Para 3 of Companies (Auditors Report) Order 2016 is not applicable.
- xvi.

In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause xvi of Para 3 of Companies (Auditors Report) Order 2016 is not applicable.

Place: Chennai  
Date: 3rd May, 2016

For and on Behalf of  
**M/s. CNGSN & Associates LLP**  
**Chartered Accountants**  
FR No. 0049155  
LLP No . S200036  
  
**CN GANGADARAN**  
Partner  
Membership No . 11205



Annexure 2 to the Auditor’s report

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

We have audited the internal financial controls over financial reporting of SICAL LOGISTICS LIMITED (“the Company”) as of 31 st March, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide abasis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

Place: Chennai  
Date: 3rd May, 2016

For and on Behalf of  
**M/s. CNGSN & Associates LLP**  
**Chartered Accountants**  
FR No. 004915S  
LLP No . S200036

**CN GANGADARAN**  
Partner  
Membership No . 11205

BALANCE SHEET AS AT 31ST MARCH 2016

	Note	As at 31 March 2016	(in Rs. lakhs) As at 31 March 2015
<b>I EQUITY AND LIABILITIES</b>			
<b>1 Shareholder's funds</b>			
(a) Share Capital	2	5,562	5,562
(b) Reserves & Surplus	3	40,853	39,005
<b>Sub-total (1)</b>		<u>46,415</u>	<u>44,567</u>
<b>2 Non-current liabilities</b>			
(a) Long term borrowings	4	48,089	31,440
(b) Deferred tax liabilities(net)	25.7	774	89
(c) Other long term liabilities	5	19,860	14,565
(d) Long term provisions	6	315	289
<b>Sub-total (2)</b>		<u>69,038</u>	<u>46,383</u>
<b>3 Current Liabilities</b>			
(a) Short term borrowings	7	12,673	12,146
(b) Trade payables	8	2,949	3,873
(c) Other current liabilities	9	9,308	5,734
(d) Short term provisions	10	145	109
<b>Sub-total (3)</b>		<u>25,075</u>	<u>21,862</u>
<b>TOTAL (1)+(2) +(3)</b>		<u>140,528</u>	<u>112,812</u>
<b>II ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	11	20,524	16,567
(ii) Capital work in progress	11	7	376
		<u>20,531</u>	<u>16,943</u>
(b) Non-current investments	12	28,460	28,209
(c) Long term loans and advances	13	3,723	6,112
(d) Other non current assets	14	7,891	8,443
<b>Sub-total (1)</b>		<u>60,605</u>	<u>59,707</u>
<b>2 Current assets</b>			
(a) Inventory	15	570	563
(b) Trade receivables	16	17,407	16,816
(c) Cash and cash equivalents	17	2,137	1,764
(d) Short term loans and advances	18	53,979	29,619
(e) Other current assets		5,830	4,343
<b>Sub-total (2)</b>		<u>79,923</u>	<u>53,105</u>
<b>TOTAL (1)+(2)</b>		<u>140,528</u>	<u>112,812</u>

See accompanying notes forming part of the financial statements

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

For and on Behalf of

**M/s. CNGSN & Associates LLP**  
**Chartered Accountants**  
FR No. 0049155  
LLP No. S200036

**R Ram Mohan**  
Chairman

**Kush Desai**  
Joint Managing Director

**H. Rathnakar Hegde**  
Director

**CN GANGADARAN**  
Partner  
Membership No . 11205

**Sumith R Kamath**  
Chief Financial Officer

**V Radhakrishnan**  
Company Secretary

Place: Chennai  
Date: 3rd May 2016

Place: Bengaluru  
Date: 3rd May 2016

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

	Note	For the year ended 31 March 2016	(in Rs. lakhs) For the year ended 31 March 2015
I Revenue from operations	19	59,113	57,811
II Other income	20	5,407	6,143
<b>III Total revenue (I +II)</b>		<u>64,520</u>	<u>63,954</u>
<b>IV Expenses:</b>			
Cost of services	21	45,116	48,240
Employee benefit expense	22	3,534	2,330
Finance costs	23	7,412	6,442
Depreciation and amortisation expense	11	2,724	2,250
Other expenses	24	2,656	2,136
<b>Total expenses</b>		<u>61,442</u>	<u>61,398</u>
<b>V Profit before tax (III-IV)</b>		<b>3,078</b>	2,556
<b>VI Tax expense</b>			
- Current Tax expense		765	536
-Less: MAT Credit entitlement		-219	-536
- Deferred Tax		685	-163
<b>Net tax expense / (benefit)</b>		<u>1,230</u>	<u>-163</u>
<b>VII Profit for the year after tax (V - VI)</b>		<u>1,848</u>	<u>2,719</u>
<b>VIII Prior period items</b>		-	-
<b>IX Profit for the year (VII - VIII)</b>		<u>1,848</u>	<u>2,719</u>
Earnings per equity share of Rs. 10 each after tax but before exceptional item and prior period adjustments	25.11		
-Basic (Rs.)		3.32	4.89
-Diluted (Rs.)		3.32	4.89
Earnings per equity share of Rs. 10 each after tax, exceptional item and prior period adjustments	25.11		
-Basic (Rs.)		3.32	4.89
-Diluted (Rs.)		3.32	4.89

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 and on Behalf of

**M/s. CNGSN & Associates LLP**  
**Chartered Accountants**  
FR No. 0049155  
LLP No. S200036

**R Ram Mohan**  
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Director

**CN GANGADARAN**  
Partner  
Membership No . 11205

**Sumith R Kamath**  
Chief Financial Officer

**V Radhakrishnan**  
Company Secretary

Place: Chennai  
Date: 3rd May 2016

Place: Bengaluru  
Date: 3rd May 2016

Cash Flow Statement for the year ended 31 March 2016

Particulars	Year ended 31 March, 2016	(in Rs lakh) Year ended 31 March, 2015
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit before tax	3,078	2,556
<b>Adjustments for:</b>		
Depreciation	2,724	2,250
Profit on sale of fixed assets (net)	-31	-
Net gain on sale of investments	-	-470
Interest and fiance charges (net)	7,412	6,442
Interest Income	-4,667	-3,456
Effect of exchange difference on translation of assets and liabilities	-602	-2,173
	<u>4,836</u>	<u>2,593</u>
<b>Operating Profit before Working Capital Changes</b>	<b>7,914</b>	<b>5,149</b>
Adjustments for increase /decrease in:		
Operating assets:		
Inventories	-7	80
Trade & other Receivables	-591	-2,429
Loans & Advances	-1,935	-1,831
Operating liabilities:		
Trade and other payables	-149	1,148
Other Liability	896	-1,749
	<u>-1,786</u>	<u>-4,781</u>
Cash Generated from operations	<b>6,128</b>	<b>368</b>
Taxes Paid	-668	-
<b>Net Cash generated from/(used in) Operating activities</b>	<b>5,460</b>	<b>368</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets (Including Capital Work in Progress)	-6,390	-7,919
Proceeds from investments	-	650
Investment in subsidiaries and joint ventures	-251	-
Proceeds from sale of fixed assets	110	1,455
Loans and advances to subsidiaries	-21,021	-8,746
Interest income	4,667	3,456
<b>Net Cash used in Investing Activities</b>	<b>-22,885</b>	<b>-11,104</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Long Term Borrowings (net)	18,961	2,389
Proceeds from Short Term Borrowings (net)	527	3,933
Proceeds from Holding Company	5,723	11,275
Finance cost	-7,413	-6,442
<b>Net cash flow generated from financing activities</b>	<b>17,798</b>	<b>11,155</b>
Effect of exchange differences on translation of foreign currency cash and cash equivalents	-	1
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>373</b>	<b>420</b>
Cash and cash equivalents at beginning of the year	1,764	1,344
Cash and cash equivalents at end of the year	2,137	1,764

For and on Behalf of  
**M/s. CNGSN & Associates LLP**  
Chartered Accountants  
FR No. 0049155  
LLP No. S200036  
**CN GANGADARAN**  
Partner  
Membership No . 11205

**R Ram Mohan**  
Chairman

**Kush Desai**  
Joint Managing Director

**H. Rathnakar Hegde**  
Director

**Sumith R Kamath**  
Chief Financial Officer

**V Radhakrishnan**  
Company Secretary

Place: Chennai  
Date: 3rd May 2016

Place: Bengaluru  
Date: 3rd May 2016

AUDITORS' CERTIFICATE

We have examined the above Cash Flow Statement of Sical Logistics Limited for the year ended 31 March 2016. The Statement has been prepared by the Company in accordance with the requirements of the Regulation 34 [2][c] of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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.

Place: Chennai  
Date: 3rd May 2016

For and on Behalf of  
**M/s. CNGSN & Associates LLP**  
Chartered Accountants  
FR No. 0049155  
LLP No. S200036

**CN GANGADARAN**  
Partner  
Membership No . 11205

Notes forming part of the financial statements for the year ended March 31, 2016

Note1

1 SIGNIFICANT ACCOUNTING POLICIES

i Basis of preparation of financial statements:

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI).

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

ii Use of estimates:

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

iii 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.

iv 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.

v Depreciation:

Depreciation is provided at the rates prescribed under Schedule II of the Companies Act, 2013 with 5% salvage value.

The useful life and rate of depreciation followed are as follows-

	FY 2015-16		
Asset Class	Dep Rate	Method	Useful Life (Years)
Buildings	1.58%/3.17%	SLM	60/30
Buildings	4.87%/9.50%	WDV	60/30
Furniture & Fixtures	9.50%	SLM	10
Furniture & Fixtures	25.89%	WDV	10
Leased Machinery	25.00%	SLM	4
Office Equipments	45.07%	WDV	5
Office Equipments	19.00%	SLM	5
EDP Equipments	31.67%/15.83%	SLM	3/6
EDP Equipments	63.16%/39.30%	WDV	3/6
Plant & Machinery	6.33%	SLM	15
Plant & Machinery	18.10%	WDV	15
Port Handling Equipment	18.10%	WDV	15
BOT Equipments	5.00%	SLM	20

NOTES

a) Method of Depreciation:

- i) Port handling equipments at Ennore Port and Chennai Port are written off over the period of BOT Scheme/ Berth Reservation Scheme on Straight-line method;
- ii) Assets of Transportation & Warehousing divisions which are depreciated at straight-line method;
- iii) Assets of logistics division are depreciated at written down value method.

b) Depreciation on certain premises are provided on composite cost where it is not possible to segregate the land cost.

c) Assets costing less than Rs.5000 are fully depreciated.

vi Investments (Long Term):

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

vii Inventories:

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

viii 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.

ix Revenue Recognition:

Revenue is recognized on accrual method on rendering of services.

x 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.

Any exchange gain or loss arising out of restatement of "Long Term Foreign Currency Monetary Item" is transferred to foreign currency translation reserve account and amortized to P&L over the term of loan as per AS-11(R) issued by the Central Government vide their notification no G.S.R 225(E) Dt. 31st March 2009.

The Foreign Currency Monetary Item shall be classified as "Short Term Foreign Currency Monetary Item" when it is expected to be realized within twelve months after the reporting date. On such reclassification of long term foreign currency monetary item into short term foreign currency monetary item, the relevant balance in foreign currency translation reserve account is recognised in profit and loss account.

xi 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.

xii 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.

Notes forming part of the financial statements for the year ended March 31, 2016

xiii 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.

xiv Discontinuing Operations:

There are no discontinuing operations that have been reported in the current year financials and thus disclosure as per Accounting Standard – 24 is not applicable.

xv 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.

xvi Deferred Taxes:

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

NOTES

Note 2: SHARE CAPITAL

Particulars	Authorised			Issued		Subscribed		Paid-up	
	Number of share	Face value	Total value (Rs. in Lakhs)	Number of share	Total value (Rs. in Lakhs)	Number of share	Total value (Rs. in Lakhs)	Number of share	Total value (Rs. in Lakhs)
<b>Previous Year 2014-15</b>									
Equity Shares									
Opening balance of as on 01-Apr-2014	60,000,000	10	6,000	55,642,032	5,564	55,637,792	5,564	55,601,694	5,560
Increase during the year					-		-		-
Closing balance of as on 31-Mar-2015	60,000,000		6,000	55,642,032	5,564	55,637,792	5,564	55,601,694	5,560
Preference shares									
Opening balance as on 01-Apr-2014	150,000,000		15,000	-	-	-	-	-	-
Increase during the year					-		-		-
Closing balance as on 31-Mar-2015	150,000,000		15,000	-	-	-	-	-	-
Equity shares forfeited									
Opening balance as on 01-Apr-2014	-		-	-	-	-	-	-	2
Increase during the year					-		-		-
Closing balance as on 31-Mar-2015	-		-	-	-	-	-	-	2
<b>Share Capital, Total</b>			21,000		5,564		5,564		5,562
<b>Current Year 2015-16</b>									
Equity Shares									
Opening balance as on 01-Apr-2015	60,000,000	10	6,000	55,642,032	5,564	55,637,792	5,564	55,601,694	5,560
Increase during the year					-		-		-
Closing balance as on 31-Mar-2016	60,000,000		6,000	55,642,032	5,564	55,637,792	5,564	55,601,694	5,560
Preference shares									
Opening balance as on 01-Apr-2015	150,000,000		15,000	-	-	-	-	-	-
Increase during the year					-		-		-
Closing balance as on 31-Mar-2016	150,000,000		15,000	-	-	-	-	-	-
Equity shares forfeited									
Opening balance as on 01-Apr-2015	-		-	-	-	-	-	-	2
Increase during the year					-		-		-
Closing balance as on 31-Mar-2016	-		-	-	-	-	-	-	2
<b>Share Capital, Total</b>			21,000		5,564		5,564		5,562

Of the Above:

- a) 9,320,003 Equity Shares Of Rs.10 each were allotted as fully paid up as per the earlier schemes of Amalgamation
- b) 9,860,910 Equity Shares of Rs.10 each were Allotted as fully paid up to the share holders of 34,513,195, 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					
As at 31 March 2016					
Tanglin Retail Reality Developments Private Limited, the holding company	2,93,72,268	Nil	Nil	Nil	Nil
As at 31 March 2015					
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	As at March 31, 2016		As at March 31, 2015	
	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	45,25,649	8.14%	45,25,649	8.14%
Damolly Investments Limited	33,23,934	5.98%	33,23,934	5.98%

iii) Details of forfeited shares

Class of Shares	As at March 31, 2016		As at March 31, 2015	
	Number of shares	Amount originally paid up( Rs)	Number of shares	Amount originally paid up(Rs)
Equity shares with voting rights	36,098	1,80,490	36,098	1,80,490

iv) The Company has only one class of share viz Equity shares which are fully paid up. All equity shares rank Pari-Passu with respect to payment of dividend and the repayment of capital.

v) No Shares are reserved for issue under options and contracts/ commitments for the sale of shares/ disinvestment. During the period of 5 years immediately preceding the Balance Sheet date with 31st March 2016, no shares were allotted for consideration pursuant to contracts without receiving cash or issue of any bonus shares or has not bought back any shares.

vi) No securities convertible into equity/ preference shares were issued by the company.

vii) There are no shares for which calls remain unpaid.

NOTES

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 PL Account	Total
Opening balance as on 01-Apr-2014	1,093	9,986	500	3,294	1,353	21,413	37,639
Current year surplus/ deficit	-	-	-	-	-	2,719	2,719
Transferred to Debenture Redemption Reserve	-	-	500	-	-	-500	-
Transferred from Profit and Loss Account	-	-	-	-	-1,353	-	-1,353
Closing balance as on 31-Mar-2015	1,093	9,986	1,000	3,294	-	23,632	39,005
Opening balance as on 01-Apr-2015	1,093	9,986	1,000	3,294	-	23,632	39,005
Current year surplus	-	-	-	-	-	1,848	1,848
Transferred to Debenture Redemption Reserve	-	-	500	-	-	-500	-
Transferred from Profit and Loss Account	-	-	-	-	-	-	-
Closing balance as on 31-Mar-2016	1,093	9,986	1,500	3,294	-	24,980	40,853

Debenture redemption reserve has been created in accordance with the provisions of Rule 18(7) of the Companies (Share Capital and Debenture) Rules 2014 as amended from time to time.

Note 4: Long-term borrowings

(in Rs lakh)

Particulars	Non Current Portion		Current Maturities	
	As at March 31, 2016	As at March 31, 2015	As at March 31, 2016	As at March 31, 2015
(a) Bonds / debentures - Secured Non Convertible 1000 Nos 12.75% Secured listed NCD of Rs. 10 Lakhs each	10,000	10,000	-	-
(b) Term loans				
From Banks - Secured	32,448	19,377	4,732	4,030
From Others - Secured	5,641	2,063	1,644	572
Total	48,089	31,440	6,376	4,602
Amount disclosed under the head "Other Current Liabilities" (Note-9)	-	-	-6,376	-4 602
Net Amount	48,089	31,440	-	-

NOTES

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, 2016		As at March 31, 2015	
	Secured (in Rs.lakhs)	Rate of Interest	Secured (in Rs.lakhs)	Rate of Interest
<b>Bonds &amp; Debentures:</b> Non-convertible Debentures	10,000	12.75%	10,000	12.75%
<b>Term loans from banks &amp; financial institutions:</b>				
YES Bank Limited	13,000	BBR+3.75% being 14.50%		
South Indian Bank	5,000	BBR+2.80% being 12.80%		
ING Vysa Bank(now Kotak Mahindra Bank Ltd)	165	BBR+2% being 12.65%	833	BBR+2% being 12.65%
IDBI Bank Ltd	5,209	BBR+2.75% being 12.50%	6,087	BBR+2.75% being 10.25%
The Karur Vysya Bank	750	BBR+1.5% being 11.90%	1,750	BBR+1.5% being 12.25%
IndusInd Bank	1,430	BBR+1.25% being 11.85%	1,666	BBR+1.25% being 12.25%
Canara Bank	3,750	BBR+2.80%+0.25% being 12.70%	5,000	BBR+2.80%+0.25% being 13.25%
SREI & Others	1,083	10.80%	5	13%
Bank of Baroda	7,500	BBR + 3.75% being 12.4%	7,500	BBR + 3.75% being 12.4%
Sundaram Finance Ltd	1,205	Annualised rate of interest 11.19%	991	Annualised rate of interest 12.50%.
Tata Finance Ltd	821	Annualized rate of interest being 11.23%	474	Annualized rate of interest being 11.28%
Daimler Financial Services India Private Limited	3,651	10.72%	1,736	11%
Cholamandalam Investment & Finance Co Ltd	116	11.04%		
YES Bank Limited	487	10.75%		
Axis Bank	298	9.77%		
<b>Total Term loans from banks and financial institutions secured</b>	<b>44,465</b>		<b>26,042</b>	
<b>Grand Total</b>	<b>54,465</b>		<b>36,042</b>	

a.DetailsofSecurityforsecuredlongtermborrowings

(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 ( now Kotak Mahindra Bank Ltd) term loan of Rs.20 Crores. The NCDs are listed in NSE. The purpose of issue of NCDs were for taking up 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 instalments i.e. 50% in September 2017 and balance 50% in September 2018.

(ii) Bank of Baroda

The company has taken term Loan of Rs 75 Crores during the FY 2014-15 against security of certain Immovable properties (Land)

NOTES

for carrying CAPEX and other expenditure for work orders awarded from Neyveli Lignite Corporation Limited and Mahanadi Coal fields Limited, with a moratorium period of 9 months. Loan is repayable in step up 16 quarterly instalments.

(iii) ING Vysya Bank (now Kotak Mahindra Bank Ltd)

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 instalments.

(iv) IDBI Bank Ltd

The company has taken a term loan of Rs. 72 Crores during the 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. Loan is repayable in 94 equal monthly instalments.

(v) The Karur Vysya Bank

The company has taken a term loan of Rs. 20 Crores during the 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 instalments.

(vi) IndusInd Bank

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

(vii) Canara Bank

The company has taken a secured term loan of Rs. 40 Crores during FY 2013-14 and Rs 10 Crores in FY 2014-15 against security of pari pasu second charge over current assets and movable fixed assets of the company along with Bank of Baroda who has the first charge over the assets with a moratorium period of 12 months. Loan is repayable in 16 equal quarterly instalments.

(viii) SREI Equipment Finance Ltd

The loan is secured by a charge on the purchased assets - Pay loaders, Excavators, Compactor and Motor Grader.

(ix) Sundaram Finance Ltd

The loan is secured by a charge on the purchased assets - Trucks, pay loaders and tippers.

(x) Tata Finance Ltd

The loan is secured by a charge on the purchased assets - Trucks, pay loaders and tippers.

(xi) Daimler Finance Ltd

The loan is secured by a charge on the purchased assets - Trucks, pay loaders and tippers.

(xii) South Indian Bank Ltd

The company has taken a term loan of Rs. 50 Crores during the FY 2015-16 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 instalments.

(xiii) YES Bank Limited

The company has taken a term loan of Rs. 130 Crores during the FY 2015-16 to meet its capital expenditure requirements against security of fixed and current assets, with a moratorium period of 6 months. Loan is repayable in 18 Quarterly instalments.

(xiv) Cholamandalam Investment & Finance Co Ltd

The loan is secured by a charge on the purchased assets - Trucks and tankers

(xv) YES Bank Limited

The loan is secured by a charge on the purchased assets - Dozers

(xvi) Axis Bank Limited

The loan is secured by a charge on the purchased assets - Diesel Tankers and Excavators



NOTES

	As at March 31, 2016	(in Rs. lakhs) As at March 31, 2015
<b>Note 5: OTHER LONG TERM LIABILITIES</b>		
Payables on purchase of fixed assets*	1,705	1,533
Other Payables	1,157	1,757
Others - Dues to Holding Company - Unsecured dues payable to (Refer Note 25.6)		
- Tanglin Retail Reality Private Ltd	16,998	5,724
- Giri Vidhyuth (India) Limited	-	5,551
<b>Total</b>	<u>19,860</u>	<u>14,565</u>
* The Company has issued Letter of Credit to supplier against the payable balance		

**Note 6: LONG TERM PROVISIONS**

Provision for Employee Benefits (Refer Note 25.4)	315	289
<b>Total</b>	<u>315</u>	<u>289</u>

**Note 7 Short-term borrowings**

Loans repayable on demand		
- From banks		
- Secured	12,673	12,146
<b>Total</b>	<u>12,673</u>	<u>12,146</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, 2016 (in Rs. lakhs)	Rate of Interest	As at March 31, 2015 (in Rs. lakhs)	Rate of Interest
Bank of Baroda	12,673	BBR + 2.75% being 11.4%	12,146	BBR floating rate
<b>Total</b>	<u>12,673</u>		<u>12,146</u>	

**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.

NOTES

**Note 8 Trade payables**

	As at March 31, 2016	(in Rs. lakhs) As at March 31, 2015
<b>TRADE PAYABLES</b>		
- Due to MSMED (Refer Note 25.3)	-	-
- Others	2,949	3,328
- Bills payable*	-	545
<b>Total</b>	<u>2,949</u>	<u>3,873</u>
* The company has issued Letter of Credit against this payable balance		

**Note 09: OTHER CURRENT LIABILITIES**

Current maturities of long term debt (Refer Note 4.1 for details of security)	6,376	4,602
Interest accrued but not due on borrowings	581	44
Advances Received	148	177
Statutory remittances payable (Net of CENVAT Credit)	-110	-130
Expenses Payable	2,313	1,041
<b>Total</b>	<u>9,308</u>	<u>5,734</u>

**Note 10: SHORT TERM PROVISIONS**

Provision for compensated absences (Refer Note 25.4)	145	109
<b>Total</b>	<u>145</u>	<u>109</u>

Note 11: FIXED ASSETS - Current Year 2015-16

(in Rs. lakhs)

	Gross block					Accumulated depreciation					Net block	
Particulars	As at April 1, 2015	Additions during the year	Adjustments	Deletions during the year	As at March 31, 2016	As at April 1, 2015	Additions during the year	Adjustments	Deletions during the year	As at March 31, 2016	As at March 31, 2015	
<b>Tangible assets</b>												
Freehold Land	1,725	36	-	-	1,761	-	-	-	-	-	1,725	
Buildings	1,040	130	179	-	1,349	382	45	-	-	427	922	
Plant & Machinery	7,812	4,417	-12	-	12,217	1,946	1,158	-751	-	2,353	9,864	
Office Equipments	830	73	-	-	903	715	43	-	-	758	145	
Furnitures & Fixtures	402	11	-	-	413	359	4	-	-	363	50	
Trucks	6,634	-	-198	1,181	5,255	2,795	650	-29	-1,102	2,314	3,839	
Vehicles	861	2,092	-14	22	2,917	645	126	13	-22	762	216	
Port Handling Equipment	12,063	-	30	-	12,093	7,958	698	751	-	9,407	4,105	
<b>Total</b>	<b>31,367</b>	<b>6,759</b>	<b>-15</b>	<b>1,203</b>	<b>36,908</b>	<b>14,800</b>	<b>2,724</b>	<b>-16</b>	<b>-1,124</b>	<b>16,384</b>	<b>16,567</b>	
Capital Work in Progress	<b>376</b>	<b>5,132</b>	<b>-</b>	<b>5,501</b>	<b>7</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>376</b>	
<b>Total</b>	<b>376</b>	<b>5,132</b>	<b>-</b>	<b>5,501</b>	<b>7</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>376</b>	
<b>Grand Total</b>	<b>31,743</b>	<b>11,891</b>		<b>6,704</b>	<b>36,915</b>	<b>14,800</b>	<b>2,724</b>	<b>-16</b>	<b>-1,124</b>	<b>16,384</b>	<b>16,943</b>	

NOTE 11: FIXED ASSETS - Previous year 2014-15

(In Rs. Lakhs)

Particulars	Gross Block				Depreciation				Net Block	
	As at April 1, 2014	Additions during the year	Deletions during the year	As at March 31, 2015	As at April 1, 2014	Additions during the year	Deletions during the year	As at March 31, 2015	As at March 31, 2014	As at March 31, 2014
<b>Tangible assets</b>										
Freehold Land	1,725	-	-	1,725	-	-	-	-	1,725	1,725
Buildings	822	218	-	1,040	349	33	-	382	473	473
Plant & Machinery	5,087	2,725	-	7,812	1,013	933	-	1,946	4,074	4,074
Office Equipments	765	66	1	830	650	66	1	715	115	115
Furnitures & Fixtures	406	4	8	402	357	10	8	359	49	49
Trucks	3,006	3,887	259	6,634	2,718	304	227	2,795	288	288
Vehicles	809	52	-	861	555	90	-	645	254	254
Leased Machinery	239	-	239	-	170	70	240	-	69	69
Port Handling Equipment	11,994	69	-	12,063	7,214	744	-	7,958	4,780	4,780
<b>Total</b>	<b>24,853</b>	<b>7,021</b>	<b>507</b>	<b>31,367</b>	<b>13,026</b>	<b>2,250</b>	<b>476</b>	<b>14,800</b>	<b>11,827</b>	<b>11,827</b>
Capital Work in Progress	902	898	1,424	376	-	-	-	-	902	902
<b>Total</b>	<b>902</b>	<b>898</b>	<b>1,424</b>	<b>376</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>902</b>	<b>902</b>
<b>GRAND TOTAL</b>	<b>25,755</b>	<b>7919</b>	<b>1,931</b>	<b>31,743</b>	<b>13,026</b>	<b>2,250</b>	<b>476</b>	<b>14,800</b>	<b>12,729</b>	<b>12,729</b>

NOTES

Note 12: NON-CURRENT INVESTMENTS	As at March 31, 2016	(in Rs. lakhs) As at March 31, 2015
Trade Investments		
Name of Corporate Body		
(i) Investment in Equity Instruments - Unquoted		
a. Investment in Indian Subsidiaries & Joint Ventures		
Norsea Offshore India Ltd - 50,000 Shares (PY - 50,000 Shares) of Rs. 10/- each fully paid up	5	5
Sical Adams Offshore Ltd - 50,000 Shares (PY - 50,000 Shares) of Rs. 10/- each fully paid up	5	5
Sical Infra Assets Ltd - 2,85,65,000 Shares (PY - 2,85,65,000 Shares) of Rs. 10/- each fully paid up	11,182	11,182
Sical Iron Ore Terminals Ltd - 8,19,00,000 Shares (PY - 8,19,00,000 Shares) of Rs. 10/- each fully paid up (Refer Note-1)	8,290	8,290
Sical Iron Ore Terminal (Mangalore) Ltd - 3,65,00,000 Shares (PY - 3,40,00,000 Shares) of Rs. 10/- each fully paid up (Refer Note-2)	3,650	3,400
PSA Sical Terminals Ltd- 56,25,030 Shares (PY - 56,25,030 Shares) of Rs. 10/- each fully paid up	654	654
Sical Saumya Mining Limited - 65,000 Shares (PY - Nil) of Rs. 10/- each fully paid up	1	-
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- 1,00,22,138 Shares) of USD 1/- each (Refer Note-3)	4,668	4,668
(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	5
Market Value of Quoted Equity Investment	8	6
Total	28,460	28,209

**Note-1**  
78749994 nos. of SIOT Shares pledged with IDBI Trusteeship Services Ltd against term loan availed by the subsidiary from YES Bank lead consortium.

**Note-2**  
During the year, Sical Iron Ore Terminal (Mangalore) Limited converted its unsecured loan of Rs. 250 Lakhs (PY - Rs. 400 Lakhs)into Share Capital

NOTES

	As at March 31, 2016	(in Rs. lakhs) As at March 31, 2015
<b>Note 13: LONG TERM LOANS AND ADVANCES</b>		
Security deposits	583	507
Advance income tax [net of provisions]	3,140	5,605
<b>Total</b>	<b>3,723</b>	<b>6,112</b>
<b>Note 14: OTHER NON CURRENT ASSETS</b>		
LIC Fund for Gratuity	175	175
Retention Money	686	238
Margin Money deposits with banks	5,500	6,500
Other Advances	1,530	1,530
<b>Total</b>	<b>7,891</b>	<b>8,443</b>
<b>Note 15: INVENTORY</b>		
Stores and Spares	556	550
Loose Tools	14	13
<b>Total</b>	<b>570</b>	<b>563</b>
<b>Note 16: TRADE RECEIVABLES</b>		
<b>Debts outstanding for a period exceeding six months</b>		
Unsecured, considered good	2,449	2,982
Doubtful	29	117
Provision for doubtful debts	-29	-117
	<b>2,982</b>	<b>2,982</b>
<b>Others</b>		
Unsecured, considered good	14,958	13,834
Doubtful	-	-
	<b>14,958</b>	<b>13,834</b>
<b>Total</b>	<b>17,407</b>	<b>16,816</b>
<b>Note 17: CASH AND CASH EQUIVALENTS</b>		
Balance with banks		
In current accounts	568	628
In margin money deposits	1,544	1,075
Cash on hand	25	61
<b>Total</b>	<b>2,137</b>	<b>1,764</b>

NOTES

	As at March 31, 2016	(in Rs. lakhs) As at March 31, 2015
<b>Note 18: SHORT TERM LOANS AND ADVANCES</b>		
Unsecured, considered good		
Loans and advances		
-to related parties	49,010	27,515
-to others	2,382	2,104
Income tax refund	2,587	-
<b>Total</b>	<b>53,979</b>	<b>29,619</b>
<b>Note 19: REVENUE FROM OPERATIONS</b>		
Revenue from operations - Logistics	59,113	57,811
<b>Total</b>	<b>59,113</b>	<b>57,811</b>
<b>Note 20: OTHER INCOME</b>		
Interest Income (from other than a finance company)	4,667	3,456
Net gain/loss on sale of investments	-	470
Net gain on foreign currency transactions and translation	602	2,173
Rental Income	39	17
Profit on sale of assets	31	-
Liabilities / provisions no longer required written back	1	7
Other non operating income	67	20
<b>Total</b>	<b>5,407</b>	<b>6,143</b>
<b>Note 21: COST OF SERVICES</b>		
Freight	10,208	9,476
Port Charges	104	118
Handling and Transportation	30,449	37,311
Repairs and Maintenance		
Plant & Machinery	1,002	-
Warehousing expenses	6	1
Operation and Maintenance	3,347	1,334
<b>Total</b>	<b>45,116</b>	<b>48,240</b>
<b>Note 22: EMPLOYEE BENEFIT EXPENSES</b>		
Salaries and wages	3,243	2,079
Contribution to Provident Fund	95	76
Contribution to Gratuity and other funds	55	96
Employee welfare expenses	141	79
<b>Total</b>	<b>3,534</b>	<b>2,330</b>
<b>Note 23: FINANCE COSTS</b>		
Interest expense on Borrowings	7,041	6,066
Other borrowing cost	371	376
<b>Total</b>	<b>7,412</b>	<b>6,442</b>

NOTES

	As at March 31, 2016	(in Rs. lakhs) As at March 31, 2015
<b>Note 24: OTHER EXPENSES</b>		
Rent including Lease Rent	124	122
Rates, Taxes, Licenses and Filing Fees	159	67
Insurance	57	29
Power and Fuel	118	73
Repairs and Maintenance		
Plant & Machinery	-	198
Building	6	3
Vehicles	14	17
Others	20	12
Travelling and Coveyance	617	460
Communication Expenses	122	96
ERP Maintenance Expenses	121	118
Membership and Subscription	18	10
Security Charges	196	130
Directors' Sitting Fees	34	16
Payment to Auditors		
Audit	15	15
Tax Audit	4	4
Certification	2	17
Expenses reimbursement	2	3
Provision for bad and doubtful debts	87	87
Bad debts written off	-87	-87
Legal and Professional	653	453
Other expenses	323	255
Rebates, Discount and Commission	3	1
Spend on Corporate Social Responsibility (Refer note 25.10 )	17	11
Commission to Directors (Refer note 25.5 (b))	31	26
<b>Total</b>	<b>2,656</b>	<b>2,136</b>

NOTES

Note 25 NOTES ON ACCOUNTS

1. Claims against the Company not acknowledged as debts Rs. 12,857.52 Lakh (Previous Year: Rs. 2,746.59 Lakh).
2. In accordance with Accounting Standard -29, the following are considered as Contingent liabilities and not provided for:
- a) Sales Tax, Service Tax, Customs, Wealth Tax and Income tax demands together with penalties under appeal amounts to Rs. 3,832.38 Lakh (Previous Year: Rs. 5,409.95 Lakh.)
- b) Guarantees given by the Company for loans taken by other bodies corporate (including subsidiary companies to complete their projects) is Rs. 72,634 Lakh (Previous Year: Rs. 48,571 Lakh). Outstanding loan against such guarantees is Rs 32,907 Lakhs (Previous year: Rs 29,986 Lakhs)
- c) Guarantees given by bankers for Performance of Contracts and Others is Rs. 6,295.09 Lakh (Previous Year: Rs. 3,887.58 lakh)
- d) Guarantees given by bankers for Performance of Contracts and Others on behalf of subsidiaries is Rs 3,036 Lakh (Previous Year: Rs 3,036 Lakhs)
- 3. 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.

**4. 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.

(A) Actuarial Assumptions – Gratuity/ Compensated Absences	(in Rs. lakhs)	
	2015-16	2014-15
Discount Rate	7.90%	7.80%
Salary Escalation	10.00%	10.00%
Attrition Rate		
Up to 30 years	0.34%	
31 to 44 years	0.01%	2.12%
Above 44 years	0.02%	
Expected Rate of Return on Plan Assets	8.50%	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	289.39	205.96
Acquisition Adjustment	12.04	-
Current Service Cost	43.10	25.13
Interest Cost	23.56	18.12
Benefits Paid	(36.09)	(31.27)
Actuarial loss/ (gain) on obligation (Balancing figure)	(17.56)	71.47
Present Value of obligation as at end of the year	314.44	289.41
<b>(C) Table Showing Movement in Fair Value of Plan assets</b>		
Fair Value of plan assets as at beginning of the year	175.16	152.34
Expected return on plan assets	15.36	14.09
Contributions	31.94	40.00
Benefits paid	(36.09)	(31.27)
Actuarial loss/ (gain) on obligation (Balancing figure)	-	-
Fair Value of plan assets as at end of the year	186.37	175.16

NOTES

	(in Rs. lakhs)	
	2015-16	2014-15
<b>(D) Reconciliation of fair value of assets and obligations</b>		
Fair Value of plan assets as at end of the year	186.38	175.16
Present value of obligation as at end of the year	314.46	289.41
Net Assets/ (Liability) recognized in balance sheet	(128.08)	(114.25)
<b>(E) Expenses recognized during current year</b>		
Current Service Cost	43.11	25.13
Interest Cost	23.56	18.12
Expected return on plan assets	(15.36)	(14.09)
Net actuarial (Gain)/Loss recognized in the year	17.56	71.47
Expenses Recognized	33.76	100.63

The details of experience adjustments arising on account of plan liabilities are not available in the valuation report and hence, are not furnished.

5 a) Managerial Remuneration	(in Rs. lakh)	
	2015-16	2014-15
Particulars		
Salaries & Allowances		
Contribution to Provident and Other Funds	-	-
Perquisites	-	-
Terminal benefits (Insurance, Club subscription etc.)	-	-
<b>Total</b>	<u>-</u>	<u>-</u>

5 b) Commission Payable to Directors	(in Rs. lakhs)			
	2015-16		2014-15	
Particulars				
PBT as per P & L before Exceptional Items		3,078		2,556
<b>Add:</b>				
Salary & Allowances to Directors	-		-	
PF Contribution	-		-	
Perks to Directors	-		-	
Directors Sitting Fees	34		16	
Commission to Director	31		26	
Depreciation as per book	2,724		2,250	
Assets W/O	-		-	
		<u>2,789</u>		<u>2,292</u>
<b>Less:</b>				
Depreciation as per Sec 123	2,704		2,229	
Liability no longer required written back	12		-	
Profit on sale of Asset	31		-	
		<u>2,747</u>		<u>2,229</u>
Profit Computed U/s 198 of Companies Act		<u>3,120</u>		<u>2,619</u>
1% of the above		31		26



NOTES

6. Related Party disclosure:

I List of Related Parties

S No	Name of Company	Relationship
1	Holding Company / Group (With whom transactions were carried out during the year)	
A	Coffee Day Enterprises Limited	Ultimate Holding Company
B	Coffee Day Global Limited	Fellow Subsidiary
C	Tanglin Retail Reality Developments Pvt. Ltd	Holding Company
D	Way2wealth Brokers Private Limited	Fellow Subsidiary
E	Giri Vidyuth (India) Limited	Fellow Subsidiary
F	Magnasoft Consulting India Pvt Ltd	Fellow Subsidiary
2	Sical Infra Assets Limited (SIAL)	Indian Subsidiary
3	Sical Iron Ore Terminals Limited	Indian Subsidiary
4	Sical Iron Ore Terminal (Mangalore) Limited	Indian Subsidiary
5	Sical Adams Offshore Limited	Indian Subsidiary
6	Norsea Offshore India Limited	Indian Subsidiary
7	Sical Saumya Mining Limited (SSML)	Indian Subsidiary
8	Sical Multimodal and Rail Transport Limited (SMART)	Step down Indian Subsidiary (Through SIAL)
9	Bergen Offshore Logistics Pte Ltd (Bergen)	Foreign Subsidiary
10	Norsea Global Offshore Private Ltd	Step down Indian Subsidiary (Through Bergen)
11	PSA Sical Terminal Limited	Joint Venture
12	Sical Sattva Rail Terminal Private Limited	Joint Venture (Through SMART)
13	Key Managerial Personnel	
A	Mr R. Ram Mohan	Managing Director (up to May 4, 2015)
B	Mr Kush Desai	Joint Managing Director (wef May 4, 2015)
C	Mr Sumith R Kamath	Chief Financial Officer
D	Mr V Radhakrishnan	Company Secretary

II Related Party transactions

Note: Figures in brackets relate to previous year

Related party transactions (in Rs. lakhs)				
Transactions	Subsidiaries	Joint Venture Companies	Holding Company & Group	Key Managerial Personnel
Rendering of services	2,609 (1,189)	160 (333)	2,510 (1,141)	
Receiving services	460 (465)	-	29 (31)	
Loans and advance given	25,308 (9,749)	-	-	
Loans and advance taken	4,299	-	5,723 (11,275)	
Investment during the year	1	-	-	
Interest and rental received	3,998 (2,138)	-	-	
Interest paid	10	-	-	
Conversion of advances to equity shares	-	-	-	
Managerial Remuneration	250 (400)	-	-	21
	-	-	-	20
Closing Balances				
Other liabilities related parties	-	-	16,998 (11,275)	
Loans and Advances	49,011	-	-	
Debtors	(28,002)	-	1,351 (587)	
Creditors	(5,167)	(32)	1 (26)	
	(13)	-		

NOTES

7. 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, provision from bad and doubtful debts, Disallowance under section 43B of Income Tax Act.	1,306	(452)	854
	Total	1,306	(452)	854

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

S.No	Particulars	Opening	Current year Adjustments / Additions	Closing
1	Depreciation	1,395	(232)	1,163
	Total	1,395	(232)	1,163

8. Details of Foreign Currency Transactions:

a) Expenditure in Foreign Currency

(In Rs. Lakhs)		
Particulars	2015-16	2014-15
Travel	1	-
Repairs and Maintenance	248	121
Ocean Freight & Port Dues	1,519	716
Bank Charges	-	34
Others	8	21
Total	1,776	892

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

Particulars	2015-16	2014-15
Agency Receipts	841	1,053
Others	26	16
Total	867	1,069

9 Unhedged Foreign Currency exposures-

Grouping	Currency	As at 31 Mar 2016		As at 31 Mar 2015	
		Rs in INR (Lakhs)	Foreign currency amount (Lakhs)	Rs in INR (Lakhs)	Foreign currency amount (Lakhs)
Secured loans	USD	10,000	151	10,000	151
Other Long Term Liabilities	EUR	1,705	23	1,533	23
Short term loans & advances	USD	13,695	206	12,711	203
Trade receivables	USD	75	1	47	7
Cash & Cash Equivalents	USD	28	-	27	-

NOTES

10. Corporate Social Responsibility:

As per Section 135 of the Companies Act, 2013, a CSR committee has been formed by the company. As per the CSR policy of the Company, the activities as prescribed under Schedule VII of the Companies Act 2013 were permitted. The Company made a contribution of Rs 17 lakhs towards CSR activity to a trust imparting education.

11. Earnings Per Share:

Particulars	31.03.16	31.03.15
Profit after tax but before Exceptional item and prior period adjustments as per Profit & Loss Account (Rs. In Lakhs)	1,848	2,719
Profit After Prior Period adjustments as per Profit & Loss Account (Rs. In Lakhs)	1,848	2,719
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 Dilut	55,601,694	55,601,694
Earning Per Share - Basic (In Rs.) - Before Exceptional Item and Prior Period Adjustments	3.32	4.89
Earning Per Share - Diluted (In Rs.) - Before Exceptional Item and Prior Period Adjustments	3.32	4.89
Earning Per Share - Basic (In Rs.) - After Exceptional Item and Prior Period Adjustments	3.32	4.89
Earning Per Share - Diluted (In Rs.) - After Exceptional Item and Prior Period Adjustments	3.32	4.89
Face Value Per Share Rs.	10.00	10.00

12. Information on Joint Ventures as per AS-27

(I) List of Joint Ventures as on 31 March 2016

Sl No.	Name	Country of Incorporation	Percentage of Ownership
1.	PSA Sical Terminals Limited	India	37.5%

(ii) Interest in the assets, liabilities, income and expenses with respect to Jointly Controlled Entity for the year ended 31 March 2016.

Particulars	As on 31-03- 2016	As on 31-03- 2015
<b>Equity and Liabilities</b>		
<b>Shareholders' funds :</b>		
Share Capital	563	563
Reserves and Surplus	1,162	1,081
<b>Non-current liabilities</b>		
Long-term provisions	21	21
<b>Current Liabilities</b>		
Trade and Others payables	839	695
Other current liabilities	64	56
Short-term provisions	66	55
<b>Total</b>	<b>2,715</b>	<b>2,471</b>

NOTES

Particulars	As on 31-03- 2016	As on 31-03- 2015
<b>Assets</b>		
Non-current assets		
Fixed Assets		
Tangible assets	280	314
Long term loans and advances	18	16
<b>Current assets</b>		
Inventories	151	196
Trade receivables	64	63
Cash and cash equivalents	1,831	1,642
Short-term loans and advances	149	30
Other current assets	222	210
<b>Total</b>	<b>2,715</b>	<b>2,471</b>

Particulars	As on 31-03- 2016	As on 31-03- 2015
Revenue from operations	5,619	5,393
Other Income	101	115
<b>Total Revenue</b>	<b>5,720</b>	<b>5,508</b>
Employee benefits expense	228	224
Finance Costs	25	25
Depreciation and amortization expense	31	33
Other expenses	5,323	5,222
<b>Total Expenses</b>	<b>5,607</b>	<b>5,504</b>
Profit before tax	113	4
Tax expense		
1. Current Tax	12	(10)
2. Deferred Tax	-	-
<b>Profit / (Loss) after tax</b>	<b>101</b>	<b>14</b>

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

For and on Behalf of <b>M/s. CNGSN &amp; Associates LLP</b> <b>Chartered Accountants</b> FR No. 004915S LLP No. S200036 <b>CN GANGADARAN</b> Partner Membership No . 11205	<b>R Ram Mohan</b> Chairman	<b>Kush Desai</b> Joint Managing Director	<b>H. Rathnakar Hegde</b> Director
Place: Chennai Date: 3rd May 2016	<b>Sumith R Kamath</b> Chief Financial Officer	<b>V Radhakrishnan</b> Company Secretary	Place: Bengaluru Date: 3rd May 2016

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## INDEPENDENT AUDITOR’S REPORT

**To the Members of SICAL LOGISTICS LIMITED**

**Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of SICAL LOGISTICS LIMITED (“the Holding Company”) and its subsidiaries and its jointly controlled entities (collectively referred to as “the Company” or “the Group”), comprising of the consolidated balance sheet as at 31st March 2016, the consolidated statement of profit and loss, the consolidated cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information ( “the consolidated financial statements”).

**Management’s Responsibility for the Consolidated Financial Statements**

The Holding Company’s Board of Directors is responsible for the preparation and presentation of the consolidated financial statements in terms of the requirements of the Companies Act, 2013 (“the Act”) that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015. The respective Board of Directors of the Companies in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

**Auditor’s Responsibility**

Our responsibility is to express an opinion on the consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their audit reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

**Opinion**

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

**Other Matters**

a) We did not audit the financial statements of “Bergen Offshore Logistics Pte Ltd.” and “Sical Iron Ore Terminal (Mangalore) Limited”, subsidiaries, whose financial statements reflect the group’s share of total assets of Rs. 17,618 lakhs as at 31st March, 2016, total revenue is Nil and net cash flows amounting to Rs. (2.96 lakhs) for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

b) We did not audit the financial statements of PSA “Sical Terminals Limited”, jointly controlled entity, whose financial statements reflect the group’s share of total assets of Rs. 2,715.32 lakhs as at 31st March, 2016, total revenues of Rs.5,618.46 lakhs and net cash flows amounting to Rs. 189.05 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this jointly controlled entity and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid jointly controlled entity, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by other auditors.

**Report on Other Legal and Regulatory Requirements**

1. As required by Section 143 (3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

(c) The consolidated balance sheet, the consolidated statement of profit and loss, and the consolidated cash flow statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015.

(e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2016 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its subsidiary companies incorporated in India, none of the Directors of the Group companies incorporated in India is disqualified as on 31 March 2016 from being appointed as a Director of that company in terms of sub-section 2 of Section 164 of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in “Annexure”; and

(g) with respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the companies (Audit and Auditors) Rules 2014 in our opinion and to the best of our information and according to the explanations given to us.

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. Refer Note 27 to the consolidated financial statements;

ii. the Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.

Place: Chennai  
Date: 3rd May 2016

**For CNGSN & Associates LLP**  
**Chartered Accountants**  
FR No. 004915S  
LLP No. S200036

**CN GANGADARAN**  
Partner  
Membership No . 11205

## Annexure to the Independent Auditor’s Report

### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 st March 2016, we have audited the internal financial controls over financial reporting of **SICAL LOGISTICS LIMITED** (“the Holding Company”), its subsidiary companies, and its jointly controlled enterprise which are companies incorporated in India, as of that date.

#### Management’s Responsibility for the Consolidated Financial Statements

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

#### Auditor’s Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note, issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports and the information and explanation provided by the management is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

#### Meaning of Internal Financial Controls Over Financial Reporting

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

#### Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

#### Opinion

In our opinion, based on the test checks conducted by us, the Holding Company, its subsidiary companies, and its jointly controlled enterprise which are companies incorporated in India, have, in all material respects, reasonably adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were prima facie operating effectively as at 31 st March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

#### Other Matter

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to 1 subsidiary company which is a company incorporated in India, is based on the corresponding report of the auditor of such company incorporated in India.

Insofar as it relates to 1 jointly controlled company, which is a company incorporated in India, we did not audit the internal financial controls and our opinion , in so far as it relates to the jointly controlled enterprise, is solely based on the information and explanation provided to us by the management.

Our opinion on the consolidated internal financial controls, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors and the information and explanations provided by the management.

Place: Chennai  
Date: 3rd May, 2016

**For CNGSN & Associates LLP**  
**Chartered Accountants**  
FR No. 0049155  
LLP No. S200036

**CN GANGADARAN**  
Partner  
Membership No . 11205



CONSOLIDATED BALANCE SHEET AS AT  
31ST MARCH 2016

	Note	As at 31 March 2016	(in Rs. lakhs) As at 31 March 2015
<b>I EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	2	5,562	5,562
(b) Reserves and surplus	3	40,108	38,680
<b>Sub-total (1)</b>		<u>45,670</u>	<u>44,242</u>
<b>2 Minority interest</b>		18,368	18,348
<b>3 Non-current liabilities</b>			
(a) Long-term borrowings	4	76,152	62,096
(b) Deferred tax liabilities (net)	5	707	840
(c) Other Long term liabilities	6	19,860	14,565
(d) Long-term provisions	7	448	363
<b>Sub-total (3)</b>		<u>97,167</u>	<u>77,864</u>
<b>4 Current liabilities</b>			
(a) Short-term borrowings	8	12,704	14,023
(b) Trade payables	9	9,046	8,765
(c) Other current liabilities	10	15,108	10,773
(d) Short-term provisions	11	345	267
<b>Sub-total (4)</b>		<u>37,203</u>	<u>33,828</u>
<b>Total (1)+(2)+(3)+(4)</b>		<u>198,408</u>	<u>174,282</u>
<b>II ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	12	56,773	52,606
(ii) Intangible assets	12	4,030	4,311
(iii) Capital work in progress		77,792	69,105
		<u>138,595</u>	<u>126,022</u>
(b) Non-current investments	13	5	5
(c) Long-term loans and advances	14	8,351	9,795
(d) Other non current assets	15	8,086	8,454
		<u>16,442</u>	<u>18,254</u>
<b>Sub-total (1)</b>		<u>155,037</u>	<u>144,276</u>
<b>2 Current assets</b>			
(a) Inventory	16	1,476	1,512
(b) Trade receivables	17	24,566	16,521
(c) Cash and bank balance	18	5,343	4,122
(d) Short-term loans and advances	19	5,423	3,107
(e) Other current assets	20	6,563	4,744
<b>Sub-total (2)</b>		<u>43,371</u>	<u>30,006</u>
<b>Total (1)+(2)</b>		<u>198,408</u>	<u>174,282</u>

The notes referred to above form an integral part of the financial statements  
As per our report of even date attached  
For and on Behalf of

**M/s. CNGSN & Associates LLP**  
**Chartered Accountants**  
FR No. 0049155  
LLP No . S200036  
**CN GANGADARAN**  
Partner  
Membership No . 11205

**R Ram Mohan**  
Chairman

**Kush Desai**  
Joint Managing Director

**H. Rathnakar Hegde**  
Director

**Sumith R Kamath**  
Chief Financial Officer

**V Radhakrishnan**  
Company Secretary

Place: Chennai  
Date: 3rd May 2016

Place: Bengaluru  
Date: 3rd May 2016

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

	Note	For the year ended 31 March 2016	(in Rs. lakhs) For the year ended 31 March 2015
<b>Income</b>			
Revenue from operations	21	83,523	82,726
Other income	22	1,549	4,080
		<u>85,072</u>	<u>86,806</u>
<b>Expenses:</b>			
Cost of services	23	63,750	67,203
Employee benefit	24	4,459	3,248
Finance costs	25	5,612	5,711
Depreciation and amortisation	12	4,815	4,569
Other expenses	26	4,534	3,882
		<u>83,170</u>	<u>84,613</u>
<b>Profit before exceptional items, prior period items and tax</b>		1,902	2,193
Exceptional items		-	-
<b>Profit before prior period items and tax</b>		1,902	2,193
Prior period items		(20)	(16)
<b>Profit after prior period items</b>		1,882	2,177
Tax expense:			
- current tax / minimum alternate tax		838	716
- deferred tax charge / (credit)		(133)	283
- MAT credit		(246)	(801)
<b>Profit / (loss) for the year before profit / (loss) of share of minority</b>		1,423	1,979
Minority interest share in (profits) / losses		(20)	(347)
<b>Net profit / (loss) for the year attributable to equity shareholders</b>		<u>1,403</u>	<u>1,632</u>
<b>Earnings / (Loss) per share (equity shares, par value of Rs 10 each)</b>			
- Basic		2.52	2.94
- Diluted		2.52	2.94

The notes referred to above form an integral part of the financial statements  
As per our report of even date attached

For and on Behalf of  
**M/s. CNGSN & Associates LLP**  
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FR No. 0049155  
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**CN GANGADARAN**  
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**H. Rathnakar Hegde**  
Director

**Sumith R Kamath**  
Chief Financial Officer

**V Radhakrishnan**  
Company Secretary

Place: Chennai  
Date: 3rd May 2016

Place: Bengaluru  
Date: 3rd May 2016

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

(in Rs lakh)

Particulars	For Year ended 31 March, 2016	For Year ended 31 March, 2015
<b>I Cash flow from Operating Activities</b>		
<b>Net profit before taxation, and extraordinary item</b>	<b>1,902</b>	<b>2,193</b>
Adjustments for :		
Depreciation	4,815	4,569
(Profit) / Loss on sale of Fixed assets (net)	(6)	(0)
(Profit) / Loss on sale of Investment (net)	-	(334)
Interest paid	5,612	5,711
Dividend Received	-	(1)
Prior period items	(20)	(16)
Other income / Interest received	(820)	(1,519)
Effect of exchange differences on translation of assets and liabilities	(604)	(2,183)
<b>Operating profit before working capital changes</b>	<b><u>10,879</u></b>	<b><u>8,420</u></b>
Adjustments for increase/decrease in:		
Trade receivables	(7,873)	52
Loans and advances and other receivables	(2,631)	(525)
Inventories	36	100
Trade Payables	1,055	1,724
Other liabilities and provisions	2,145	(2,347)
<b>Cash generated from operations</b>	<b>3,611</b>	<b>7,424</b>
Taxes paid	(1,053)	86
<b>Net cash from operating activities</b>	<b><u>2,558</u></b>	<b><u>7,510</u></b>
<b>II Cash flows from investing activities</b>		
Purchase of Fixed Assets (Including Capital Work in Progress)	(17,974)	(15,792)
Proceeds from Sale of Investments (net)	-	458
Proceeds from Sale of Fixed Assets	340	134
Interest Income	820	1,519
Loans and advances and other receivables	1,010	1
<b>Net cash from investing activities</b>	<b><u>(15,804)</u></b>	<b><u>(13,680)</u></b>
<b>III Cash flows from financing activities</b>		
Proceeds from Long term Borrowings	15,675	(2,480)
Repayment of Short term Borrowings	(1,319)	3,768
Proceeds from Holding Company	5,723	11,223
Interest Paid	(5,612)	(5,711)
<b>Net cash used in financing activities</b>	<b><u>14,467</u></b>	<b><u>6,800</u></b>
<b>Net increase in cash and cash equivalents</b>	<b>1,221</b>	<b>630</b>
Cash and cash equivalents at beginning of period	4,122	3,492
Cash and cash equivalents at end of period (see Note 18)	5,343	4,122

For and on Behalf of  
**M/s. CNGSN & Associates LLP**  
**Chartered Accountants**  
FR No. 0049155  
LLP No. S200036  
**CN GANGADARAN**  
Partner  
Membership No . 11205

**R Ram Mohan**  
Chairman

**Kush Desai**  
Joint Managing Director

**H. Rathnakar Hegde**  
Director

**Sumith R Kamath**  
Chief Financial Officer

**V Radhakrishnan**  
Company Secretary

Place: Chennai  
Date: 3rd May 2016

Place: Bengaluru  
Date: 3rd May 2016

AUDITORS' CERTIFICATE

We have examined the above Cash Flow Statement of Sical Logistics Limited for the year ended 31 March 2016. The Statement has been prepared by the Company in accordance with the requirements of the Regulation 34 [2][c] of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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 LLP**  
**Chartered Accountants**  
FR No. 0049155  
LLP No . S200036

**CN GANGADARAN**  
Partner  
Membership No . 11205

Place: Chennai  
Date: 3rd May 2016

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2016

Note1  
1 SIGNIFICANT ACCOUNTING POLICIES

**I. Basis of preparation of financial statements:**  
These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

**ii Use of estimates:**  
The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the consolidated financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the consolidated financial statements.

**iii. Basis of preparation of financial statements:**  
The financial statements are prepared in accordance with the principles and procedures required for the preparation and presentation of consolidated financial statements as laid down under the Accounting Standard (AS) 21, "Consolidated Financial Statements". The consolidated financial statements comprise the financial statements of the company, its subsidiaries as disclosed in Note 33(I), combined on a line-by-line basis by adding together book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances and transactions and resulting unrealised gain/loss. Minority interests have been excluded. Minority interests represent that part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the company.

**iv. 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.

**v. 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.

**vi. Depreciation:**  
Depreciation has been provided on the methods given hereunder as per the rates prescribed in Schedule II to the Companies Act, 2013 except for Rakes and containers in Sical Multimodal and Rail Transport Limited - Rail division. The Company retains 5% salvage value as prescribed as an option in Companies Act, 2013

For Rakes and containers, the management estimates a useful life of 21 years. For these class of assets, based on internal assessment and technical evaluation carried out by experts, the management believes that the useful lives as given above best represent the period over which management expects to use these assets. Hence the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

The useful life and rate of depreciation followed are as follows-

	FY 2015-16		
Asset Class	Asset Class	Method	Useful Life (Years)
Buildings	1.58%/3.17%	SLM	60/30
Buildings	4.87%/9.50%	WDV	60/30
Furniture & Fixtures	9.50%	SLM	10
Furniture & Fixtures	25.89%	WDV	10
Leased Machinery	25.00%	SLM	4
Office Equipments	45.07%	WDV	5
Office Equipments	19.00%	SLM	5
EDP Equipments	31.67%/15.83%	SLM	3/6
EDP Equipments	63.16%/39.30%	WDV	3/6
Plant & Machinery	6.33%	SLM	15
Plant & Machinery	18.10%	WDV	15
Port Handling Equipment	18.10%	WDV	15
BOT Equipments	5.00%	SLM	20
Trucks	15.83%	SLM	6
Vehicles	31.23%	WDV	8
Rakes and Containers	4.75%	SLM	21
Rail License Fees	5.00%	SLM	20
Dredger	6.79%	SLM	14

**a) Method of Depreciation:**  
i) Port handling equipments at Ennore Port and Chennai Port are written off over the period of BOT Scheme/ Berth Reservation Scheme on Straight-line method;  
ii) Assets of Transportation & Warehousing divisions which are depreciated at straight-line method;  
iii) Assets of other divisions are depreciated at written down value method.

b) Depreciation on certain premises are provided on composite cost where it is not possible to segregate the land cost.

**vii Investments (Long Term)**  
Investments in shares are stated at cost, net of permanent diminution in value wherever necessary.

**viii Inventories:**  
a) Stores and Spares used for running of trucks and other machineries valued at lower of cost and net realizable value .  
b) Loose tools are valued after writing off certain percentage of cost.

**ix 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.

**x. Revenue Recognition:**  
Revenue is recognized on accrual method on rendering of services.

**xi 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.

Any exchange gain or loss arising out of restatement of "Long Term Foreign Currency Monetary Item" is transferred to foreign currency translation reserve account and amortized to P&L over the term of loan as per AS-11(R) issued by the Central Government vide their notification no G.S.R 225(E) Dt. 31st March 2009.

The Foreign Currency Monetary Item shall be classified as "Short Term Foreign Currency Monetary Item" when it is expected to be realized within twelve months after the reporting date. On such reclassification of long term foreign currency monetary item into short term foreign currency monetary item, the relevant balance in foreign currency translation reserve account is recognised in profit and loss account.

xii. 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.

xiii. 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.

xiv. 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.

xv. 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.

xvi. 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.

xvii. Deferred Taxes:

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

		(Rs. In lakhs)
Note 2(a): SHARE CAPITAL	As at 31 March 2016	As at 31 March 2015
Authorised		
60,000,000 (previous year: 60,000,000) Equity shares of Rs 10 each	6,000	6,000
150,000,000 (previous year: 150,000,000) preference shares of Rs 10 each	15,000	15,000
	<u>21,000</u>	<u>21,000</u>
Issued, subscribed and fully paid up		
Issued		
55,642,032 (Previous year: 55,642,032) Equity shares of Rs 10 each	5,564	5,564
Subscribed		
55,637,792 (Previous year: 55,637,792) Equity shares of Rs 10 each	5,564	5,564
Paid up		
55,601,694 (Previous year: 55,601,694) Equity shares of Rs 10 each	5,560	5,560
Add: Forfeited Shares	2	2
Total	<u>5,562</u>	<u>5,562</u>

Of the above

- (i) 9320003 Equity shares of Rs 10 each were allotted as fully paid up as per the earlier Scheme of Amalgamation
- (ii) 9860910 Equity Shares of Rs 10 each were allotted as fully paid up to the shareholders of 34513195, 1% Preference Shares on 1/4/1997 in terms of Special resolution passed by the shareholders on 9/12/1996
- (iii) 4761908 Equity Shares or Rs 10 each were allotted as fully paid up by way of bonus shares by capitalisation f shares premium

(b)Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting year is as given below:

Particulars	As at 31 March 2016		As at 31 March 2015	
	No. of shares	Amount (Rs)	No. of shares	Amount (Rs)
Equity shares:				
Number of equity shares at the beginning of the year	55,601,694	5,560	55,601,694	5,560
Add: Equity shares issued during the year				
Number of equity shares outstanding at the end of the year	55,601,694	5,560	55,601,694	5,560

(c) Particulars of share holders holding more than 5% shares of a class of shares:

Name of the share holder	As at 31 March 2016		As at 31 March 2015	
	No. of shares	% holding	No. of shares	% holding
Equity shares of Rs. 10 each:				
Tanglin Retail Reality Developments Pvt. Ltd	29,372,268	52.83%	29,372,268	52.83%
Ranford Investments Ltd.	4,525,649	8.14%	4,525,649	8.14%
Damolly Investments Ltd.	3,323,934	5.98%	3,323,934	5.98%

(d) The Company has not bought back shares or issued any bonus shares or shares for consideration other than cash during the period of 5 years immediately preceding the balance sheet date viz. 31st March 2016

(e) 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 2016					
Tanglin Retail Reality Developments Private Limited, the holding company	2,93,72,268	Nil	Nil	Nil	Nil
As at 31 March 2015					
Tanglin Retail Reality Developments Private Limited, the holding company	2,93,72,268	Nil	Nil	Nil	Nil

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

Class of Shares/Name of shareholder	As at March 31, 2016		As at March 31, 2015	
	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	45,25,649	8.14%	45,25,649	8.14%
Damolly Investments Limited	33,23,934	5.98%	33,23,934	5.98%

(g) Details of forfeited shares

Class of Shares	As at March 31, 2016		As at March 31, 2015	
	Number of shares	Amount originally paid up( Rs)	Number of shares	Amount originally paid up(Rs)
Equity shares with voting rights	36,098	1,80,490	36,098	1,80,490



(h) No shares are reserved for issue under options and contracts/ commitments for the sale of shares/ disinvestment. During the period of 5 years immediately preceding the Balance Sheet date viz 31 Mar 2016, no shares were allotted for consideration pursuant to contracts without receiving cash, or issue of any bonus shares and has not bought back any shares

(i) There are no shares for which calls remain unpaid.

(j) The Company has only one class of share viz Equity shares which are fully paid-up. All equity shares rank pari passu with respect to payment of dividend and the repayment of capital.

**Note 3: RESERVES AND SURPLUS**

	(Rs. In lakhs)	
	As at 31 March 2016	As at 31 March 2015
<b>Securities premium</b>		
At the commencement of the year	13,004	13,004
Add: premium received on issue of shares	-	-
	<u>13,004</u>	<u>13,004</u>
<b>Capital reserve</b>		
At the commencement of the year	2,412	2,412
Add: Additions during the year	-	-
	<u>2,412</u>	<u>2,412</u>
<b>Debenture redemption reserve</b>		
At the commencement of the year	1,000	500
Add: Additions during the year	500	500
	<u>1,500</u>	<u>1,000</u>
<b>Foreign currency translation reserve</b>		
At the commencement of the year	-	1,354
Add: Additions during the year	-	290
Less: Utilisation during the year	-	(1,644)
	<u>-</u>	<u>-</u>
<b>General reserve</b>		
At the commencement of the year	3,627	3,627
Add: Additions during the year	-	-
	<u>3,627</u>	<u>3,627</u>
<b>Foreign currency monetary item translation difference account</b>		
At the commencement of the year	247	243
Add: Additions during the year	25	4
	<u>272</u>	<u>247</u>
<b>Surplus in statement of profit and loss</b>		
At the commencement of the year	18,390	17,134
Adjustment in goodwill	-	124
Add: profit/(loss) for the year	1,403	1,632
Appropriations:		
Transferred to Debenture redemption reserve	(500)	(500)
	<u>19,293</u>	<u>18,390</u>
<b>Total</b>	<u>40,108</u>	<u>38,680</u>

**NOTES**

**Note 4: LONG-TERM BORROWINGS**

	(Rs. In lakhs)	
	As at 31 March 2016	As at 31 March 2015
Secured:		
- 1,000 (Previous year: 1000) non convertible debentures of Rs 1,000,000 each	10,000	10,000
- from banks	58,867	45,797
- from other parties	7,285	6,299
<b>Total</b>	<u>76,152</u>	<u>62,096</u>

**a) Term loans from banks/ financial institutions:**

S.No.	Name of Bank	Rate of Interest as on 31-Mar-16	As at 31 March 2016	Current Maturities as at 31 March 2016	As at 31 March 2015	Current Maturities as at 31 March 2015
1	ING Vysya NCD (now Kotak Mahindra Bank Ltd)	12.75%	10,000	-	10,000	-
2	Canara Bank	12.70%	3,750	1,250	5,000	1,250
3	Indusind Term Loan	11.85%	1,430	266	1,666	236
4	Bank of Baroda	12.40%	7,500	750	7,500	-
5	YES Bank Limited	14.50%	13,000	650	-	-
6	Karur Vysya Bank	11.90%	750	750	1,750	1,000
7	IDBI	12.50%	5,209	900	6,087	878
8	ING Vysya (now Kotak Mahindra Bank Ltd)	12.65%	166	166	833	667
9	SREI Equipment Finance Ltd	10.80%	1,083	211	5	5
10	Sundaram Finance Ltd	11.19%	1,206	266	991	142
11	Tata Finance Ltd	11.23%	822	208	474	96
12	Daimler Financial Services India Private Ltd	10.72%	3,651	796	1,736	328
13	Cholamandalam Investment & Finance Co Ltd	11.04%	116	22	-	-
14	South Indian Bank	12.80%	5,000	-	-	-
15	YES Bank Limited	10.75%	487	95	-	-
16	Axis Bank	9.77%	299	46	-	-
17	UCO Bank		-	-	4,289	1,128
18	UBI		-	-	1,927	500
19	IDBI		-	-	909	248
20	UCO Bank		-	-	836	256
21	IFCI Limited	14.30%	10,000	375	-	-
22	Bank of Baroda	11.40%	7,144	619	294	204
23	Sundaram Finance Ltd	10.75%	459	3	3	3
24	UBI		-	-	5,994	647
25	UCO Bank		-	-	4,955	535
26	IIFCI		-	-	4,749	513
27	YES Bank	12.75%	5,347	545	4,746	512
28	YES Bank	10.95%	5,500	1,253	6,500	-
29	Ratnakar Bank Limited	12.50%	4,000	1,596	-	-
Less: Current Maturities			(10,767)		(9,148)	
<b>Total</b>			<u>76,152</u>	<u>10,767</u>	<u>62,096</u>	<u>9,148</u>

**b) Details of Security**

**1 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 Norsesea Offshore India Ltd and assets procured out of funds received through ING Vysya Bank( now Kotak Mahindra Bank Ltd.) term loan of Rs.20 Crores. The NCDs are listed in NSE. The purpose of issue of NCDs were for taking up 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 instalments i.e. 50% in September 2017 and balance 50% in September 2018.



NOTES

Note 4: LONG-TERM BORROWINGS

2 Canara Bank

The company has taken a secured term loan of Rs. 40 Crores during FY 2013-14 and Rs 10 Crores in FY 2014-15 against security of pari pasu second charge over current assets and movable fixed assets of the company with a moratorium period of 12 months along with Bank of Baroda who has the first charge over the assets. Loan is repayable in 16 equal quarterly instalments.

3 IndusInd Bank

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

4 Bank of Baroda

The company has taken term Loan of Rs 75 Crores during the FY 2014-15 against security of certain Immovable properties (Land) for carrying CAPEX and other expenditure for work orders awarded from Neyveli Lignite Corporation Limited and Mahanadi Coal fields Limited, with a moratorium period of 9 months. Loan is repayable in step up 16 quarterly instalments

5 YES Bank Limited

The company has taken a term loan of Rs. 130 Crores during the FY 2015-16 to meet its capital expenditure requirements against security of fixed and current assets, with a moratorium period of 6 months. Loan is repayable in 18 Quarterly instalments.

6 The Karur Vysya Bank

The company has taken a term loan of Rs. 20 Crores during the 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 instalments.

7 IDBI Bank Ltd

The company has taken a term loan of Rs. 72 Crores during the 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. Loan is repayable in 94 equal monthly instalments.

8 ING Vysya Bank ( now Kotak Mahindra Bank Limited)

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 instalments.

9 SREI Equipment Finance Ltd

The loan is secured by a charge on the purchased assets - Pay loaders, Excavators, Compactor and Motor Grader

10 Sundaram Finance Ltd

The loan is secured by a charge on the purchased assets - Trucks, pay loaders and tippers

11 Tata Finance Ltd

The loan is secured by a charge on the purchased assets - Trucks, pay loaders and tippers

12 Daimler Finance Ltd

The loan is secured by a charge on the purchased assets - Trucks, pay loaders and tippers

13 Cholamandalam Investment & Finance Co Ltd

The loan is secured by a charge on the purchased assets - Trucks and tankers

NOTES

Note 4: LONG-TERM BORROWINGS

14 South Indian Bank

The company has taken a term loan of Rs. 50 Crores during the FY 2015-16 to meet its capital expenditure requirements against security of immovable Fixed assets located at Tamilnadu to be funded out of the loan amount, with a moratorium period of 12 months. Loan is repayable in 12 equal Quarterly instalments.

15 YES Bank Limited

The loan is secured by a charge on the purchased assets - Dozers

16 Axis Bank Limited

The loan is secured by a charge on the purchased assets - Diesel Tankers and Excavators

17-19 UCO Bank/ IDBI Bank/ United Bank of India - Consortium Term Loan

The loan has been preclosed during the year (SMART)

20 UCO Bank

This loan has been preclosed during the current year.

21 IFCI Limited

Term loans are secured by exclusive charge on land measuring 20 acres situated at Minjur, Chennai created by way of registered mortgage and exclusive charge over 7 rakes in the name of the company and Plant & Machinery of the company and 2nd charge on the security charged to working capital lenders.

22 Bank of Baroda

Term Loans are secured by Equitable mortgage of Land and Building situated at CFS Minjur comprising of 35.50 Acres of land and charge on assets created out of Term Loan.

23 Sundaram Finance Ltd

Equipment Finance loan are secured by the vehicles procured

24-27 UBI/ UCO/ Yes Bank/ IIFCI (SIOTL)

The loan is taken for Sical Iron Ore Terminal Project and it is secured by first ranking charge over all the movable properties and assets both present and future except current assets; all intangible assets including goodwill and uncalled capital of the Company; First ranking charge of all operating cash flows and receivables from the Project or otherwise; Mortgage of 32 cents of long-term leased land situated at Kilmampattu village, Panruti Taluk, Cuddalore District, Tamil Nadu. Repayment is based on the terms and conditions in the agreement, repayable over a period of 11 years starting from June 2012. The loan with UBI, UCO and IIFCI have been preclosed during the current year.

28 YES Bank

The Loan from Bank is secured by subservient charge over the dredger. Total tenor of 84 Months with Moratorium period of 36 Months from the date of 1st disbursement dated 20th July 2012 followed by equal repayment in 16 quarters. However, the Company has made pre-payments.

29 Ratnakar Bank Limited (Sical Saumya Mining Limited)

The loan from bank is secured by exclusive charge on current assets of the Company, unconditional and irrevocable corporate guarantee of Sical Logistics Limited. The loan is repayable over 32 months including a moratorium period of 2 months.

NOTES

	(Rs. In lakhs)	
	As at	As at
	31 March 2016	31 March 2015
<b>Note 5: DEFERRED TAX LIABILITIES (Net)</b>		
<b>Deferred tax asset</b>		
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purpose on payment basis	(30)	(11)
Impact of provision for doubtful debts recognized in books but disallowed for tax purpose	(70)	(70)
Effect of tax losses	(5,076)	(4,986)
	(5,176)	(5,067)
<b>Deferred tax liability</b>		
Excess of depreciation allowable under the income tax laws over depreciation provided for in the books	5,883	5,907
	5,883	5,907
<b>Total</b>	<b>707</b>	<b>840</b>

Note 6: OTHER LONG-TERM LIABILITIES

Payables on purchase of fixed assets*	1,705	1,533
Other liabilities	1,157	1,757
Others		
- Dues to Holding Company - Unsecured dues payable to		
-Tanglin Retail Reality Private Ltd	16,998	5,724
-Giri Vidhyuth (India) Limited	-	5,551
<b>Total</b>	<b>19,860</b>	<b>14,565</b>

\* The Company has issued Letter of Credit to supplier against the outstanding amount

Note 7: LONG-TERM PROVISIONS

<b>Provision for employee benefits</b>		
Gratuity (refer note 29)	426	310
Others	22	53
<b>Total</b>	<b>448</b>	<b>363</b>

NOTES

	(Rs. In lakhs)	
	As at	As at
	31 March 2016	31 March 2015
<b>Note 8: SHORT-TERM BORROWINGS</b>		
Secured:		
Short-term loans from bank	12,704	14,023
<b>Total</b>	<b>12,704</b>	<b>14,023</b>
<b>Short-term secured loans from banks</b>		
<b>Bank Name</b>	<b>Rate of Interest as on 31-Mar-16</b>	
UCO Bank	-	793
IDBI	-	124
Bank of Baroda	11.40%	960
Bank of Baroda	11.40%	12,146
<b>Total</b>	<b>12,704</b>	<b>14,023</b>

Note 9: TRADE PAYABLES

- Dues to micro and small enterprises (Refer note 31)	-	-
- Dues to other creditor	9,046	8,220
- Bills payable*	-	545
<b>Total</b>	<b>9,046</b>	<b>8,765</b>
The Company has issued Letter of credit against the payable balance		

Note 10: OTHER CURRENT LIABILITIES

Current maturities of long term debt		
Interest accrued but not due on borrowings	10,767	9,148
Interest accrued and due	635	110
Deposit from customers	-	222
Other payables	150	179
- statutory dues payable		
- creditors for capital goods	69	(61)
- creditors for expenses	29	31
	3,458	1,144
<b>Total</b>	<b>15,108</b>	<b>10,773</b>

Note 11: SHORT-TERM PROVISIONS

<b>Provision for employee benefits</b>		
Compensated absences	192	159
Other provisions	47	42
Provision for taxes	106	66
<b>Total</b>	<b>345</b>	<b>267</b>

Note 12: FIXED ASSETS 2015-16

(Rs. In lakhs)

Description	Gross block			Accumulated depreciation				Net block	
	As at 1 April 2015	Additions during the year	Deletions during the year	As at 31 March 2016	Charge for the Year	Adjustment during the year	Deletions during the year	As at 31 March 2016	As at 31 March 2015
<b>Tangible Assets</b>									
Land	10,221	36	-	10,257	-	-	-	10,257	10,221
Buildings	10,971	578	-	11,550	244	-	-	9,500	9,166
Plant and Machinery	22,859	4,894	90	27,663	1,010	-	19	18,439	14,627
Office Equipments	1,471	89	-	1,561	62	-	-	278	250
Furniture & Fixtures	647	13	-	660	19	-	-	135	142
Ship	12,922	752	-	13,674	860	-	-	9,699	9,807
Trucks	6,631	-	1,379	5,252	621	-	1,102	2,933	3,831
Vehicles	1,730	2,654	20	4,365	268	-	22	2,845	456
Port Handling Equipment	12,066	30	-	12,096	1,449	-	-	2,687	4,106
<b>Total (A)</b>	<b>79,518</b>	<b>9,046</b>	<b>1,489</b>	<b>87,078</b>	<b>4,533</b>	<b>-</b>	<b>1,143</b>	<b>56,773</b>	<b>52,606</b>
<b>Intangible assets</b>									
Licence Fees	5,362	-	-	5,362	250	-	-	2,983	3,233
Computer Software	166	-	-	166	31	-	-	14	45
Goodwill on Investment in Subsidiary	432	-	-	432	-	-	-	432	432
Dredger Dry Docks	529	-	-	529	-	-	-	-	-
Lease hold Rights	601	-	-	601	-	-	-	601	601
<b>Total (B)</b>	<b>7,090</b>	<b>-</b>	<b>-</b>	<b>7,090</b>	<b>281</b>	<b>-</b>	<b>-</b>	<b>4,030</b>	<b>4,311</b>
<b>Total (A + B)</b>	<b>86,608</b>	<b>9,046</b>	<b>1,489</b>	<b>94,168</b>	<b>4,814</b>	<b>-</b>	<b>1,143</b>	<b>60,803</b>	<b>56,917</b>
<b>Previous year</b>	<b>80,056</b>	<b>8,170</b>	<b>1,613</b>	<b>86,608</b>	<b>4,569</b>	<b>(791)</b>	<b>695</b>	<b>56,917</b>	

Note 12: FIXED ASSETS Previous Year 2014-15

(Rs. In lakhs)

Description	Gross block				Accumulated depreciation				Net block	
	As at 1 April 2014	Additions during the year	Adjustment during the year	Deletions during the year	As at 31 March 2015	Charge for the Year	Adjustment during the year	Deletions during the year	As at 31 March 2015	As at 31 March 2014
<b>Tangible Assets</b>										
Land	9,777	444	-	-	10,221	-	-	-	10,221	9,777
Buildings	10,733	238	-	-	10,971	1,603	202	-	9,166	9,130
Leasehold Improvements	241	-	-	241	-	172	69	241	-	70
Plant And Machinery	20,355	2,747	-	243	22,859	6,772	1,655	195	8,232	13,582
Office Equipments	1,415	77	-	21	1,471	1,090	149	18	1,221	326
Furniture And Fixtures	652	4	-	9	647	484	29	8	505	168
Ship	12,421	651	-	150	12,922	2,228	887	-	3,115	10,193
Trucks	3,006	3,884	-	259	6,631	2,718	304	222	2,800	287
Vehicles	1,705	53	-	28	1,730	1,108	177	11	1,274	597
Port Handling Equipments	11,994	72	-	-	12,066	7,215	745	-	7,960	4,779
<b>Total (A)</b>	<b>72,299</b>	<b>8,170</b>	<b>-</b>	<b>951</b>	<b>79,518</b>	<b>23,390</b>	<b>4,217</b>	<b>695</b>	<b>26,912</b>	<b>48,909</b>
<b>Intangible assets</b>										
Licence Fees	5,362	-	-	-	5,362	1,879	250	-	2,129	3,483
Computer Software	166	-	-	-	166	72	49	-	121	94
Goodwill on Investment in Subsidiary	1,099	-	-	667	432	791	-	-	-	308
Dredger Dry Docks	529	-	-	-	529	476	53	-	529	53
Lease hold Rights	601	-	-	-	601	-	-	-	-	601
<b>Total (B)</b>	<b>7,757</b>	<b>-</b>	<b>-</b>	<b>667</b>	<b>7,090</b>	<b>3,218</b>	<b>352</b>	<b>(791)</b>	<b>2,779</b>	<b>4,539</b>
<b>Total (A + B)</b>	<b>80,056</b>	<b>8,170</b>	<b>-</b>	<b>1,618</b>	<b>86,608</b>	<b>26,608</b>	<b>4,569</b>	<b>(791)</b>	<b>29,691</b>	<b>53,448</b>
<b>Previous year</b>	<b>76,917</b>	<b>4,753</b>	<b>-</b>	<b>1,614</b>	<b>80,059</b>	<b>22,798</b>	<b>4,043</b>	<b>791</b>	<b>26,609</b>	<b>54,119</b>

NOTES

	(Rs. In lakhs)	
	As at 31 March 2016	As at 31 March 2015
<b>13 NON-CURRENT INVESTMENTS</b>		
<b>A. Trade investments</b>		
<b>Investments in equity instruments (Quoted)</b>		
Sicagen India Limited shares - 50,000 shares (PY - 50,000 shares) of Rs 10/- each fully paid up	5	5
Market Value of Quoted Equity Instruments (Rs 8 Lakhs as at 31st March 2016 & Rs 6 Lakhs as at 31st March 2015)		
<b>Total</b>	<u>5</u>	<u>5</u>
<b>14 LONG-TERM LOANS AND ADVANCES</b>		
<b>Unsecured, considered good</b>		
Capital advances	631	390
Security deposits	1,033	845
Balances with government authorities	1,681	1,426
Advance Tax net of provision for Tax	4,454	6,580
Prepaid Expenses	-	2
Other loans and advances	552	552
<b>Total</b>	<u>8,351</u>	<u>9,795</u>
<b>15 OTHER NON CURRENT ASSETS</b>		
<b>Unsecured, considered good</b>		
Fund in LIC for Gratuity	245	176
Retention money	686	238
Others	1,655	1,530
Security Deposits - Margin money with banks	5,500	6,510
<b>Total</b>	<u>8,086</u>	<u>8,454</u>
<b>16 INVENTORIES</b>		
Stores and spares	1,459	1,498
Loose tools	17	14
<b>Total</b>	<u>1,476</u>	<u>1,512</u>

NOTES

	(Rs. In lakhs)	
	As at 31 March 2016	As at 31 March 2015
<b>17 TRADE RECEIVABLES</b>		
Unsecured, considered good		
Debts due for a period exceeding six months		
- considered good	3,866	4,279
- considered doubtful	242	329
Less: Provision for doubtful receivable	<u>(242)</u>	<u>(329)</u>
	3,866	4,279
Other debts		
- considered good	20,700	12,242
<b>Total</b>	<u>24,566</u>	<u>16,521</u>
<b>18 CASH AND BANK BALANCES</b>		
Cash on hand	33	70
Balances with banks		
- in current accounts	1,142	1,048
- in margin money accounts	2,384	1,871
- in fixed deposits	1,784	1,133
<b>Total</b>	<u>5,343</u>	<u>4,122</u>
<b>19 SHORT-TERM LOANS AND ADVANCES</b>		
Unsecured, considered good		
Advance to Suppliers	2,836	2,928
Income tax refund	2,587	-
Prepaid expenses	-	178
<b>Total</b>	<u>5,423</u>	<u>3,107</u>
<b>20 OTHER CURRENT ASSETS</b>		
Deposits	1,014	810
Insurance Claim Receivable	-	139
Interest Accrued on Deposits	258	235
Prepaid Expenses	5,183	3,520
Balance with government authorities	108	-
Reimbursable Expenses	-	40
<b>Total</b>	<u>6,563</u>	<u>4,744</u>

## NOTES

		(Rs. In lakhs)
	For the period ended 31 March 2016	For the year ended 31 March 2015
<b>21 REVENUE FROM OPERATIONS</b>		
Logistic services (Gross)	91,262	89,592
Less: Service Tax	7,739	6,866
<b>Total</b>	<b>83,523</b>	<b>82,726</b>
<b>22 OTHER INCOME</b>		
Interest income	820	1,519
Dividend income	-	1
Gain on sale of investments	-	334
Balances written back	1	7
Rental Income	25	16
Profit on sale of assets	31	-
Net Gain/ Loss on Foreign Currency Transactions	604	2,183
Miscellaneous income	68	20
<b>Total</b>	<b>1,549</b>	<b>4,080</b>
<b>23 COST OF SERVICES</b>		
Freight	15,595	15,998
Handling and transportation	41,148	46,446
Warehousing expenses	6	1
Operation and maintenance	5,576	3,107
Other cost of services	1,425	1,651
<b>Total</b>	<b>63,750</b>	<b>67,203</b>
<b>24 EMPLOYEE BENEFITS</b>		
Salaries, wages and bonus	4,043	2,871
Contribution to provident and other funds	204	226
Staff welfare	212	151
<b>Total</b>	<b>4,459</b>	<b>3,248</b>
<b>25 FINANCE COSTS</b>		
Interest expense	5,046	4,424
Other borrowing costs	566	1,287
<b>Total</b>	<b>5,612</b>	<b>5,711</b>

## NOTES

		(Rs. In lakhs)
	For the period ended 31 March 2016	For the year ended 31 March 2015
<b>26 OTHER EXPENSES</b>		
Rent	171	203
Rates and Taxes	169	73
Communication Expenses	164	140
Insurance	139	113
Power and fuel	497	495
Repairs and Maintenance		
Plant & Machinery	138	349
Building	27	20
Vehicles	24	22
Others	417	372
Travelling and conveyance	856	562
Directors' sitting fees	34	16
Audit fees	50	59
Selling expenses	34	21
Loss on sale of assets	25	-
Legal and Professional Charges	746	562
Corporate Social Responsibility Spend (Refer Note 34)	50	41
Commission to Directors	31	26
Security Charges	317	235
Other Expenses	532	454
ERP Maintenance	113	119
<b>Total</b>	<b>4,534</b>	<b>3,882</b>
<b>27 Commitments and contingent liabilities</b>		
<b>Particulars</b>	<b>As at 31 March 2016</b>	<b>As at 31 March 2015</b>
<b>(I) Contingent liabilities</b>		
Claims against the Company, not acknowledged as debt	17,375	3,591
Claims against the Company in respect of dues under statutes	4,608	5,963
Bank guarantees	12,314	8,207
Guarantees given for loans taken by other bodies corporate	885	827
<b>(II) Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	990	1,797



NOTES

28 Earnings per share (EPS)

The following table sets forth the computation of basic and diluted earnings per share: *(Figures in rupees in lakhs except number of shares)*

Particulars	For the period ended 31 March 2016	For the year ended 31 March 2015
Profit / (Loss) after taxation as per statement of profit and loss	1,403	1,632
Less: Dividends on preference shares and tax thereon	-	-
Net profit attributable to equity shareholders for calculation of basic EPS	1,403	1,632
Add: Dividend on non-cumulative compulsorily convertible preference shares	-	-
Net profit adjusted for the effects of dilutive potential equity shares for calculation of diluted EPS	1,403	1,632

Particulars	As at 31 March 2016	As at 31 March 2015
Number of equity shares at the beginning of the year	55,601,694	55,601,694
Add: Weighted average number of equity shares issued during the year	-	-
Number of weighted average equity shares considered for calculation of basic earnings per share	55,601,694	55,601,694
Add: Dilutive effect of convertible preference shares	-	-
Number of weighted average shares considered for calculation of diluted earnings per share	55,601,694	55,601,694

Earnings / (loss) per share:	As at 31 March 2016 Rs.	As at 31 March 2015 Rs.
Basic	2.52	2.94
Diluted	2.52	2.94

29 Gratuity Plan

The following table sets out the status of the unfunded gratuity plan as required under revised AS 15 'Employee benefits'.

Reconciliation of the projected benefit obligations	(Rs. In lakhs)	
Particulars	As at 31 March 2016	As at 31 March 2015
Change in projected benefit obligation		
Obligations at the beginning of the year	418	307
Service cost	59	33
Interest cost	31	24
Benefits settled	(41)	(40)
Actuarial (gain)/loss	(4)	94
Obligations at year end	463	418

NOTES

Change in plan assets

Particulars	As at 31 March 2016	As at 31 March 2015
Plans assets at the beginning of the year, at fair value	263	223
Expected return on plan assets	21	18
Contributions	40	57
Benefits settled	(41)	(35)
Plans assets at year end, at fair value	283	263

Reconciliation of present value of the obligation and the fair value of the plan assets:

Particulars	As at 31 March 2016	As at 31 March 2015
Closing obligations	(463)	(418)
Closing fair value of plan assets	283	263
Asset / (liability) recognised in the balance sheet	(180)	(155)

Gratuity cost for the year

Particulars	For the period ended 31 March 2016	For the year ended 31 March 2015
Service cost	59	33
Interest cost	31	24
Expected return on plan assets	21	(18)
Actuarial loss/(gain)	(4)	93
Net gratuity cost	107	132

Assumptions

Particulars	For the period ended 31 March 2016	For the year ended 31 March 2015
Discount rate	8.00%	8.00%
Estimated rate of return on plan assets	8.25%	9.25%
Salary increase	10.00%	5.00%
Attrition rate		
- 21-44 years	0.35%	1.12%
- 45-60 years	0.02%	2.94%

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

NOTES

Information of plan assets, defined benefit obligation and experience adjustments:

Particulars	As at and for the year ended					(Rs. In lakhs)
	31 March 2012	31 March 2013	31 March 2014	31 March 2015	31 March 2016	
Present value of the defined benefit obligations	227	257	273	388	419	
Fair value of plan assets	160	132	201	242	263	
Surplus/ (Deficit)	(67)	(125)	(72)	(146)	(156)	
Experience adjustment on plan assets	2	1	1	-	-	
Experience adjustment on plan liabilities	19	(1)	(17)	(10)	(19)	

30 Related parties disclosures

(I) The details of subsidiaries, joint ventures and associate companies consolidated in these financial statements are:

Name of Company	Relationship	Country of Incorporation	% Holding
Sical Infra Assets Limited (SIAL)	Indian Subsidiary	India	53.60%
Sical Iron Ore Terminals Limited	Indian Subsidiary	India	63.00%
Sical Iron Ore Terminals (Mangalore) Limited	Indian Subsidiary	India	100.00%
Sical Adams Offshore Limited	Indian Subsidiary	India	100.00%
Norsea Offshore India Limited	Indian Subsidiary	India	100.00%
Sical Saumya Mining Limited	Indian Subsidiary	India	65.00%
Sical Multimodal and Rail Transport Limited (SMART)	Step down Indian Subsidiary (Through SIAL)	India	53.60%
Bergen Offshore Logistics Pte Ltd	Foreign Subsidiary	Singapore	100.00%
Norsea Global Offshore Private Limited	Step down Foreign Subsidiary (Through Bergen)	Singapore	100.00%
PSA Sical Terminal Limited	Joint Venture	India	37.50%
Sical Sattva Rail Terminal Private Limited	Joint Venture (Through SMART)	India	50.00%

(ii) Details of Key Managerial Personnel:

Name of Personnel	Designation
Mr Ram Mohan	Managing Director (up to May 4, 2015)
Mr Kush Desai	Joint Managing Director (wef May 4, 2015)
Mr Sumith R Kamath	Chief Financial Officer
Mr V Radhakrishnan	Company Secretary

NOTES

(iii) Other related parties with whom transactions have taken place during the year

Name of Company	Relationship	Nature of Transaction	For the year ended 31st March 2016	For the year ended 31st March 2015
Coffee Day Enterprises Limited	Ultimate Holding Company	Other expenses-Travelling and conveyance	-	1
Coffee Day Global Limited	Fellow Subsidiary	Revenue from operations	2,510	1,141
Coffee Day Global Limited	Fellow Subsidiary	Other expenses	15	15
Magnasoft Consulting India Pvt Ltd	Fellow Subsidiary	Other expenses	43	-
PSA Sical Terminals Ltd	Joint Venture	Revenue from operations	160	333
Sical Sattva Rail Terminal Pvt Ltd	Joint Venture (Through SMART)	Cost of Services - Handling & Transportation	228	346
Way2wealth Brokers Private Limited	Fellow Subsidiary	Other expenses- Rent	14	14

(iv) Amount outstanding as at the balance sheet date

Particulars	As at 31 March 2016	As at 31 March 2015
<b>Trade receivables</b>		
Coffee Day Global Limited	1,351	587
PSA Sical Terminals Ltd	-	32
<b>Trade payables</b>		
Sical Sattva Rail Terminal Private Limited	280	219
Magnasoft Consulting India Pvt Ltd	43	-
<b>Loan payables</b>		
Tanglin Retail Realty Developments Pvt.Ltd	16,998	5,724
Giri Vidhyuth (India) Limited	-	5,551

**31** The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' ('the Act'). The Group has no dues to Micro and Small Enterprises as at 31 March 2016 and 31 March 2015 in the financial statements based on information received and available with the Company.

32 Leases

Cancellable operating lease

The Company has taken on lease office premises under cancelable operating lease agreements. The company intends to renew such leases in the normal course of business

Particulars	For the period ended 31 March 2016	(Rs. In lakhs) For the year ended 31 March 2015
Rent	171	203

NOTES

33. Particulars of un-hedged foreign currency exposure as at the balance sheet date

(Rs. In lakhs)

Particulars	As at 31 Mar 2016		As at 31 Mar 2015	
	INR	Foreign currency amount	INR	Foreign currency amount
Secured loans (USD)	10,000	151	10,000	151
Other Long Term Liabilities (EUR)	1,705	23	1,533	23
Short term loans and advances (USD)	(185)	(3)	(149)	(2)
Trade Receivables (USD)	75	1	47	7
Cash in bank (USD)	28	0	27	0
Net Assets of Foreign Subsidiary (USD)	56	1	77	1

34. Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a CSR committee has been formed by the company. The areas for CSR activity is promoting education. The funds were utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

35. Joint ventures

The company holds no interest in a jointly-controlled asset or operation. However, it holds interests in jointly controlled entities as follows:

Name of the company	Shareholding	Incorporated in
PSA Sical Terminals Limited	37.50%	India
Sical Sattva Rail Terminal Private Limited	50.00%	India

Particulars	(Rs. In lakhs)	
	As at 31 March 2016	As at 31 March 2015
<b>Assets</b>		
Non-current assets	531	638
Current assets	2,535	2,261
<b>Liabilities</b>		
Non current liabilities	46	56
Current liabilities	1,141	909
Income	5,827	5,800
Expenses	5,814	5,798

NOTES

36. Corresponding figures for the previous year presented have been regrouped, where necessary, to conform to the current year's classification.

For and on Behalf of <b>M/s. CNGSN &amp; Associates LLP</b> <b>Chartered Accountants</b> FR No. 004915S LLP No. S200036 <b>CN GANGADARAN</b> Partner Membership No . 11205	<b>R Ram Mohan</b> Chairman	<b>Kush Desai</b> Joint Managing Director	<b>H. Rathnakar Hegde</b> Director
Place: Chennai Date: 3rd May 2016	<b>Sumith R Kamath</b> Chief Financial Officer	<b>V Radhakrishnan</b> Company Secretary	Place: Bengaluru Date: 3rd May 2016

NOTES

Form AOC-I

Statement containing salient features of the financial statement of the subsidiaries. Associate companies/ joint ventures  
Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of the Companies (Accounts) Rules, 2014

PART- A-Subsidiaries

Sl No. Name of Subsidiary	1 Bergen Offshore Logistics Pte Ltd, Singapore	2 Sical Iron Ore Terminals Limited	3 Sical Multimodal and Rail Transport Limited	4 Sical Infra Assets Limited	5 Sical Iron Ore Terminal (Mangalore) Limited	6 Norsea Offshore India Limited	7 Sical Adams Offshore Limited	8 Sical Saumya Mining Limited
Reported period (Year Ended)	31-Mar-16	31-Mar-16	31-Mar-16	31-Mar-16	31-Mar-16	31-Mar-16	31-Mar-16	31-Mar-16
Reporting Currency	USD	INR	INR	INR	INR	INR	INR	INR
Exchange Rate	1 USD = Rs 66.3329	1	1	1	1	1	1	1
Share Capital (Rs Lakhs)	4,668	13,000	7,269	5,330	3,650	5	5	1
Reserves (Rs Lakhs)	(4,612)	-	6,997	20,292	-	(4,201)	-	47
Total Assets (Rs Lakhs)	13,809	65,270	52,603	26,173	3,810	12,363	6	10,359
Total Liabilities (Rs Lakhs)	13,753	52,270	38,337	551	160	16,559	1	10,311
Investments (Rs Lakhs)	-	-	345	9,013	-	-	-	-
Turnover (Rs Lakhs)	-	-	17,792	19	-	409	-	2,945
Profit/ (Loss) for the year (Rs Lakhs)								
(i) Considered in Consolidation	(46)	-	118	(10)	-	(494)	-	47
(ii) Not considered in Consolidation	-	-	-	-	-	-	-	-

PART - B - Joint Ventures

- 1

Name of Joint Ventures which are yet to commence operations

Nil
- 2

Name of Joint Ventures which have been liquidated or sold during the year

Nil

1	Name of Joint Ventures	PSA Sical Terminals Limited
2	Latest audited balance sheet date	31-Dec-14
3	Shares of JVs held by the company in the year end	
	Number of shares	5,625,030
	Extent of Holding %	37.50%
	Amount of Investment in JV (Rs Lakhs)	654
4	Description of how there is significant influence	Shareholding
5	Networth attributable to shareholding as per latest audited balance sheet (Rs Lakhs)	1,687

For and on Behalf of  
**M/s. CNGSN & Associates LLP**  
**Chartered Accountants**  
FR No. 004915S  
LLP No. S200036  
**CN GANGADARAN**  
Partner  
Membership No . 11205

**R Ram Mohan**  
Chairman

**Kush Desai**  
Joint Managing Director

**H. Rathnakar Hegde**  
Director

**Sumith R Kamath**  
Chief Financial Officer

**V Radhakrishnan**  
Company Secretary

Place: Chennai  
Date: 3rd May 2016

Place: Bengaluru  
Date: 3rd May 2016

NOTES

Additional requirement in Consolidated Financials as required by Schedule III Para (2) of General Instructions for the preparation of Consolidated financial statements

Name of the entity	Net Assets ie Total assets minus total liabilities		Share of profit or loss	
	as a % of consolidated net assets	Amount (Rs in Lakhs)	as a % of consolidated profit or loss	Amount (Rs in Lakhs)
1	2	3	4	5
Subsidiaries				
Indian				
Sical Iron Ore Terminals Limited	7%	4,710	0%	-
Sical Multimodal & Rail Transport Ltd	16%	10,370	8%	118
Sical Infra Assets Limited	23%	14,440	-1%	(10)
Sical Iron Ore Terminal (Mangalore) Ltd	0%	-	0%	-
Norsea Offshore India Limited	-7%	(4,201)	-35%	(494)
Sical Adams Offshore Limited	0%	-	0%	-
Sical Saumya Mining Limited	0%	47	3%	47
Foreign				
Bergen Offshore Logistics Pte Ltd, Singapore	-7%	(4,612)	-3%	(46)

For and on Behalf of  
**M/s. CNGSN & Associates LLP**  
**Chartered Accountants**  
FR No. 004915S  
LLP No. S200036  
**CN GANGADARAN**  
Partner  
Membership No . 11205

**R Ram Mohan**  
Chairman

**Kush Desai**  
Joint Managing Director

**H. Rathnakar Hegde**  
Director

**Sumith R Kamath**  
Chief Financial Officer

**V Radhakrishnan**  
Company Secretary

Place: Chennai  
Date: 3rd May 2016

Place: Bengaluru  
Date: 3rd May 2016

SICAL LOGISTICS LIMITED  
CIN L51909TN1955PLC002431

Registered Office : "South India House", 73, Armenian Street, Chennai :: 600 001  
Phone : 044-66157071 / Fax : 044-66157017  
Website : www.sical.in :: e-mail ID : secl@sical.com

NOTICE

To

All Shareholders

NOTICE is hereby given that the Sixty First Annual General Meeting of the shareholders of SICAL LOGISTICS LTD will be held on Thursday, the 28th July, 2016 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, 2016 and the Balance Sheet as at that date.
2. To appoint a Director in the place of Mr. R. Ram Mohan [DIN : 02506342] who retires by rotation and being eligible offers himself for re-election.
3. To consider and if thought fit, to pass with or without modification[s], the following resolution as an Ordinary Resolution

Appointment of Statutory Auditors

RESOLVED THAT consent of the Company be and is hereby accorded to re-appoint M/s. CNGSN and Associates LLP, Chartered Accountants [Firm Registration No.:0049155] [LLP No.S200036] 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 the Auditors.

Place: Chennai  
Date: 03rd May, 2016

By order of the Board,  
V. Radhakrishnan  
Company Secretary

Registered Office:  
"South India House"  
73, Armenian Street  
Chennai :: 600 001  
CIN : L51909TN1955PLC002431  
Website : www.sical.in  
e-mail ID: secl@sical.com

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**1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and on a poll to vote instead of himself and the proxy need not be a member of the company. The instrument appointing the proxy shall be deposited at the principal 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. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, the 22nd July, 2016 to Thursday, the 28th July, 2016 [both days inclusive].

3. 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.

**4. 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.**

5. 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.

6. 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.

7. 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. Nomination in Form SH-13 in duplicate as provided under Sec 72 of the Companies Act, 2013 may please be sent by the shareholders holding shares in physical form in case if it is not sent earlier.

8. 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.

9. 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.

10. Electronic copy of the Notice of the 61 st Annual General Meeting of the Company inter alia indicating the process and manner of remote e-voting along with Attendance Slip and Proxy Form is 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 Notice inter-alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent through the permitted mode.

11. Notice for the AGM and Annual Report for the financial year ended 31 st March, 2016 will be available on the Company's website [www.sical.com](http://www.sical.com) for download.

12. The Company's equity shares are listed with the BSE Limtied and National Stock Exchange of India Limited [NSE] and the listing fee for the year 2016-17 has been paid in time.

13. The facility for voting through ballot paper will be made available at the AGM venue and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

14. A member may participate in the meeting even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the meeting.

15. The remote e-voting period shall commence on Monday, the 25th July, 2016 [9.00 a.m. Indian Standard Time] and end on Wednesday, the 27th July, 2016 [5.00 p.m. Indian Standard Time]. During this period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date 21st July, 2016 may cast their votes by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholders, the shareholder shall not be allowed to change it subsequently.

16. Voting through electronic means  
In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies [Management and Administration] Rules, 2014 as amended by the Companies [Management and Administration] Rules, 2015 and Regulation 44 of the SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 61 st Annual General Meeting [AGM] by electronic means and the business may be transacted through e-voting services The facility of casting votes by the members using an electronic voting system from a place other than the venue of the annual general meeting ["remote e-voting"] will be provided by the Central Depository Services [India] Limited [CDSL].

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

(i) The voting period begins on Monday, the 25th July, 2016 at 9.00 a.m. and ends on Wednesday, the 27th July, 2016 at 5.00 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 (record date) of 21st July, 2016 may cast their vote electronically. The e- voting module shall be disabled by CDSL for voting thereafter.

(ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).

(iii) Click on Shareholders.

(iv) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number

(v) Next enter the Image Verification as displayed and Click on Login.

(vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

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

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"><li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li><li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li></ul>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"><li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li></ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for SICAL LOGISTICS LIMITED on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xix) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

17. [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 48 hours from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company along with any votes cast at the venue of the meeting..
- [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 the prescribed period and also will be forwarded to the Stock Exchanges where the shares are listed viz. BSE and NSE and to CDSL through whom the e-voting facility was availed.

18. Information pursuant to Regulation 26 of SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015 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.

Mr. R. Ram Mohan, is a chartered Accountant by profession and held senior Management positions at Deloitte, Madura Coats, Hindustan Motors and Caterpillar India. Currently he holds the position of CFO at the holding company Coffee Day Enterprises Limited. He took over as Managing Director of Sical Logistics Ltd., effective September 26, 2011 and was elevated to the position of Chairman of Sical effective 04 th May, 2015. He has over 30 years of industrial experience in Commercial, Manufacturing and Business operations segments. His core strength includes Finance, Project Management and Business Development.

Name of the Companies	Nature of interest or concern
WILDERNESS RESORTS PRIVATE LIMITED	Director
KARNATAKA WILDLIFE RESORTS PRIVATE LIMITED	Director
COFFEE DAY BARE FOOT RESORTS PRIVATE LIMITED	Director
SICAL SAUMYA MINING LIMITED	Director
Committee Chairmanship / Membership	NIL
Shareholding in the Company	NIL

Place: Chennai  
Date: 03rd May, 2016

By order of the Board,  
**V. Radhakrishnan**  
Company Secretary

**Registered Office:**  
"South India House"  
73, Armenian Street  
Chennai :: 600 001  
CIN : L51909TN1955PLC002431  
Website : [www.sical.in](http://www.sical.in)  
e-mail ID: [secl@sical.com](mailto:secl@sical.com)

SICAL LOGISTICS LIMITED

CIN L51909TN1955PLC002431

Registered Office : "South India House", 73, Armenian Street, Chennai :: 600 001  
Phone : 044-66157071 / Fax : 044-66157017  
Website : www.sical.in :: 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 61 st Annual General Meeting of the Company, at Rajah Annamalai Hall, Esplanade, Chennai on Thursday, the 28 th July, 2016 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 :: 600 001  
Phone : 044-66157071 / Fax : 044-66157017  
Website : www.sical.in :: 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 61 st Annual General Meeting of the Company to be held on Thursday, the 28 th July, 2016 at 10.00 a.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 Mr. R. Ram Mohan		
3. Appointment of Statutory Auditors		

Signed on this \_\_\_\_\_ day of \_\_\_\_\_ 2016  
Signature of shareholder  
Signature of Proxy holder[s]

Affix  
Re 1.00  
revenue  
stamp

***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.***



# Integrated Multimodal Logistics

By Courier / Registered Post

**Integrated Logistics**

**Mining**

**Port Operations**

**Container Terminals**

**Container Trains**

**Trucking and Warehousing**

**ICD/CFS**

**Retail Supply Chain Solution**

**SICAL**  
A COFFEE DAY COMPANY

## **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

73, Armenian Street, Chennai - 600001

Tel: +91 44 66157071 / 72, FAX: +91 44 25224202



[www.sical.in](http://www.sical.in)